

FILED  
AUG 26 2008

CLERK OF SUPREME COURT  
STATE OF WASHINGTON

80480-0

Supreme Court No. ~~80584-9~~

SUPREME COURT OF THE STATE OF WASHINGTON

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BLAKELEY COMMONS CONDOMINIUM ASSOCIATION, LLC

Respondent,

v.

BLAKELEY COMMONS LLC

Petitioner

---

BRIEF OF RESPONDENT

Motion to Supplement  
the Record

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Todd K. Skoglund, WSBA #30403  
Casey & Skoglund, PLLC  
114 W. McGraw St  
Seattle, Washington 98109  
(206) 284-8165

Joseph A. Grube, WSBA #26476  
Ricci Grube Aita, PLLC  
Attorneys for Respondent  
1200 Fifth Avenue, Suite 625  
Seattle, Washington 98101  
(206) 770-7606

**I. IDENTITY OF MOVANT**

Respondent Blakely Commons Condominium Association ("Blakely") hereby moves this Court for an Order permitting it to supplement the record on review pursuant to RAP 9:10.

**II. REFERENCE TO THE RECORD**

Blakely seeks to supplement the record with the following documents which have been recently filed in the trial court:

- A. 97 Motion to Set Trial Date/Plaintiff
- B. 103 Declaration of Kim Fuchs
- C. 104 Declaration of Jessica Haselby
- D. 105 Declaration of Theresa Verretto
- E. 106 Declaration of Sandi Kaplan
- F. 113 Declaration of Todd Skoglund
- G. 116 Reply to Motion to Set Trial Date
- H. 119 Order Denying Motion to Set Trial Date

### III. PROCEDURAL BACKGROUND RELEVANT TO THIS MOTION

This matter involves claims by one Washington Corporation pursuing claims against another corporation for statutory claims made under the Washington Condominium Act and Consumer Protection Act.

The Blakely Commons Condominium Association, LLC is a Washington non-profit corporation composed of owners of 104 condominium units, common elements, and limited common elements located in Seattle, Washington. Blakeley Village LLC was the developer for the Blakeley Commons Condominiums (the "project").

On April 28, 2005, Respondent served the Petitioner with a letter authored by Respondent's attorney in addition to the two comprehensive expert reports identifying construction defects at the project. Neither of these reports identified a defective product but rather only identified workmanship and/or design problems.

On January 30, 2006 the Association filed a lawsuit against the Petitioner for breach of implied warranties, breach of express

warranties, breach of contract, breach of the Washington Condominium Act, violation of the Washington Consumer Protection law, breach of fiduciary duty, and misrepresentation.

Shortly thereafter, the Petitioner moved for arbitration and to stay all proceedings pending resolution of the Satomi matter, arguing the issues were identical.

On or about July 17, 2006, defendant Blakeley Village LLC filed a Motion to Stay Trial Court Proceedings and Compel Arbitration. The basis for its motion was the Warranty Addendum attached to the Purchase and Sale Agreements and the representation made by Lis Soldano the project manager for Intra-Corp that "it was Blakeley Village, LLC's standard practice to require signed warranty Addendums as a prerequisite to completing the sales transaction for each of the units at the project. The transaction for the sale of each unit would not have been completed without a signed Warranty Addendum." CP 14

Although the Association vigorously opposed the Motion to Stay, the trial Court granted Defendant's requested stay and the Association was prevented from conducting any further formal discovery. (Ultimately, following the Court of Appeals' decision in *Satomi*, the trial court refused to order arbitration).

Although the Association was prevented from performing

any formal discovery it did start investigating Ms. Soldano's claim that every owner at the project signed a Warranty Addendum.

In 2008 it was discovered Ms. Soldano's assertion that every owner signed a Warranty Addendum was completely inaccurate and that several owners had never signed the Warranty Addendum containing arbitration language. In fact, six homeowners had never signed or even seen the alleged Warranty Addendum.<sup>1</sup> As a result, the Association filed a motion with the trial court to lift the stay against the 6 owners who did not sign the Warranty Addendum under RAP 7.2 (1).<sup>2</sup> The trial court denied the Association's motion because it would cause "confusion by effectively creating sub-groups of plaintiffs."<sup>3</sup>

Although the Association has already argued and briefed the fact that there is no evidence in the record that every homeowner signed the Warranty Addendum, the Association now seeks to supplement the record with the recently discovered evidence.

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<sup>1</sup> Appendix at B, C, D & E and exhibits B & C attached to the Declaration of Todd Skoglund

<sup>2</sup> Appendix at A & G

<sup>3</sup> Appendix at H

#### IV. ARGUMENT

A. **The Court should allow the Association to supplement the record so that any decision about the applicability of the arbitration clauses at issue will be made in the context of less than all homeowners agreeing to arbitration.**

Under RAP 9.9 and 9.10 a party is allowed to supplement the record by filing a motion with the Court and demonstrate in made a good faith effort in the first instance to provide all the relevant record to the appellate Court. In the present instance there is no doubt the Association attempted to do so.

Before the Association could draft a litigation and discovery plan the Defendants moved to compel arbitration and then for a stay. The stay effectively halted discovery and the Association was forced to retrieve documentation from over a 100 individual homeowners and informal discovery agreed to by the parties. Defendants produced over 100 binders of documentation.

The documentation the Association is attempting to provide the Court goes to the heart of the Defendant's arguments. Without demonstrating that every owner signed the Warranty Addendum the Defendants cannot force those individuals or the Association to arbitrate.

**IV. CONCLUSION**

For all the reasons stated above the Court should grant the Association's Motion to Supplement the Record. No further briefing is anticipated.

Respectfully submitted this day of August 26<sup>th</sup>, 2008.

/s/

---

Todd Skoglund, WSBA #30403  
Casey & Skoglund, PLLC  
Attorneys for Respondent

/s/

---

Joseph A. Grube, WSBA #26476  
RICCI GRUBE AITA & BRENEMAN, PLLC  
Attorneys for Respondent

Supreme Court No. 80584-9

SUPREME COURT OF THE STATE OF WASHINGTON

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BLAKELEY COMMONS CONDOMINIUM ASSOCIATION, LLC

Respondent,

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APPENDIX TO BRIEF OF RESPONDENT

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Todd K. Skoglund, WSBA #30403  
Casey & Skoglund, PLLC  
114 W. McGraw St  
Seattle, Washington 98109  
(206) 284-8165

Joseph A. Grube, WSBA #26476  
Ricci Grube Aita, PLLC  
Attorneys for Respondent  
1200 Fifth Avenue, Suite 625  
Seattle, Washington 98101  
(206) 770-7606

## APPENDIX

<u>Sub #</u>	<u>Title of document</u>
97	Motion to Set Trial Date/Plaintiff
103	Declaration of Kim Fuchs
104	Declaration of Jessica Haselby
105	Declaration of Theresa Verretto
106	Declaration of Sandi Kaplan
113	Declaration of Todd Skoglund
116	Reply to Motion to Set Trial Date
119	Order Denying Motion to Set Trial Date

Respectfully submitted this day of August 26<sup>th</sup>, 2008.

/s/

---

Todd Skoglund, WSBA #30403  
Casey & Skoglund, PLLC  
Attorneys for Respondent

/s/

---

Joseph A. Grube, WSBA #26476  
RICCI GRUBE AITA & BRENEMAN, PLLC  
Attorneys for Respondent

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JUL 18 2008

SALMI & GILLASPY, PLLC

SUPERIOR COURT OF WASHINGTON FOR KING COUNTY

BLAKELEY COMMONS CONDOMINIUM  
ASSOCIATION, a Washington non-profit  
corporation,

Plaintiff,

vs.

BLAKELEY VILLAGE LLC, a Washington  
Corporation; INTRACORP REAL ESTATE,  
LLC, a Washington Corporation; JOHN  
AND JANE DOES 1 through 20, individuals;  
CONTRACTOR DOES 21 through  
35, entities conducting business in  
Washington;

Defendants.

NO. 06-2-03941-6SEA

PLAINTIFF'S MOTION TO  
SET TRIAL DATE

COMES NOW Plaintiff Blakeley Commons Condominium Association (hereinafter  
"The Association") by and through its attorneys, Casey & Skoglund, PLLC, and requests the  
Court set a trial date in this matter. This case is now more than two years old. The Association  
and its members have a right to a jury trial.

I. FACTS

On or about July 7, 2006, Blakeley Village, LLC filed a Motion to Stay trial court  
proceedings and to compel arbitration. The Court stayed this matter pending the outcome of

PLAINTIFF'S MOTION TO  
SET TRIAL DATE - 1

 COPY

CASEY & SKOGLUND PLLC  
114 West McGraw Street  
Seattle, Washington 98119  
Phone (206) 284-8165

1 the *Satomi Owners Association v. Satomi*, 159 P.3d 460 (Div. I 2007) matter, a Division One  
2 Court of Appeals case the Defendants argued was directly on point.

3 On June 11, 2007, the Court of Appeals ruled on the *Satomi* matter, deciding  
4 Defendants did *not* have a right to force the Association or its members into arbitration. In  
5 response to this ruling, the Association moved to lift the stay and set a new trial date. The  
6 Court lifted the stay and ordered the parties to agree on a new trial date. The parties are unable  
7 to agree upon a new trial to date. Defendants incorrectly believe the matter is still stayed  
8 pending a ruling from the Supreme Court, which accepted the *Satomi* defendant's application  
9 for certification.  
10

## 11 II. EVIDENCE RELIED UPON

12 The Declaration of Theresa Verretto, Declaration of Jessica Haselby, Declaration of  
13 Kim Fuchs, Declaration of Sandy Kaplan, Declaration of Jeff Babcock, Declaration of Harvey  
14 Dean, Declaration of Bill Cassels, Declaration of Brooke Gerton, Declaration of Gallagher,  
15 Declaration of Linda Haller, Declaration of Mercy Laurino, Declaration of Cally Lervick,  
16 Declaration of Sabrina Tatta, Declaration of Mark Jobe and exhibits attached thereto and  
including the court records and files referenced herein.

## 17 III. AUTHORITY

### 18 1. No legal authority exists to support Defendants' continued insistence the Owners 19 Association must surrender its right to a jury trial.

20 The Association is able to confirm via interviews with individual owners and a review  
21 of their documentation that several of them did not sign the Warranty Addendum (a/k/a  
22 "Addendum") the Defendants have relied upon to prevent this matter from proceeding after  
23 more than two years<sup>1</sup>. Without the Warranty Addendum, Defendants are forced to agree no  
24

25 <sup>1</sup> See Declaration of Theresa Verretto, Declaration of Jessica Haselby, Declaration of Kim Fuchs, Declaration of  
Sandy Kaplan, and Declaration of Jeff Babcock

PLAINTIFF'S MOTION TO  
SET TRIAL DATE 2/2/08

CASEY & SKOGLUND P.L.L.C.  
114 West McGraw Street  
Seattle, Washington 98119  
Phone (206) 284-8165

1 factual or legal authority exists to continue to force the entire community to relinquish their  
2 rights to a jury trial.

3 Pursuant to the Washington Condominium Act and the Defendant drafted CC&R's  
4 (a/k/a Condominium Declaration), the Association is authorized to "Institute, defend, or  
5 intervene in litigation or administrative proceedings in its own name on behalf of itself or *two*  
6 *or more* unit owners on matters affecting the condominium." (RCW 64.34.304(d)). As the  
7 Association is authorized to pursue this matter on behalf of each of the homeowners, the  
8 Defendants refusal to cooperate on identifying a new trial date, and based upon Defendants'  
9 inability to provide factual or legal support for its proposition the homeowners must pursue  
10 this matter in a venue unilaterally chosen by Defendants, the Court is permitted to and should,  
11 on its own, set a trial date for this two year old case.  
12

13 **2. The Defendants are contractually obligated to litigate the breach of contract**  
14 **claims not contained within the Warranty Addendum.**

15 The Purchase and Sale Agreements and attached Addendum signed by the Defendants  
16 and several members of the Association contained numerous promises<sup>2</sup>. One of the express  
17 promises contained within the Addendum was that the garage would be 6'6" high<sup>3</sup>. In fact,  
18 the garage is only 6'4"<sup>4</sup>. Also contained within the Addendum is an express promise that the  
19 member would be provided the right to a jury trial. This Addendum contains separate and  
20 distinct obligations and the Court should enforce them and set a trial date.  
21  
22

23  
24 <sup>2</sup> See Declaration of Harvey Dean, Declaration of Bill Cassels, Declaration of Brooke Gerton, Declaration of  
25 Gallagher, Declaration of Linda Haller, Declaration of Mercy Laurino Levrick, and Declaration of Sabrina Tatta

<sup>3</sup> See Declaration of William Cassels and Harvey Dean

<sup>4</sup> See Declaration of Mark Jobe

1 3. The Court should reject any argument this matter is stayed pending a ruling by  
2 the Supreme Court.

3 Defendants in this case have suggested this Court stay the Associations claims until  
4 the Supreme Court rules on the arbitration issue before it. This is nonsensical.

5 As discussed above, many of the owners did not sign a Warranty Addendum, and  
6 therefore there is no factual or legal argument they have to arbitrate their claims. There is  
7 absolutely no reason to force the members to wait another two to three years for the Supreme  
8 Court to rule and then litigate the claims. The Court should rebuke any argument the  
9 Association and its members should be forced to delay any longer.

10 This matter has been ongoing for over two years and the Association and members are  
11 due their day in Court.

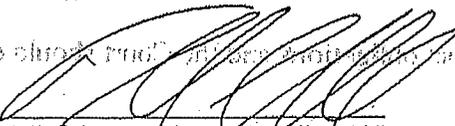
12 **IV. CONCLUSION**

13 For the foregoing reasons, the Association respectfully requests that the Court  
14 schedule this matter for trial in April or May 2009.

15 A Proposed Order is attached.

16 DATED this 7 day of July 2007,

17  
18 **CASEY & SKOGLUND PLLC**

19  
20 By:   
21 Todd K. Skoglund, WSBA #30403  
22 Adil A. Siddiki, WSBA #37492  
23 Attorneys for Plaintiff

24  
25  
PLAINTIFF'S MOTION TO  
SET TRIAL DATE

CASEY & SKOGLUND PLLC  
114 West McGraw Street  
Seattle, Washington 98119  
Phone (206) 284-8165

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SALMI & GILLASPY, PLLC

SUPERIOR COURT OF WASHINGTON FOR KING COUNTY

BLAKELEY COMMONS CONDOMINIUM ASSOCIATION, a Washington non-profit corporation,

Plaintiff,

vs.

BLAKELEY VILLAGE LLC, a Washington Corporation; INTRACORP REAL ESTATE, LLC, a Washington Corporation; JOHN AND JANE DOES 1 through 20, individuals; CONTRACTOR DOES 21 through 35, entities conducting business in Washington;

Defendants.

NO. 06-2-03941-6SEA

DECLARATION OF KIM FUCHS IN SUPPORT OF PLAINTIFF'S MOTION TO SET A TRIAL DATE

I, KIM FUCHS, declare under the penalty of perjury and in accordance with the laws of the State of Washington, I am over 18 years old, competent to testify, and make this declaration based on personal knowledge:

- 1. I am an original purchaser of Unit No. 2B at the Blakeley Commons Condominium project in Seattle, Washington.
2. Attached hereto as Exhibit #1 is a true and correct copy of my Purchase and Sale Agreement for Unit No. 2B at the Blakeley Commons Condominiums.

DECLARATION OF KIM FUCHS IN SUPPORT OF PLAINTIFF'S MOTION TO SET A TRIAL DATE - 1

dc COPY

CASEY & SKOGLUND PLLC 114 West McGraw Street Seattle, Washington 98119 Phone (206) 284-8165

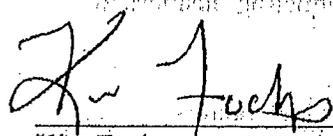
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3. I have reviewed Exhibit No. 2, attached hereto, entitled "BLAKELEY COMMONS, A CONDOMINIUM WARRANTY ADDENDUM" (hereinafter "Warranty Addendum") and to the best of my knowledge, I never signed a warranty addendum nor was I asked to sign a warranty addendum.

4. At no time did I understand by entering a Purchase and Sale Agreement with Blakely Village, LLC, I was giving up my right to a jury trial for any breach of contract, breach of the Consumer Protection Act, breach of implied warranty, breach of fiduciary duty, and/or any other similar claim, which I would normally have as a result of such transaction. It was never my understanding or my intent to give up my right to assert one of the foregoing claims by entering into the Purchase and Sale Agreement with Blakeley Village, LLC.

I SWEAR UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF WASHINGTON THAT THE FOREGOING IS TRUE AND CORRECT.

EXECUTED at Seattle, Washington this 7/18 day of June, 2008.

  
\_\_\_\_\_  
Kim Fuchs

DECLARATION OF KIM FUCHS  
IN SUPPORT OF PLAINTIFF'S MOTION  
TO SET A TRIAL DATE - 2



CASEY & SKOGLUND PLLC  
114 West McGraw Street  
Seattle, Washington 98119  
Phone (206) 284-8165



Windermere Wall Street Inc.
2420 2nd Avenue
Seattle, WA 98121
Phone: (206) 448-6400
Fax: (206) 448-3281

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CBA Form PS-1A
Purchase & Sale Agreement
Rev. 12/99
Page 1 of 8

COMMERCIAL & INVESTMENT REAL ESTATE
PURCHASE & SALE AGREEMENT

This has been prepared for submission to your attorney for review and approval prior to signing. No representation is made by licensee as to its sufficiency or tax consequences.

Date: July 30, 2004

The undersigned Buyer, Kim Fuchs and/or assigns, provided however, assigns shall be limited to members of her immediate family, her business partner and/or a corporation or LLC in which they are principals, agrees to buy and Seller agrees to sell, on the following terms, the commercial real estate and all improvements thereon (collectively, the "Property") commonly known as condominium unit A-2, 1,047 sq. ft., Blakeley Commons, 2901 NE Blakeley St, in the City of Seattle, King County, Washington, legally described on attached Exhibit A.

(Buyer and Seller authorize the Listing Agent or Selling Licensee to insert and/or correct, over their signatures, the legal description of the Property.)

1. PURCHASE PRICE. The total purchase price is one hundred ninety thousand and xx/100 Dollars (\$190,000.00), including the earnest money, payable as follows (check only one):

- All cash at closing, including the earnest money, with no financing contingency.
All cash at closing, including the earnest money, contingent on new financing under Section 4a below.
\$ / % of the purchase price in cash at closing, including the earnest money, with the balance of the purchase price paid as follows (check one or both, as applicable):
Buyer's assumption of any underlying note and deed of trust, or real estate contract, under Section 4b below;
Buyer's delivery at closing of a promissory note for the balance of the purchase price, secured by a deed of trust encumbering the Property, as described in Section 4c below.

2. EARNEST MONEY. Buyer agrees to deliver the earnest money \$9,500 in the form of Cash Personal check Promissory note Other:
If the earnest money is in the form of a promissory note, it shall be due no later than:

- days after mutual acceptance.
Upon removal of the inspection contingencies in Section 5 below.
Other:

The earnest money shall be held by Selling Licensee Closing Agent.
Buyer shall deliver the earnest money no later than:

- days after mutual acceptance.
Upon removal of the inspection contingencies in Section 5 below.
Other:

Selling Licensee may, however, transfer the earnest money to Closing Agent.
If the earnest money is to be held by Selling Licensee and is over \$10,000, it shall be deposited to: Selling Licensee's pooled trust account (with interest paid to the State Treasurer) A separate interest bearing trust account in Selling Licensee's name. The interest, if any, shall be credited at closing to Buyer whose Social Security or taxpayer ID Number is: . If this sale fails to close, whoever is entitled to the earnest money is entitled to interest.

Selling Licensee shall deposit any check to be held by Selling Licensee within 3 days after receipt or mutual acceptance, whichever occurs later. Buyer agrees to pay financing and purchase costs incurred by Buyer. If all or part of the earnest money is to be returned to Buyer and any such costs remain unpaid, Selling Licensee or

INITIALS: Buyer [Signature] Date 7/28/04 Seller [Signature] Date 7/28/04
Buyer \_\_\_\_\_ Date \_\_\_\_\_ Seller \_\_\_\_\_ Date \_\_\_\_\_



Windermere Wall Street Inc.  
2420 2nd Avenue  
Seattle, WA 98121  
Phone: (206) 448-5400  
Fax: (206) 448-3281

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Purchase & Sale Agreement  
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COMMERCIAL & INVESTMENT REAL ESTATE  
PURCHASE & SALE AGREEMENT  
(CONTINUED)

Closing Agent may deduct and pay them therefrom. Unless otherwise provided in this Agreement, the earnest money shall be applicable to the purchase price and shall be non-refundable except where a condition to Buyer's obligation under this Agreement is not satisfied through no fault of Buyer.

3. EXHIBITS AND ADDENDA: The following Exhibits and Addenda are made a part of this Agreement:

Exhibit A - Legal Description

- Earnest Money Promissory Note, CBA Form EMN
- Promissory Note, LPB Form No. 28A/CBA Form N1-A
- Short Form Deed of Trust, LPB Form No. 20
- Deed of Trust Rider, CBA Form DTR
- Utility Charges Addendum, CBA Form UA
- FIRPTA Certification, CBA Form 22E
- Assignment and Assumption, CBA Form PE-AS
- Addendum/Amendment, CBA Form PSA
- Back-Up Addendum, CBA Form BU-A
- Vacant Land Addendum, CBA Form VLA
- Other

4. FINANCING.

a. Application for New Financing. If payment of the purchase price is contingent on Buyer obtaining new financing, then Buyer's obligation to close is conditioned upon Buyer accepting a written commitment for financing. Buyer will not reject those terms of a commitment which provide for a loan amount of at least percent (90%) of the purchase price, interest not to exceed seven percent (7%) per annum, a payment schedule calling for monthly payments amortized over not less than twenty-five (25) years, and total placement fees and points not more than two and one half percent (2.5%) of the loan amount. Buyer shall make immediate application for said commitment, pay required costs and make a good faith effort to procure such financing. This Agreement shall terminate and Buyer shall receive a refund of the earnest money unless Buyer gives Seller written notice that this condition is satisfied or waived on or before 9/10/04 (60 days, if not completed) following mutual acceptance of this Agreement.

b. Assumption of Existing Financing. If payment of the purchase price includes Buyer's assumption of a note and mortgage or deed of trust, or a real estate contract, Seller shall promptly deliver to Buyer a copy of the underlying debt instrument(s) to be assumed, and Buyer shall be deemed to have approved all of the terms of the debt instrument(s) unless Buyer gives notice of disapproval within five (5) days after receiving such instrument(s). If any of the debt instrument(s) requires the consent of a third party to the assumption by Buyer, then Buyer shall apply for such consent within seven (7) days after receiving the debt instrument(s). Upon Buyer's request, Seller shall assist Buyer by requesting the third party's consent to the assumption on Buyer's behalf. This Agreement shall terminate and Buyer shall receive a refund of the earnest money unless Buyer gives Seller written notice within 30 days (30 days, if not completed) of receiving the debt instrument(s) stating that such consent is available. Buyer shall pay any assumption fees or other out-of-pocket expenses attributable to the assumption of the underlying indebtedness.

c. Seller Financing. If Seller is financing a portion of the purchase price by promissory note and deed of trust, unless different forms are attached to this Agreement, Buyer shall execute and submit to the Closing Agent: (i) LPB Form No. 28A Promissory Note and the DUE ON SALE and COMMERCIAL PROPERTY optional clauses in that form shall apply; (ii) UCC-1 Financing Statement covering the personal property described in Section 14 below; (iii) LPB Form No. 20, Short Form Deed of Trust; and (iv) CBA Form No. DTR Deed of Trust Rider. The promissory note shall bear interest at the rate of 7 % per annum, and shall be payable as follows (choose one):  monthly installments of interest only,  monthly installments of \$           ,  equal monthly installments of principal and interest in an amount sufficient to fully amortize the outstanding principal balance at the stated interest rate over            years,  other           . Payments shall commence on the first day of the first month after closing and continuing on the same day of each succeeding month until (choose one):             months

INITIALS: Buyer [Signature] Date 7/30/04 Seller [Signature] Date 7/30/04  
Buyer [Signature] Date            Seller [Signature] Date



Windermere Wall Street Inc.  
2420 2nd Avenue  
Seattle, WA 98121  
Phone: (206) 448-6400  
Fax: (206) 448-3291

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COMMERCIAL & INVESTMENT REAL ESTATE  
PURCHASE & SALE AGREEMENT  
(CONTINUED)

from the date of closing,  other \_\_\_\_\_, on which date all outstanding principal and interest shall be due. The principal shall, at Seller's option, bear interest at the rate of \_\_\_\_\_ % per annum (18% or the maximum rate allowed by law, whichever is less, if not filled in) during any period of Buyer's default. If Seller receives any monthly payment more than \_\_\_\_\_ days (15 days if not filled in) after its due date, then a late payment charge of \$ \_\_\_\_\_ % of the delinquent amount (5% of the delinquent amount if not filled in) shall be added to the scheduled payment. Buyer shall have \_\_\_\_\_ days (5 days if not filled in) after written notice to cure a default before Seller may declare all outstanding sums to be immediately due and payable.

(Note to Buyer and Seller: If the Property is currently used primarily for agricultural purposes, then a nonjudicial foreclosure/forfeiture remedy is available to Seller only by using a real estate contract and is not available with a deed of trust.)

d. **Section 1031 Like-Kind Exchange.** If either Buyer or Seller intends for this transaction to be a part of a Section 1031 like-kind exchange, then the other party agrees to cooperate in the completion of the like-kind exchange so long as the cooperating party incurs no additional liability in doing so, and so long as any expenses (including attorneys fees and costs) incurred by the cooperating party that are related only to the exchange are paid or reimbursed to the cooperating party at or prior to closing.

5. **INSPECTION CONTINGENCY.** This Agreement shall terminate and Buyer shall receive a refund of the earnest money unless Buyer gives written notice to Seller within twenty days (20 days if not filled in) of mutual acceptance of this Agreement stating that Buyer is satisfied, in Buyer's reasonable discretion, concerning all aspects of the Property, including without limitation, its physical condition; the presence of or absence of any hazardous substances; the contracts and leases affecting the property; the potential financial performance of the Property; the availability of government permits and approvals; and the feasibility of the Property for Buyer's intended purpose. If such notice is timely given, the inspection contingencies stated in this Section 5 shall be deemed to be satisfied.

a. **Books, Records, Leases, Agreements.** Seller shall make available for inspection by Buyer and its agents as soon as possible but no later than ten (10) days after mutual acceptance of this Agreement all documents available to Seller relating to the ownership, operation, renovation or development of the Property, including without limitation; statements for real estate taxes, assessments, and utilities; property management agreements, service contracts, and agreements with professionals or consultants entered into by the Seller or any predecessor in title to the Seller; leases of personal property or fixtures; leases or other agreements relating to occupancy of all or a portion of the Property and a schedule of tenants, rents, and deposits; plans, specifications, permits, applications, drawings, surveys, studies and maintenance records; and accounting records and audit reports. Buyer shall determine within the contingency period stated in the preceding introductory paragraph whether it wishes and is able to assume, as of closing, all of the foregoing leases, contracts, and agreements which have terms extending beyond closing. Buyer shall be solely responsible for obtaining any required consents to such assumption. Seller shall transfer the leases, contracts and agreements as provided in Section 17 of this Agreement.

b. **Access.** Seller shall permit Buyer and its agents, at Buyer's sole expense and risk to enter the Property at reasonable times after legal notice to tenants, to conduct inspections concerning the Property and improvements, including without limitation, the structural condition of improvements, hazardous materials (limited to a Phase I audit only), pest infestation, soils conditions, sensitive areas, wetlands, or other matters affecting the feasibility of the Property for Buyer's intended use. Buyer shall schedule any entry onto the Property with Seller in advance. Buyer shall not perform any invasive testing or contact the tenants without obtaining the Seller's prior written consent, which shall not be unreasonably withheld. Buyer shall restore the Property and improvements to the same condition they were in prior to inspection. Buyer agrees to indemnify and defend Seller from all liens, costs, claims, and expenses, including attorneys' and experts' fees, arising from or relating to entry onto or inspection of the Property by Buyer and its agents. This agreement to indemnify and defend Seller shall survive closing. Buyer may continue to enter the Property and interview tenants in accordance with the foregoing terms and conditions

INITIALS: Buyer [Signature] Date 7/30/04 Seller [Signature] Date 7/30/04  
Buyer \_\_\_\_\_ Date \_\_\_\_\_ Seller \_\_\_\_\_ Date \_\_\_\_\_



Windermere Wall Street Inc.  
2420 2nd Avenue  
Seattle, WA 98121  
Phone: (206) 448-8400  
Fax: (206) 448-3291

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COMMERCIAL & INVESTMENT REAL ESTATE  
PURCHASE & SALE AGREEMENT  
(CONTINUED)

after removal or satisfaction of the inspection contingency only for the purpose of re-sale, leasing or to satisfy conditions of financing.

6. TITLE INSURANCE.

a. **Title Report.** Seller authorizes Lender and Listing Agent, Selling Licensee or Closing Agent, at Seller's expense, to apply for and deliver to Buyer a  standard  extended (standard, if not completed) coverage owner's policy of title insurance. If an extended coverage owner's policy is specified, Buyer shall pay the increased costs associated with that policy including the excess premium over that charged for a standard coverage policy, and the cost of any survey required by the title insurer. The title report shall be issued by Chicago Title.

b. **Permitted Exceptions.** Buyer shall notify Seller of any objectionable matters in the title commitment or any supplemental report within ten (10) days after receipt of such commitment or supplement. This Agreement shall terminate and Buyer shall receive a refund of the earnest money, less any costs advanced or committed for Buyer, unless (a) within ten (10) days of Buyer's notice of such objections, Seller agrees to remove all objectionable provisions, or (b) within fifteen (15) days after Buyer's notice of such objections, Buyer notifies Seller in writing that it waives any objections which Seller does not agree to remove. The closing date shall be extended to the extent necessary to permit time for these notices. Those provisions not objected to or for which Buyer waived its objections shall be referred to collectively as the "Permitted Exceptions." The title policy shall contain no exceptions other than the General Exclusions and Exceptions common to such form of policy and the Permitted Exceptions.

7. CLOSING OF SALE.

This sale shall be closed on or before September ~~October 30, 2004~~ ("closing") by Chicago Title ("Closing Agent"). Buyer and Seller will, immediately on demand, deposit with Closing Agent all instruments and monies required to complete the purchase in accordance with this Agreement. "Closing" shall be deemed to have occurred when all documents are recorded and the sale proceeds are available to Seller. Time is of the essence in the performance of this Agreement.

8. CLOSING COSTS.

Seller shall pay the excise tax and premium for the owner's standard coverage title policy. Seller and Buyer shall each pay one-half of the escrow fees. Real and personal property taxes and assessments payable in the year of closing; rents on any existing tenancies; interest; mortgage reserves; utilities; and other operating expenses shall be prorated as of closing. Buyer shall pay all costs of financing, including the premium for the lender's title policy. Security, cleaning, and any other unearned deposits on tenancies, and remaining mortgage or other reserves shall be assigned to Buyer at closing. The real estate commission is due on closing or upon Seller's default under this Agreement, whichever occurs first, and neither the amount nor due date thereof can be changed without Listing Agent's written consent.

a. **Unpaid Utility Charges.** Buyer and Seller  WAIVE  DO NOT WAIVE the right to have the Closing Agent disburse closing funds necessary to satisfy unpaid utility charges affecting the Property pursuant to RCW 60.80. If "do not waive" is checked, then attach CBA Form UA ("Utility Charges" Addendum). If neither box is checked, then the "do not waive" option applies.

9. POST-CLOSING ADJUSTMENTS, COLLECTIONS, AND PAYMENTS.

After closing, Buyer and Seller shall reconcile the actual amount of revenues or liabilities upon receipt or payment thereof to the extent those items were prorated or credited at closing based upon estimates. Any bills or invoices received by Buyer after closing which relate to services rendered or goods delivered to the Seller or the Property prior to closing shall be paid by Seller upon presentation of such bill or invoice. At Buyer's option, Buyer may pay such bill or invoice and be reimbursed the amount paid plus interest at the rate of 12% per annum beginning fifteen (15) days from the date of Buyer's written demand to Seller for reimbursement until such reimbursement is made. Rents collected from each tenant after closing shall be applied first to rentals due most recently from such tenant for the period after closing, and the balance shall be applied for the benefit of Seller for delinquent rentals owed for a period prior to closing. The amounts applied for the benefit of Seller shall be turned over by Buyer to Seller promptly after receipt.

INITIALS: Buyer [Signature] Date 7/30/04 Seller [Signature] Date 7/30/04  
Buyer \_\_\_\_\_ Date \_\_\_\_\_ Seller \_\_\_\_\_ Date \_\_\_\_\_



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Purchase & Sale Agreement
Rev. 12/89
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COMMERCIAL & INVESTMENT REAL ESTATE
PURCHASE & SALE AGREEMENT
(CONTINUED)

10. OPERATIONS PRIOR TO CLOSING. Prior to closing, Seller shall continue to operate the Property in the ordinary course of its business and maintain the Property in the same or better condition than as existing on the date of mutual acceptance of this Agreement...

11. POSSESSION. Buyer shall be entitled to possession, subject to existing tenancies (if any), [X] on closing [ ] (on closing, if not completed).

12. SELLER'S REPRESENTATIONS AND WARRANTIES. Seller represents and warrants to Buyer that, to the best of Seller's knowledge, each of the following is true as of the date hereof and shall be true as of closing: (a) Seller is authorized to enter into the Agreement, to sell the Property, and to perform its obligations under the Agreement...

13. HAZARDOUS SUBSTANCES. Except as disclosed to or known by Buyer prior to the satisfaction or waiver of the inspection contingency stated in Section 5 above, Seller represents and warrants to Buyer that, to the best of its knowledge: (i) there are no Hazardous Substances (as defined below) currently located in, on, or under the Property...

14. PERSONAL PROPERTY.

a. This sale includes all right, title and interest of Seller to the following tangible personal property: [X] None
[ ] That portion of the personal property located on and used in connection with the Property, which Seller will itemize in an Addendum to be attached to this Agreement within ten (10) days of mutual acceptance (None, if not

INITIALS: Buyer [Signature] Date 7/30/04 Seller [Signature] Date 7/30/04
Buyer [Signature] Date Seller Date



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COMMERCIAL & INVESTMENT REAL ESTATE
PURCHASE & SALE AGREEMENT
(CONTINUED)

completed). The value assigned to the personal property shall be the amount agreed upon by the parties and, if they cannot agree, the County-assessed value if available, and if not available, the fair market value determined by an appraiser selected by the Listing Agent and Selling Licensee. Seller warrants title to, but not the condition of, the personal property and shall convey it by bill of sale. Buyer shall pay any sales or use tax arising from the transfer of the personal property.

b. In addition to the leases, contracts and agreements assumed by Buyer pursuant to Section 5a above, this sale includes all right, title and interest of Seller to the following intangible property now or hereafter existing with respect to the Property including without limitation: all rights-of-way, rights of ingress or egress or other interests in, on, or to, any land, highway, street, road, or avenue, open or proposed, in, on, or across, in front of, abutting or adjoining the Property, all rights to utilities serving the Property, all drawings, plans, specifications and other architectural or engineering work product, all governmental permits, certificates, licenses, authorizations and approvals; all utility, security and other deposits and reserve accounts made as security for the fulfillment of any of Seller's obligations; any name of or telephone numbers for the Property and related trademarks, service marks or trade dress; and guaranties, warranties or other assurances of performance received.

15. CONDEMNATION AND CASUALTY. Buyer may terminate this Agreement and obtain a refund of the earnest money, less any costs advanced or committed for Buyer, if improvements on the Property are destroyed or materially damaged by casualty before closing, or if condemnation proceedings are commenced against all or a portion of the Property before closing.

16. FIRPTA TAX WITHHOLDING AT CLOSING. Closing Agent is instructed to prepare a certification (CBA or NWMLS Form 22E, or equivalent) that Seller is not a "foreign person" within the meaning of the Foreign Investment in Real Property Tax Act. Seller agrees to sign this certification. If Seller is a foreign person, and this transaction is not otherwise exempt from FIRPTA, Closing Agent is instructed to withhold and pay the required amount to the Internal Revenue Service.

17. CONVEYANCE. Title shall be conveyed by a Statutory Warranty Deed subject only to the Permitted Exceptions. If this Agreement is for conveyance of Seller's vendee's interest in a Real Estate Contract, the Statutory Warranty Deed shall include a contract vendee's assignment sufficient to convey after-acquired title. At closing, Seller and Buyer shall execute and deliver to Closing Agent CBA Form No. PS-AS Assignment and Assumption Agreement transferring all leases, contracts and agreements assumed by Buyer pursuant to Section 5a and all intangible property transferred pursuant to Section 14b.

18. SEATTLE REQUIREMENTS. If the Property is in the City of Seattle, Seller shall deliver to Buyer a Certificate of Land Use and Local Assessments (not applicable to single family dwellings not represented to be a lawful site for more than one dwelling unit).

19. NOTICES AND COMPUTATION OF TIME. Unless otherwise specified, any notice required or permitted in, or related to, this Agreement (including revocations of offers and counteroffers) must be in writing. Notices to Seller must be signed by at least one Buyer and must be delivered to Seller and Listing Agent. A notice to Seller shall be deemed delivered only when received by Seller, Listing Agent, or the licensed office of Listing Agent. Notices to Buyer must be signed by at least one Seller and must be delivered to Buyer and Selling Licensee. A notice to Buyer shall be deemed delivered only when received by Buyer, Selling Licensee, or the licensed office of Selling Licensee. Selling Licensee and Listing Agent have no responsibility to advise of receipt of a notice beyond either phoning the party or causing a copy of the notice to be delivered to the party's address on this Agreement. Buyer and Seller must keep Selling Licensee and Listing Agent advised of their whereabouts to receive prompt notification of receipt of a notice.

Unless otherwise specified in this Agreement, any period of time in this Agreement shall begin the day after the event starting the period and shall expire at 5:00 p.m. Pacific time of the last calendar day of the specified period of time, unless the last day is a Saturday, Sunday or legal holiday as defined in RCW 1.16.050, in which case the specified period of time shall expire on the next day that is not a Saturday, Sunday or legal holiday. Any specified period of five (5) days or less shall not include Saturdays, Sundays or legal holidays.

INITIALS: Buyer [Signature] Date 7/30/04 Seller [Signature] Date 7/30/04
Buyer [Signature] Date [Signature] Seller [Signature] Date [Signature]



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COMMERCIAL & INVESTMENT REAL ESTATE  
PURCHASE & SALE AGREEMENT  
(CONTINUED)

20. AGENCY DISCLOSURE. At the signing of this Agreement,

Selling Licensee Bill Gleason, Windermere Real Estate Wall St. Inc  
(Insert names of Licensee and the Company name as licensed)

represented buyers  
(Insert Seller, Buyer, both Seller and Buyer or Neither Seller nor Buyer)

and the Listing Agent Peter Argeres  
(Insert names of Licensee and the Company name as licensed)

represented seller  
(Insert Seller, Buyer, both Seller and Buyer or Neither Seller nor Buyer)

If Selling Licensee and Listing Agent are different salespersons affiliated with the same Broker, then Seller and Buyer confirm their consent to Broker acting as a dual agent. If Selling Licensee and Listing Agent are the same person representing both parties, then Seller and Buyer confirm their consent to that person and his/her Broker acting as dual agents. If Selling Licensee, Listing Agent, or their Broker are dual agents, then Seller and Buyer consent to Selling Licensee, Listing Agent and their Broker being compensated based on a percentage of the purchase price or as otherwise disclosed on an attached addendum. Buyer and Seller confirm receipt of the pamphlet entitled "The Law of Real Estate Agency."

21. ASSIGNMENT. Buyer  may  may not (may not, if not completed) assign this Agreement, or Buyer's rights hereunder, without Seller's prior written consent, unless provided otherwise herein.

22. DEFAULT AND ATTORNEY'S FEE. In the event Buyer fails, without legal excuse, to complete the purchase of the Property, then (check one):

that portion of the earnest money which does not exceed five percent (5%) of the purchase price shall be kept by Seller as liquidated damages (subject to Seller's obligation to pay certain costs or a commission, if any) as the sole and exclusive remedy available to Seller for such failure; or

Seller may, at its option, (a) keep as liquidated damages all of the earnest money (subject to Seller's obligation to pay certain costs or a commission, if any) as the sole and exclusive remedy available to Seller for such failure, (b) bring suit against Buyer for Seller's actual damages, (c) bring suit to specifically enforce this Agreement and recover any incidental damages, or (d) pursue any other rights or remedies available at law or equity.

If Buyer or Seller institutes suit concerning this Agreement, the prevailing party is entitled to reasonable attorneys' fees and expenses. In the event of trial, the amount of the attorney's fee shall be fixed by the court. The venue of any suit shall be the county in which the Property is located, and this Agreement shall be governed by the laws of the state where the Property is located.

23. MISCELLANEOUS PROVISIONS.

a. Complete Agreement. The Agreement and any addenda and exhibits to it state the entire understanding of Buyer and Seller regarding the sale of the Property. There are no verbal or written agreements which modify or affect the Agreement.

b. No Merger. The terms of the Agreement shall not merge in the deed or other conveyance instrument transferring the Property to Buyer at closing. The terms of this Agreement shall survive closing.

c. Counterpart Signatures. The Agreement may be signed in counterpart, each signed counterpart shall be deemed an original, and all counterparts together shall constitute one and the same agreement.

INITIALS: Buyer [Signature] Date 7/30/04 Seller [Signature] Date 7/30/04  
Buyer \_\_\_\_\_ Date \_\_\_\_\_ Seller \_\_\_\_\_ Date \_\_\_\_\_



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**COMMERCIAL & INVESTMENT REAL ESTATE  
PURCHASE & SALE AGREEMENT  
(CONTINUED)**

- d. Facsimile Transmission. Facsimile transmission of any signed original document, and retransmission of any signed facsimile transmission, shall be the same as delivery of an original. At the request of either party, or the Closing Agent, the parties will confirm facsimile transmitted signatures by signing an original document.
- 24. **ACCEPTANCE; COUNTEROFFERS.** Seller has until midnight of \_\_\_\_\_ (if not filled in, the third business day following the last Buyer signature date below) to accept this offer, unless sooner withdrawn. If this offer is not timely accepted, it shall lapse and the earnest money shall be refunded to Buyer. If either party makes a future counteroffer, the other party shall have until 5:00 p.m. on the \_\_\_\_\_ business day (if not filled in, the second business day) following its receipt to accept the counteroffer, unless sooner withdrawn. If the counteroffer is not timely accepted or countered, this Agreement shall lapse and the earnest money shall be refunded to the Buyer. No acceptance, offer or counteroffer from the Buyer is effective until a signed copy is received by the Seller, the Listing Agent or the licensed office of the Listing Agent. No acceptance, offer or counteroffer from the Seller is effective until a signed copy is received by the Buyer, the Selling Licensee or the licensed office of the Selling Licensee.
- 25. **INFORMATION TRANSFER.** In the event this Agreement is terminated, Buyer agrees to deliver to Seller within ten (10) days of Seller's written request copies of all materials received from Seller and any plans, studies, reports, inspections, appraisals, surveys, drawings, permits, application or other development work product relating to the Property in Buyer's possession or control as of the date this Agreement is terminated.
- 26. **CONFIDENTIALITY.** Until and unless closing has been consummated, Buyer will treat all information obtained in connection with the negotiation and performance of this Agreement as confidential (except for any information that Buyer is required by law to disclose and then only after giving Seller written notice at least three (3) days prior to the disclosure) and will not use or knowingly permit the use of any confidential information in any manner detrimental to Seller.
- 27. **SELLER'S ACCEPTANCE AND BROKERAGE AGREEMENT.** Seller agrees to sell the Property on the terms and conditions herein, and further agrees to pay a commission in a total amount computed in accordance with the listing agreement. If there is no written listing agreement, Seller agrees to pay a commission of \_\_\_\_\_ % of the sales price or \$\_\_\_\_\_. The commission shall be apportioned between Listing Agent and Selling Licensee as specified in the listing agreement or any co-brokerage agreement. Seller assigns to Listing Agent and Selling Licensee a portion of the sales proceeds equal to the commission. If the earnest money is retained as liquidated damages, any costs advanced or committed by Listing Agent or Selling Licensee for Buyer or Seller shall be reimbursed or paid therefrom, and the balance shall be paid one-half to Seller and one-half to Listing Agent and Selling Licensee according to the listing agreement and any co-brokerage agreement. In any action by Listing Agent or Selling Licensee to enforce this Section, the prevailing party is entitled to reasonable attorneys' fees and expenses. Neither Listing Agent nor Selling Licensee are receiving compensation from more than one party to this transaction unless disclosed on an attached addendum, in which case Buyer and Seller consent to such compensation. The Property described in attached Exhibit A, is commercial real estate. Notwithstanding Section 26 above, the pages containing this section, the parties' signatures and an attachment describing the Property may be recorded.
- 28. **LISTING AGENT AND SELLING LICENSEE DISCLOSURE.** EXCEPT AS OTHERWISE DISCLOSED IN WRITING TO BUYER OR SELLER, THE SELLING LICENSEE, LISTING AGENT, AND BROKERS HAVE NOT MADE ANY REPRESENTATIONS OR WARRANTIES CONCERNING THE LEGAL EFFECT OF THIS AGREEMENT, BUYER'S OR SELLER'S FINANCIAL STRENGTH, OR THE PROPERTY, INCLUDING WITHOUT LIMITATION, THE PROPERTY'S ZONING, COMPLIANCE WITH APPLICABLE LAWS (INCLUDING LAWS REGARDING ACCESSIBILITY FOR DISABLED PERSONS), OR HAZARDOUS MATERIALS. SELLER AND BUYER ARE EACH ADVISED TO SEEK INDEPENDENT LEGAL AND TAX ADVICE ON THESE AND OTHER MATTERS RELATED TO THIS AGREEMENT

INITIALS: Buyer [Signature] Date 7/30/04 Seller [Signature] Date 7/30/04  
 Buyer \_\_\_\_\_ Date \_\_\_\_\_ Seller \_\_\_\_\_ Date \_\_\_\_\_



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PURCHASE & SALE AGREEMENT  
(CONTINUED)

Buyer Kathleen Fay Judge Date 7/30/04  
 Buyer \_\_\_\_\_ Date \_\_\_\_\_  
 Office Phone 206 261 6775 Fax No. \_\_\_\_\_ Home Phone 206 261-6775  
 Print Buyer's Name Timothy N Kay Fuchs  
 Buyer's Address 42210 Dayton Ave N. #101 Seattle, WA 98147  
 Selling Office Windermere Wall St.  
 Office Phone 206-448-8400 Other Phone 206-300-3455 Fax No. 206-448-3291  
 Address 2420 Second Avenue Seattle WA 98121 MLS Office No. 7083  
 By \_\_\_\_\_ Print Name William P. Gleason  
 Seller \_\_\_\_\_ Date \_\_\_\_\_  
 Seller Ann Blakesley Williams LLC Date 7/20/04  
 Home Phone \_\_\_\_\_ Office Phone \_\_\_\_\_ Fax No. \_\_\_\_\_  
 Print Seller's Name \_\_\_\_\_  
 Seller's Address \_\_\_\_\_  
 Listing Office \_\_\_\_\_  
 Office Phone No. \_\_\_\_\_ Other Phone \_\_\_\_\_ Fax No. \_\_\_\_\_  
 Address \_\_\_\_\_ MLS Office No. \_\_\_\_\_

29. BUYER'S RECEIPT. Buyer acknowledges receipt of a Seller signed copy of this Agreement, on

BUYER \_\_\_\_\_ BUYER \_\_\_\_\_

04-Aug-02 08:30am From-ewing & CLARK  
04-Jul-00 04:43pm From-ewing & CLARK

2084415297  
EWM115007

T-171 P.11/11 F-930



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**ADDENDUM AMENDMENT TO  
PURCHASE AND SALE AGREEMENT**  
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New text created by Downward indicated by small capital letters.

The following is part of the Purchase and Sale Agreement dated July 30, 2004

Between Bilskley Commons Condominiums ("Seller")

And Fudge ("Buyer")

regarding the sale of the Property known as unit A-1

IT IS AGREED BETWEEN THE SELLER AND BUYER AS FOLLOWS:

~~Seller will install a lift to make the entrance from street to the unit accessible and provide at seller's expense the demerita wall to split the existing longer BRASS by 1057 inch and in the space between the demerita wall for the between the existing unit and driveway to be installed by buyer during the immediate period.~~

**AND PROVIDE BUYER AT CLOSING WITH A  
CREDIT OF \$5000 TO COVER THE COST OF  
A LIFT TO MAKE ENTRANCE FROM STREET  
HANDICAP ACCESSIBLE**

*Fudge 8/13/04*

*Fudge*

*Fudge*

*Fudge 8/13/04*

AGENT (COMPANY) Windermere Real Estate

ALL OTHER TERMS AND CONDITIONS of said Agreement remain unchanged.

INITIALS [Signature] Date 7/30/04 Seller [Signature] Date 8/13/04  
Buyer \_\_\_\_\_ Date \_\_\_\_\_ Seller \_\_\_\_\_ Date \_\_\_\_\_

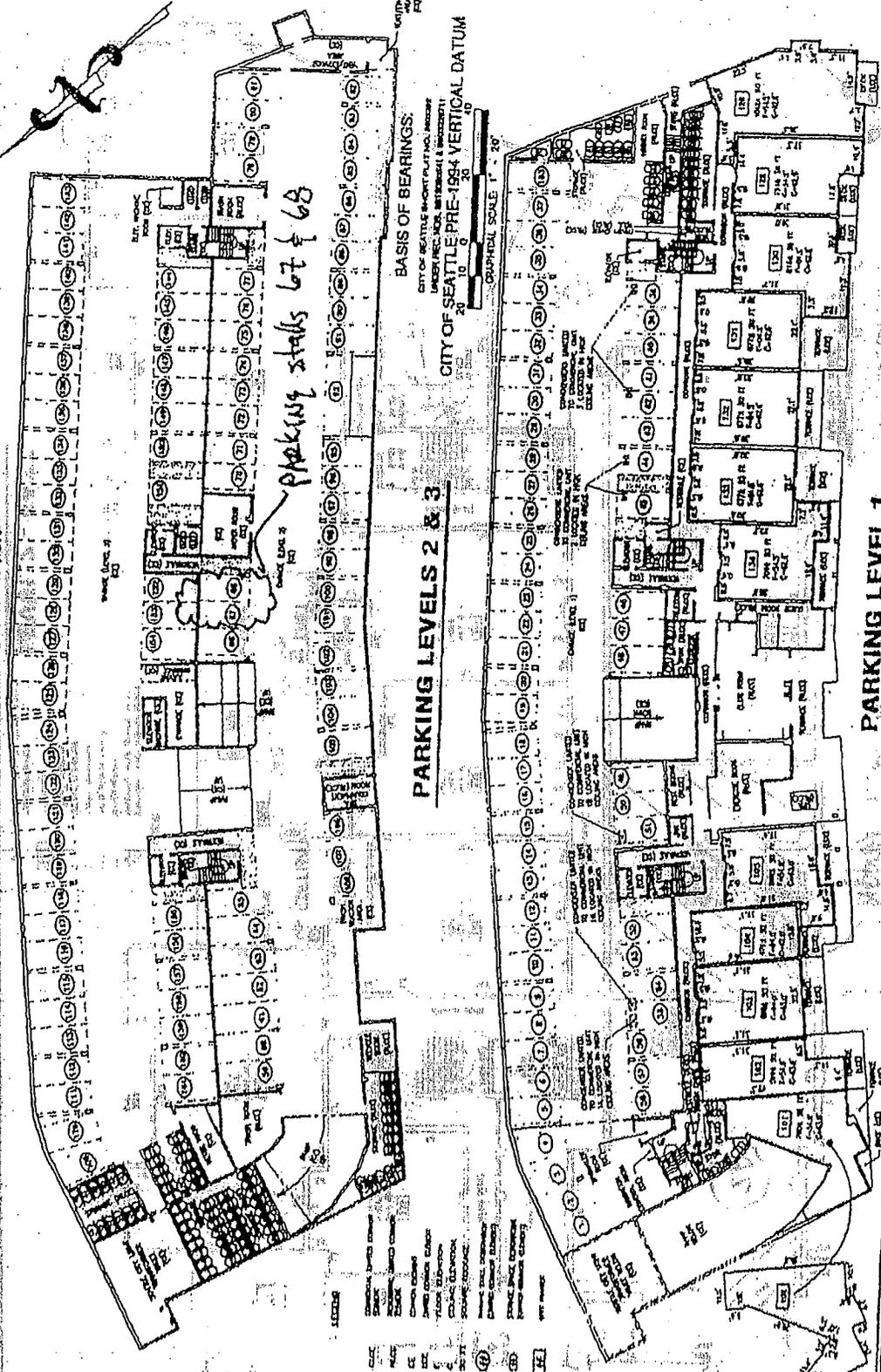
Received 04-Jul-00 07:24pm From-2087264888 To-ewing & CLARK Page 11  
06/02/2004 MON 09:23 (TX/RX NO 0073)

Received 04-Aug-03 04:10pm From-2084483291 To-ewing & CLARK Page 12



**BLAKELEY COMMONS, A CONDOMINIUM**

NW 1/4, SE 1/4, SEC. 9, TWP. 25 N., RGE. 4 E., W. M. SEATTLE, KING COUNTY, WASHINGTON



BASIS OF BEARINGS:  
CITY OF SEATTLE SOUTH PLUMB LINE  
CITY OF SEATTLE PRE-1984 VERTICAL DATUM  
GRAPHICAL SCALE 1" = 20'

**CONDOMINIUM SURVEY COMPANY**  
SPECIALIZING IN  
CONDOMINIUM SURVEYS ONLY  
5544 PERI AVENUE SOUTH, SEATTLE, WASHINGTON 98148



**CONDOMINIUM SURVEY MAP & PLANS**

INDEX

2001048.00  
DATE: 9-MAY-2001  
REVISED: 21-APRIL-2004  
DRAWN BY: WAM  
MAP CHECK: RE  
FINAL CHECK: JS  
SHEET 3 OF 12

Exhibit A-1

BLAKELEY COMMONS, A CONDOMINIUM  
PUBLIC OFFERING STATEMENT ACKNOWLEDGEMENT

In connection with the purchase of a Unit in Blakeley Commons, a condominium, the undersigned Purchaser hereby acknowledges receipt, and the undersigned Selling Agent hereby certifies delivery, of a Public Offering Statement dated September 20, 2002, together with copies of all of the documents referred to therein (the "POS").

Purchaser and Selling Agent further acknowledge: that Selling Agent does not have the authority to make, and has not made, any representation or promise on behalf of Seller; and that Seller is liable only for representations and promises contained either in the POS or other written document signed by Seller.

PURCHASER:

UNIT #:

Dated: 8/19/09

[Signature]

Commercial 2B

Dated: \_\_\_\_\_

SELLING AGENT:

Dated: 8/19/09

By [Signature]  
Its [Signature] Real Estate/Well St Inc.

INSTRUCTIONS TO SELLING AGENT

Upon delivery of the POS to the Purchaser, the above acknowledgement must be signed by the Purchaser and Selling Agent; and returned to the Listing Agent. Purchase and Sale Agreements will not be accepted by Seller unless accompanied by the Purchaser's written acknowledgement of receipt of the foregoing documents.

09/23/02 2:50 PM  
[Small illegible text]



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**ADDENDUM/AMENDMENT TO  
PURCHASE AND SALE AGREEMENT**

CBA Text Disclaimer: Text deleted by licensee indicated by strike.  
New text inserted by licensee indicated by small capital letters.

The following is part of the Purchase and Sale Agreement dated July 30, 2004,

Between Blakeley Commons Condominiums ("Seller")

And Fuchs ("Buyer")

regarding the sale of the Property known as: commercial condo #B-2

IT IS AGREED BETWEEN THE SELLER AND BUYER AS FOLLOWS:

INSPECTION CONTINGENCY REMOVAL

*Handwritten:* 9/3/04

*Handwritten:* if required by code to obtain T.I. permit

Buyer hereby removes her inspection contingency, provided however, Seller shall install an additional vent in the exterior brick wall at the north east end of buyers space, similar to those elsewhere in the commercial condominiums, in order to meet code requirements for additional venting.

Seller has no objection to buyer installing a residential-sized clothes dryer, provided however, that buyer shall take whatever steps are necessary to filter or capture lint so that it does not exhaust outside the confines of her unit.

AGENT (COMPANY):

*Handwritten:* Windermere Real Estate/Clark/Ewing  
*Signature:* Ben Clark

ALL OTHER TERMS AND CONDITIONS of said Agreement remain unchanged.

INITIALS:

Buyer *[Signature]* Date 9/3/04 Seller *[Signature]* Date 9/3/04

BLAKELEY COMMONS  
A. CONDOMINIUM

ADDENDUM NO. 3 TO PUBLIC OFFERING STATEMENT ACKNOWLEDGEMENT

The undersigned prospective purchaser(s) of a Unit in Blakeley Commons, a condominium, acknowledges receipt on the date indicated below of the Public Offering Statement dated September 20, 2002, Addendum No. 1 thereto dated February 4, 2003, and Addendum No. 2 thereto dated April 27, 2004, and Addendum No. 3 dated October 20, 2004, together with a copy of each of the documents listed therein.

Dated: 11/2/2004

PURCHASER

*Henry S. Judge*

10/20/04 1:30 PM

Received 04-Nov-02 08:52pm

From-2062842184

To-ERWING & CLARK

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BLAKELEY COMMONS,  
LIMITED A CONDOMINIUM

ADDENDUM NO. 3 TO PUBLIC OFFERING STATEMENT

This Addendum No. 3 to the Public Offering Statement of Blakeley Commons, a condominium (the "Condominium"), dated September 20, 2002 (the "POS"), provides purchasers of Units in the Condominium with a copy of the following documents:

1. Amendment No. 4 to Condominium Declaration and Survey Map and Plans, recorded under King County Recording No. 2004102000822;

2. Revised assessment schedule.

DATED: October 20, 2004.

10/20/04 1:30 PM  
10477166.01

10/20/04 1:30 PM

10/20/04 1:30 PM

Foster Pepper & Shefelman PLLC  
Attention: Gary N. Ackerman  
1111 Third Avenue, Suite 3400  
Seattle, Washington 98101-3299



20041020000822  
CHICAGO TITLE AND/OR  
REGISTERED OF 811  
10/20/2004 11:47  
KING COUNTY, WA

AMENDMENT NO. 4 TO CONDOMINIUM DECLARATION  
AND SURVEY MAP AND PLANS  
FOR BLAKELEY COMMONS, A CONDOMINIUM



Grantor/Declarant: BLAKELEY VILLAGE LLC, a Washington limited liability company  
Additional names on pg. N/A

... a condominium  
Additional names on pg. N/A

Legal Description: NW QTR, SE QTR, SEC 9, TWP 25N, RGE 4E  
Official legal description on Schedule B

Assessor's Tax Parcel ID#: 092504-9422-09; 092504-9421-00;  
092504-9420-01; 092504-9148-02

Reference # (if applicable): 20020919001684; 20020919001683; 20030108002218;  
20030108002219; 20030326002468; 20040426001097;  
20040426001098  
Additional numbers on pg. N/A

DEPARTMENT OF ASSESSMENTS  
Examined and approved this 20<sup>th</sup> day of  
Oct., 2004

FILED BY CHICAGO TITLE INSURANCE CO.  
REF. # W-04-01158-1D

D. Noble  
Assessor

dianne murdock  
Deputy Assessor

10/15/04 4:20 PM  
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AMENDMENT NO. 4 TO CONDOMINIUM DECLARATION  
AND SURVEY MAP AND PLANS  
FOR BLAKELEY COMMONS, A CONDOMINIUM

BLAKELEY VILLAGE LLC, a Washington limited liability company, as Declarant of Blakeley Commons, a condominium (the "Condominium") created under Condominium Declaration recorded under King County Recorder's No. 20020919001684 as amended by Amendment Nos. 1, 2 and 3 under King County Recorder's Nos. 20030108002219, 20030326002468, and 20040426001098 (the "Declaration"), and Survey Map and Plans filed under King County Recorder's No. 20020919001683, as amended by Affidavit of Minor Correction of Survey recorded under King County Recording No. 20030108002218 and Survey Map and Plans for Phase 2 of the condominium recorded under King County Recording No. 20040426001097 (the "Survey Map and Plans"), desiring to divide Commercial Units 2 and 3 into four Commercial Units to be known as Commercial Units 2A, 2B, 3A, and 3B, to designate certain Limited Common Elements for the Commercial Units, to make or change certain parking assignments. The owner of Unit 330, as evidenced by the Consent to Change of Parking Space attached hereto, has agreed to change Parking Space 143 for Parking Space 91. The undersigned President of the Association certifies that the Board of the Association has consented to the change in parking space assignment and to this amendment effecting the change.

Accordingly,

- (a) Schedule C to the Declaration is amended in its entirety as attached hereto.
- (b) A portion of Sheet 3 of the Survey Map and Plans is amended as attached hereto as Exhibit A to show additional Limited Common Elements assigned to the Commercial Units;
- (c) A Portion of Sheet 5 of the Survey Map and Plans is amended as attached hereto as Exhibits B and C respectively in order to show the location and boundaries of Commercial Units 2A, 2B, 3A, and 3B.

DATED: 10/18/04

BLAKELEY VILLAGE LLC, a Washington  
limited liability company

By [Signature]  
Its Authorized Signer

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BLAKELEY COMMONS OWNERS  
ASSOCIATION, a Washington corporation

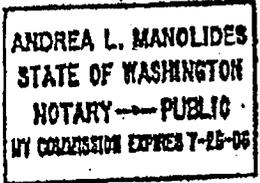
By Timothy C. Spindel  
Its President

STATE OF WASHINGTON  
COUNTY OF KING

ss.

I certify that I know or have satisfactory evidence that Frank Anderson is the person who appeared before me, and said person acknowledged that said person signed this instrument, on oath stated that said person was authorized to execute the instrument and acknowledged it as the Authorized Signer of BLAKELEY VILLAGE LLC, a Washington limited liability company, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated this 18 day of October, 2004.



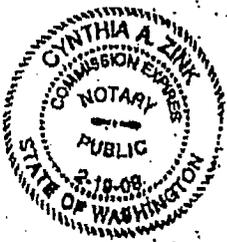
Andrea Manolides  
(Signature of Notary)  
Andrea Manolides  
(Legibly Print or Stamp Name of Notary)  
Notary public in and for the state of Washington,  
residing at Seattle, WA  
My appointment expires 7/26/06

STATE OF WASHINGTON  
COUNTY OF KING

ss.

I certify that I know or have satisfactory evidence that Timothy Spindel is the person who appeared before me, and said person acknowledged that said person signed this instrument, on oath stated that said person was authorized to execute the instrument and acknowledged it as the President of BLAKELEY COMMONS OWNERS ASSOCIATION, a Washington corporation, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated this 18 day of October, 2004.



Cynthia A. Zink  
(Signature of Notary)  
Cynthia A. Zink  
(Legibly Print or Stamp Name of Notary)  
Notary public in and for the state of Washington,  
residing at BELLEVUE WA  
My appointment expires 2-19-08

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BLAKELEY COMMONS,  
A CONDOMINIUM

CONSENT TO CHANGE OF PARKING SPACE

The owner of Unit 330 hereby consents to an amendment to the Declaration changing the parking spaces assigned to Unit 330 from 140 and 143 to 140 and 91.

*J. Michael West*  
\_\_\_\_\_  
J. MICHAEL WEST

STATE OF WASHINGTON  
COUNTY OF KING

NOTARY PUBLIC  
STATE OF WASHINGTON  
CYNTHIA A. ZINK

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

Dated this 18<sup>th</sup> day of OCTOBER, 2004.

*Cynthia A. Zink*  
\_\_\_\_\_  
(Signature of Notary)



*CYNTHIA A. ZINK*  
\_\_\_\_\_  
(Type Name or Stamp Name of Notary)  
Notary public in and for the state of Washington,  
residing at Bellevue WA  
My appointment expires 2-19-09



Schedule C  
 BLAKELEY COMMONS, A CONDOMINIUM  
 Unit Data: Allocated Parking, Storage and Storage Assignments  
 Entire Project

Building	Unit/Unit Data*	Level(s)	Area (Sq. Ft.)	Declared Value	CBL Formula Area	CBL Formula Value	LCEL Formula Area	LCEL Formula Value	Allocated Interest <sup>1/2</sup>	LCEL <sup>2/3</sup>	Parking Spots(s) <sup>3/4</sup>	Storage Area(s) <sup>5</sup>
West	1A <sup>1/2</sup> Commercial	2	1,309	196,945	1.37	0.62	16.28	16.13	0.995	16,205	59 <sup>1/2</sup>	
West	1B <sup>1/2</sup> Commercial	2	2,295	345,155	2.40	1.08	28.56	28.26	1.740	28,410	60-63 <sup>1/2</sup>	
West	101 1 BR, 1 BA, F	1	789	239,900	0.81	0.75	0.88	0.78	0.780	0.830	13, 14	68
West	102 S, 1 BA, F	1	599	199,900	0.63	0.62	0.68	0.65	0.625	0.665	105	69
West	103 1 BR, 1 BA, F	1	690	229,900	0.72	0.72	0.79	0.75	0.720	0.770	6	74
West	104 S, 1 BA, F	1	479	129,900	0.50	0.41	0.55	0.42	0.435	0.485	17	71
West	105 1 BR, 1 BA, F	1	699	239,900	0.73	0.75	0.80	0.78	0.740	0.790	109	72
West	207 1 BR, 1 BA, F	2	743	239,900	0.77	0.75	0.85	0.78	0.760	0.815	19	1
West	208 2 BR, 2 BA, F	2	1,020	339,900	1.06	1.12	1.16	1.17	1.099	1.165	8	2
West	209 2 BR, 1 1/2 BA, F	2	1,024	337,900	1.07	1.06	1.17	1.10	1.065	1.135	117, 159	3
West	210 1 BR, 1 BA, F	2	735	274,900	0.77	0.86	0.84	0.89	0.815	0.865	121	4
West	211 2 BR, 1 1/2 BA, F	2	1,179	399,900	1.23	1.25	1.34	1.30	1.240	1.320	156	5
West	212 1 BR, 1 BA, F	2	589	185,900	0.61	0.58	0.67	0.60	0.595	0.635	5	6
West	300 2 BR, 1 1/2 BA, F	3	1,089	369,900	1.14	1.16	1.24	1.20	1.150	1.220	110, 111	7
West	301 1 BR, 1 BA, F	3	628	204,900	0.66	0.64	0.72	0.67	0.650	0.695	21	8
West	302 1 BR, 1 BA, F	3	628	204,900	0.66	0.64	0.72	0.67	0.650	0.695	124	9
West	303 1 BR, 1 BA, F	3	628	204,900	0.66	0.64	0.72	0.67	0.650	0.695	20	10
West	304 1 BR, 1 BA, F	3	765	254,900	0.80	0.80	0.87	0.83	0.800	0.850	18	11
West	305 2 BR, 1 1/2 BA, F	3	1,124	364,900	1.17	1.14	1.28	1.18	1.155	1.230	119	12
West	306 S, 1 BA, F	3	496	169,900	0.52	0.53	0.57	0.53	0.525	0.560	126	13
West	307 1 BR, 1 BA, F	3	742	234,900	0.77	0.80	0.85	0.83	0.785	0.840	15	14
West	308 2 BR, 2 BA, F	3	1,020	369,900	1.06	1.16	1.16	1.20	1.110	1.180	4	15
West	309 2 BR, 1 1/2 BA, F	3	1,026	349,900	1.07	1.09	1.17	1.14	1.080	1.155	116	16
West	310 1 BR, 1 BA, F	3	735	249,900	0.77	0.78	0.84	0.81	0.775	0.825	122	17
West	311 2 BR, 1 1/2 BA, F	3	1,179	414,900	1.23	1.30	1.34	1.33	1.265	1.345	155	18
West	312 2 BR, 1 1/2 BA, F	3	1,109	339,900	1.16	1.12	1.26	1.17	1.140	1.215	16	19
West	400 2 BR, 1 1/2 BA, F	4	1,089	379,900	1.14	1.19	1.24	1.23	1.165	1.235	113	20
West	401 1 BR, 1 BA, F	4	628	209,900	0.66	0.66	0.72	0.68	0.660	0.700	7	21
West	402 1 BR, 1 BA, F	4	628	209,900	0.66	0.66	0.72	0.68	0.660	0.700	123	22
West	403 1 BR, 1 BA, F	4	628	209,900	0.66	0.66	0.72	0.68	0.660	0.700	3	23
West	404 1 BR, 1 BA, F	4	763	255,900	0.80	0.80	0.87	0.83	0.800	0.850	53, 54	24
West	405 2 BR, 1 1/2 BA, F	4	1,124	374,900	1.17	1.17	1.28	1.20	1.170	1.250	52, 120	25

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Building	Unit Data*	Level(s)	Area (Sd. Ft.)	Decided Value	CEIL Formula	Ybase	Ytop	Allocated Interests	LCFL	Parking Spacity	Storage Area(s)
West	406 1 BR, 1 BA, F	4	496	174,900	0.52	0.55	0.57	0.57	0.570	125	26
West	407 1 BR, 1 BA, F	4	742	264,900	0.71	0.83	0.85	0.86	0.855	65	27
West	408 2 BR, 2 BA, F	4	1,020	389,900	1.06	1.22	1.16	1.27	1.140	9,55	28
West	409 2 BR, 1 BA, F	4	1,026	364,900	1.07	1.14	1.17	1.18	1.105	114,115	29
West	410 1 BR, 1 BA, F	4	735	274,900	0.71	0.86	0.84	0.89	0.865	161	30
West	411 2 BR, 1 BA, F	4	1,179	424,900	1.23	1.31	1.34	1.38	1.280	1,112	31
West	412 2 BR, 1 BA, F	4	1,109	358,900	1.16	1.16	1.26	1.20	1.160	1,230	32
West	500 2 BR, 1 BA, F	5	1,089	399,900	1.14	1.23	1.24	1.30	1.195	57	33
West	501 1 BR, 1 BA, F	5	766	264,900	0.79	0.83	0.87	0.86	0.810	10	34
West	502 1 BR, 1 BA, F	5	531	179,900	0.55	0.56	0.61	0.58	0.595	22	35
West	503 2 BR, 1 BA, F	5	828	304,900	0.86	0.95	0.94	0.99	0.905	118	36
West	505 2 BR, 1 BA, F	5	1,221	524,900	1.38	1.64	1.51	1.70	1.510	157,158	37
West	509 2 BR, 1 BA, F	5	1,026	379,900	1.07	1.19	1.17	1.23	1.130	1,200	38
West	510 1 BR, 1 BA, F	5	735	279,900	0.71	0.87	0.84	0.91	0.820	160	39
West	512 2 BR, 1 BA, F	5	1,293	495,900	1.35	1.56	1.47	1.62	1.455	49,50,51	77
East	2A Commercial	2	1,315	201,450	1.27	0.63	16.36	16.50	1.000	15,430	
East	2B Commercial	2	1,017	155,750	1.06	0.49	12.65	12.75	0.775	12,760	
East	3A Commercial	2	1,021	156,429	1.07	0.49	12.70	12.81	0.780	12,755	
East	3B Commercial	2	1,080	163,441	1.12	0.52	13.45	13.55	0.820	13,500	
East	128 2 BR, 1 BA, F	1	1,062	359,900	1.11	1.12	1.21	1.17	1.115	1,190	95
East	129 1 BR, 1 BA, F	1	751	249,900	0.78	0.78	0.86	0.81	0.780	835	96
East	130 1 BR, 1 BA, F	1	816	274,900	0.85	0.86	0.93	0.89	0.855	910	97
East	131 1 BR, 1 BA, F	1	677	239,900	0.71	0.75	0.71	0.70	0.730	775	98
East	132 1 BR, 1 BA, F	1	677	239,900	0.71	0.74	0.77	0.77	0.725	770	99
East	133 1 BR, 1 BA, F	1	677	239,900	0.71	0.75	0.77	0.76	0.730	775	100
East	134 1 BR, 1 BA, F	1	704	242,900	0.71	0.76	0.80	0.79	0.745	795	101
East	226 1 BR, 1 BA, F	2	678	244,900	0.71	0.70	0.77	0.73	0.705	750	102
East	227 1 BR, 1 BA, F	2	729	249,900	0.76	0.73	0.83	0.81	0.770	820	103
East	228 2 BR, 1 BA, F	2	1,076	379,900	1.12	1.19	1.23	1.23	1.155	1,230	104
East	230 1 BR, 2 BA, F	2	1,773	629,900	1.85	1.97	2.02	2.05	1.910	2,015	35,42,43,44
East	231 1 BR, 1 BA, F	2	746	264,900	0.78	0.83	0.85	0.86	0.805	855	36
East	232 1 BR, 1 BA, F	2	681	249,900	0.71	0.78	0.81	0.81	0.745	795	135
East	233 1 BR, 1 BA, F	2	746	264,900	0.78	0.83	0.85	0.86	0.805	855	127
East	234 2 BR, 1 BA, F	2	1,178	429,900	1.23	1.34	1.34	1.40	1.285	1,370	97
East	235 1 BR, 1 BA, F	2	594	194,900	0.62	0.61	0.68	0.63	0.615	655	48

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SCHEDULE C, PAGE 2 OF 4

Building	Unit	Unit Data	Level(s)	Area (Sq. Ft.)	Declared Value	CEL Formula's Area	CEL Formula's Value	CEL Formula's Area	CEL Formula's Value	Allocated Interest <sup>1/2</sup>	L.CEL <sup>2/3</sup>	Packing Space(s) <sup>4</sup>	Storage Area(s) <sup>5</sup>
East	320	2 BR, 1/4 BA, F	3	1,083	379,900	1.13	1.19	1.24	1.23	1.60	1.235	25, 128	73
East	311	1 BR, 1 BA, F	3	636	209,900	0.66	0.66	0.72	0.68	0.660	0.700	129	45
East	322	1 BR, 1 BA, F	3	636	209,900	0.66	0.66	0.72	0.68	0.660	0.700	98	46
East	323	1 BR, 1 BA, F	3	636	209,900	0.66	0.66	0.72	0.68	0.660	0.700	139	50
East	374	1 BR, 1 BA, F	3	636	209,900	0.66	0.66	0.72	0.68	0.660	0.700	34	51
East	324	1 BR, 1 BA, F	3	750	254,900	0.78	0.80	0.85	0.83	0.790	0.840	138	52
East	326	1 BR, 1 BA, F	3	672	239,900	0.70	0.72	0.77	0.75	0.710	0.760	137	53
East	327	1 BR, 1 BA, F	3	729	254,900	0.76	0.80	0.83	0.83	0.780	0.830	136	54
East	328	2 BR, 1/4 BA, F	3	1,076	389,900	1.12	1.22	1.23	1.27	1.170	1.250	112, 146	91
East	329	1 BR, 1 BA, F	3	763	264,900	0.80	0.83	0.87	0.86	0.815	0.865	45	55
East	330	2 BR, 2 BA, F	3	985	339,900	1.03	1.12	1.12	1.17	1.075	1.145	91, 140	75
East	331	1 BR, 1 BA, F	3	743	259,900	0.78	0.81	0.85	0.84	0.795	0.845	148	56
East	332	1 BR, 1 BA, F	3	681	244,900	0.71	0.78	0.78	0.80	0.735	0.790	71	48
East	333	1 BR, 1 BA, F	3	746	264,900	0.78	0.83	0.85	0.86	0.805	0.855	75	47
East	334	2 BR, 1/4 BA, F	3	1,178	429,900	1.23	1.34	1.34	1.40	1.285	1.370	95, 153	49
East	335	2 BR, 1/4 BA, F	3	1,118	369,900	1.17	1.16	1.27	1.20	1.165	1.235	130	92
East	420	2 BR, 1/4 BA, F	4	1,083	389,900	1.13	1.22	1.24	1.27	1.175	1.253	141, 152	79
East	421	1 BR, 1 BA, F	4	636	214,900	0.66	0.67	0.72	0.70	0.665	0.710	78	57
East	422	1 BR, 1 BA, F	4	636	214,900	0.66	0.67	0.72	0.70	0.665	0.710	79	58
East	423	1 BR, 1 BA, F	4	636	214,900	0.66	0.67	0.72	0.70	0.665	0.710	149	59
East	424	1 BR, 1 BA, F	4	636	214,900	0.66	0.67	0.72	0.70	0.665	0.710	147	60
East	425	1 BR, 1 BA, F	4	750	264,900	0.78	0.83	0.85	0.86	0.803	0.855	144	61
East	426	1 BR, 1 BA, F	4	672	239,900	0.70	0.75	0.77	0.78	0.725	0.775	76	62
East	427	1 BR, 1 BA, F	4	729	264,900	0.76	0.83	0.83	0.86	0.785	0.845	72	63
East	428	2 BR, 1/4 BA, F	4	1,076	404,900	1.12	1.26	1.23	1.31	1.190	1.278	39, 40	90
East	429	1 BR, 1 BA, F	4	763	279,900	0.80	0.87	0.87	0.91	0.835	0.890	151	64
East	430	2 BR, 2 BA, F	4	985	374,900	1.03	1.17	1.12	1.22	1.100	1.178	70	86
East	431	1 BR, 1 BA, F	4	743	274,900	0.78	0.86	0.85	0.89	0.820	0.870	141	65
East	432	1 BR, 1 BA, F	4	681	254,900	0.71	0.80	0.78	0.83	0.755	0.805	73	66
East	433	1 BR, 1 BA, F	4	746	274,900	0.78	0.86	0.85	0.89	0.820	0.870	131	67
East	434	2 BR, 1/4 BA, F	4	1,178	449,900	1.23	1.41	1.34	1.46	1.320	1.400	23	93
East	520	2 BR, 1/4 BA, F	5	1,118	374,900	1.17	1.17	1.27	1.22	1.170	1.245	74	94
East	521	1 BR, 1 BA, F	5	1,083	399,900	1.13	1.25	1.24	1.30	1.190	1.270	154	81
East	522	1 BR, 1 BA, F	5	636	224,900	0.66	0.69	0.72	0.73	0.675	0.725	90	44
East	523	1 BR, 1 BA, F	5	636	224,900	0.66	0.69	0.72	0.73	0.675	0.725	89	15
East	523	1 BR, 1 BA, F	5	636	224,900	0.66	0.69	0.72	0.73	0.675	0.725	77	87

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SCHEDULE C, PAGE 3 OF 4

Building	Unit/Unit Data	Level(s)	Area (Sq. Ft.)	Declared Value	CEU, Foreman's		L/CEU, Foreman's		Allocated Interest <sup>2</sup>	L/CEU <sup>2</sup>	Parking Space(s) <sup>3</sup>	Storage Area(s) <sup>4</sup>
					Area	Value	Area	Value				
East	524 1BR, 1BA, F	5	636	224,900	0.66	0.69	0.72	0.73	0.575	0.725	96	80
East	525 1BR, 1BA, F	5	745	274,900	0.78	0.82	0.85	0.89	0.815	0.870	37	87
East	526 2BR, 2BA, F	5	1,817	524,900	1.96	1.65	2.07	1.70	1.765	1.885	132, 133, 134	106, 107
East	531 1BR, 1BA, F	5	746	284,900	0.79	0.85	0.85	0.91	0.835	0.890	41	82
East	532 1BR, 1BA, F	5	681	264,900	0.72	0.82	0.78	0.86	0.779	0.820	88	83
East	533 1BR, 1BA, F	5	746	284,900	0.79	0.88	0.85	0.93	0.835	0.890	87	84
East	534 2 BR, 1BA, F	5	1,231	524,900	1.29	1.63	1.40	1.69	1.460	1.545	46, 47	78
Residential:			8,763	30,324,300			100.00	100.00		100.000		
Commercial:			1,057	1,271,158			100.00	100.00		100.000		
TOTAL:			95,380	31,815,458	100.00	100.00	100.00	100.00	100.000	100.000		

\* Legend: S - study; BR - bedroom; BA - bathroom

<sup>1</sup> Common Expenses Liability, Interest in Common Elements and voting are determined in accordance with a weighted formula which is 50% relative area of Units and 50% relative declared value of Units, rounded to equal 100%.

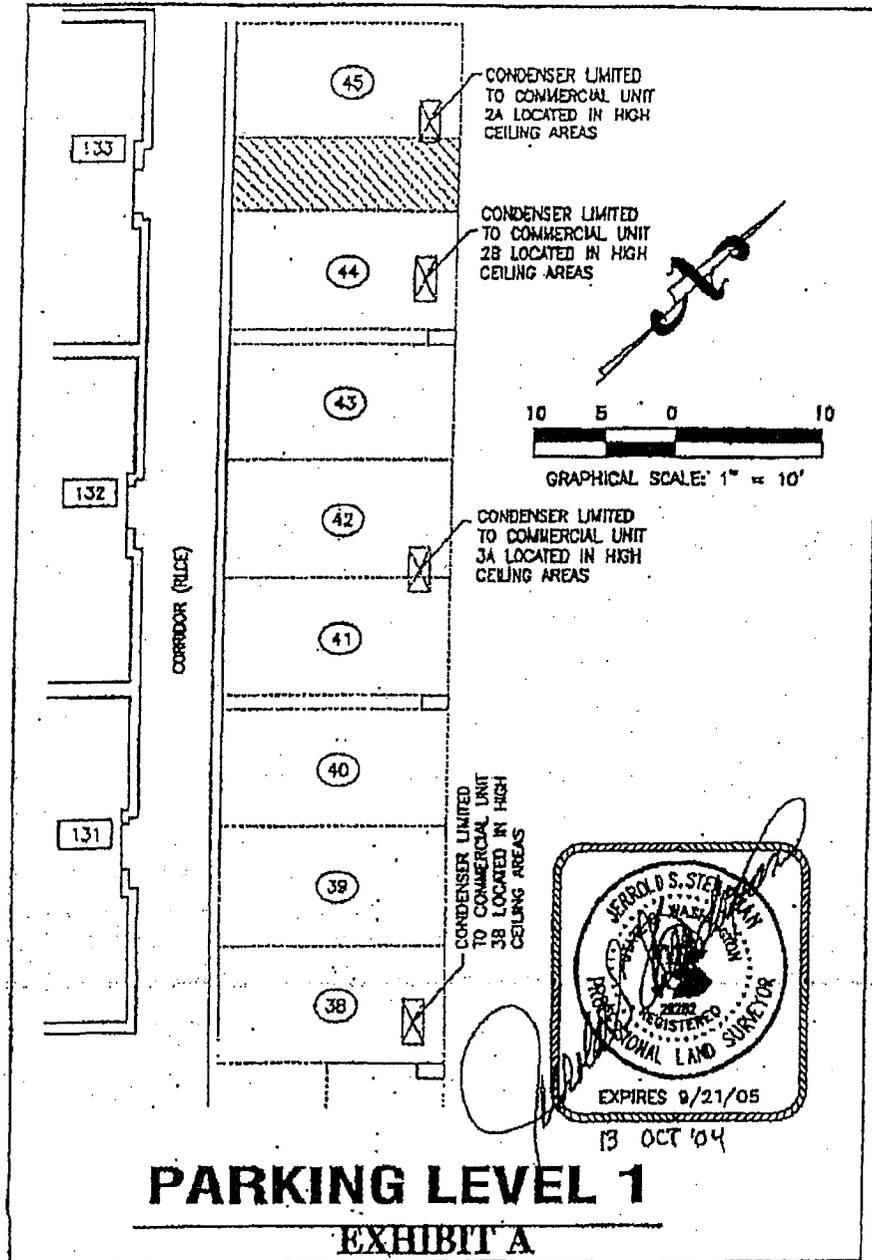
<sup>2</sup> Limited Common Expense Liability (L/CEU) of each Unit is determined in accordance with a weighted formula which is 50% relative area of Units of the same type (Residential or Commercial) and 50% relative declared value of Units of the same type, rounded to equal 100%.

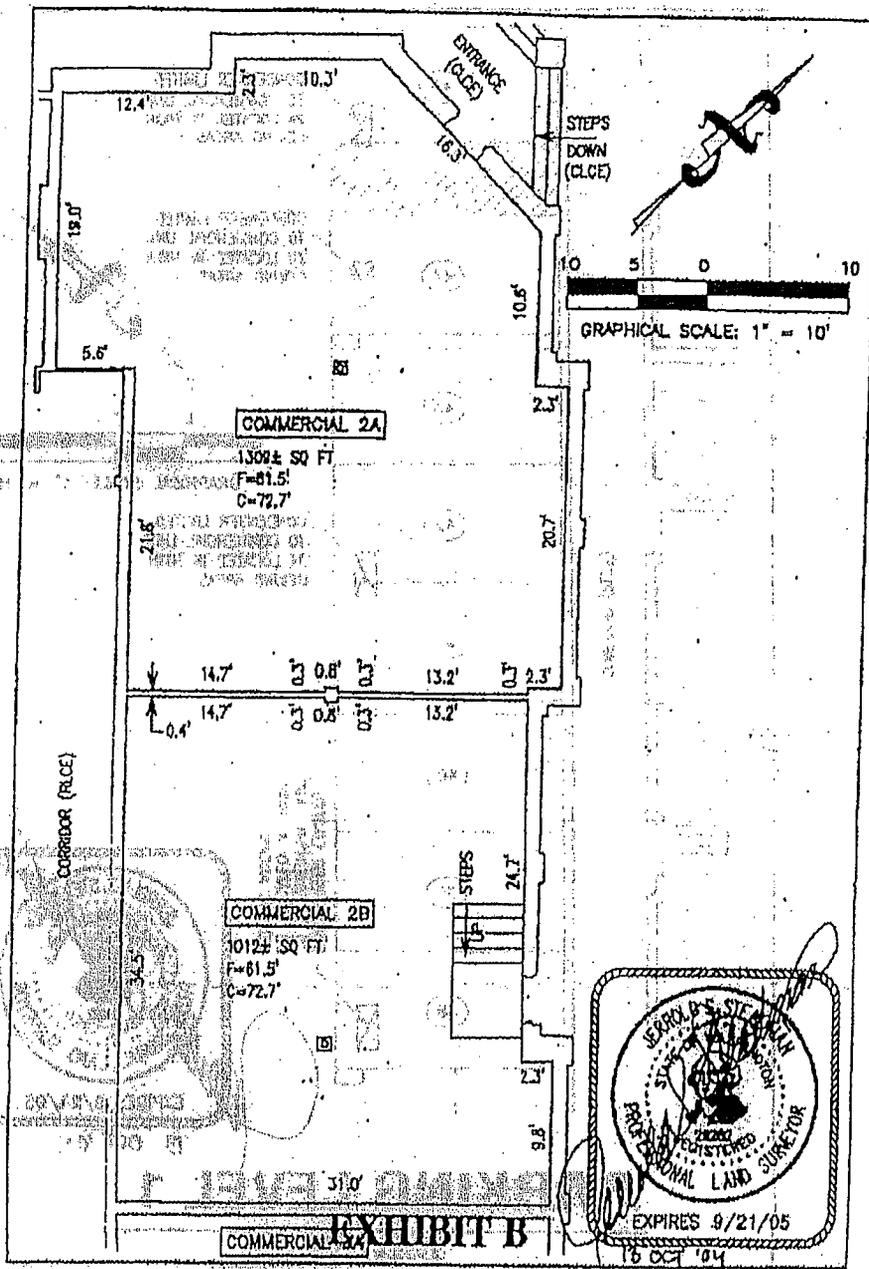
<sup>3</sup> There are 160 covered parking spaces and 109 storage areas designated by number in Phase I and II of the Condominium. Parking space 92 is dedicated to the Association for washing cars and a handicapped parking stall is located at the entrance to the garage and is dedicated to the Association. Unassigned parking spaces and storage areas will be assigned by amendment signed by the Declarant.

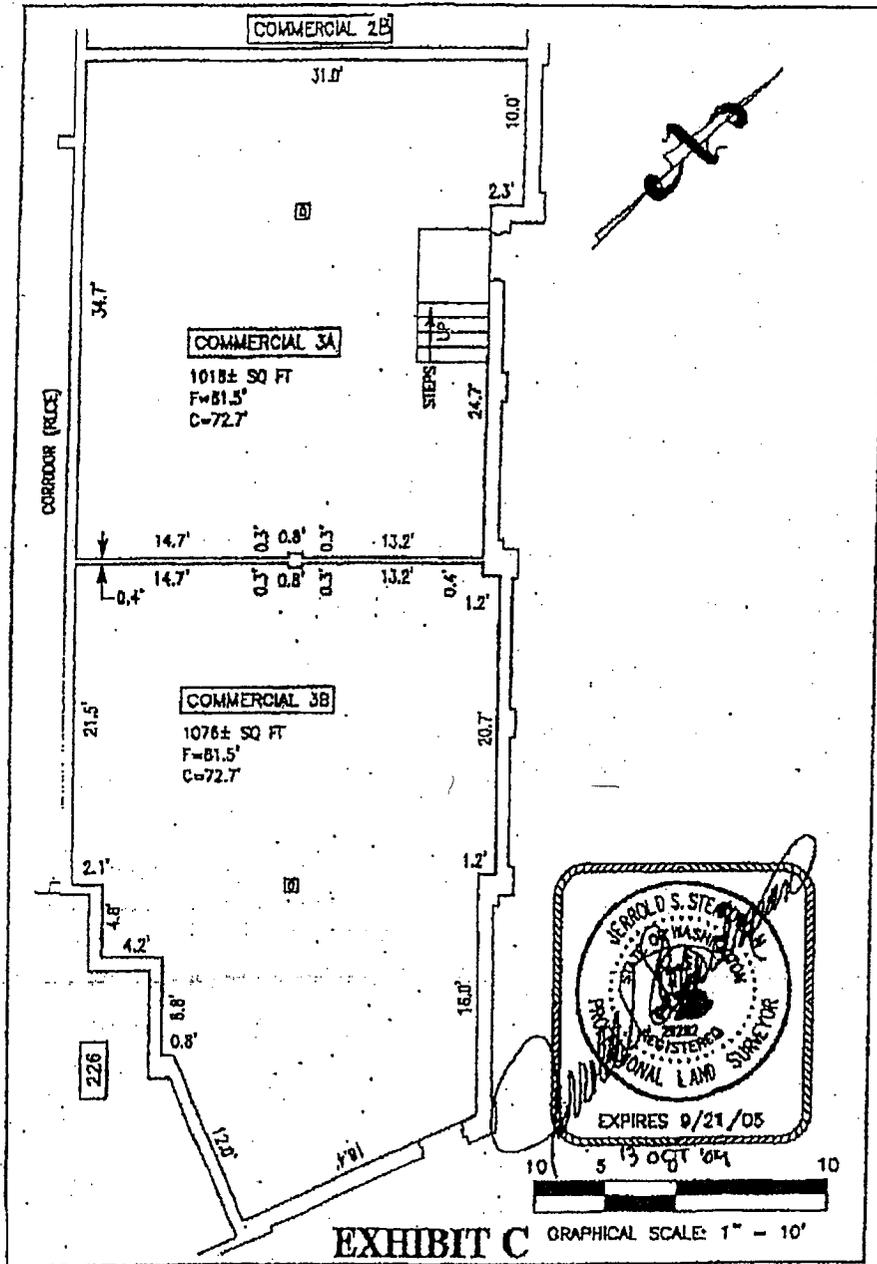
<sup>4</sup> Parking spaces 103, 104, 106-108 are designated as shared commercial parking and assigned to all Commercial Units as joint limited Common Elements.

<sup>5</sup> For the purposes of allocating the Allocated Interests formerly allocated to Commercial Unit 1 to new Commercial Units 1A and 1B, the area and declared value of former Commercial Unit 1 has been prorated between new Commercial Units 1A and 1B in proportion to the new areas of these Units (1309 and 2195 respectively).

<sup>6</sup> For the purposes of allocating the Allocated Interests formerly allocated to Commercial Units 2 and 3 to new Commercial Units 2A, 2B, 3A and 3B, the area and declared value of former Commercial Units 2 and 3 have been prorated between new Commercial Units 2A, 2B, 3A and 3B in proportion to the new areas of these Units (1309, 1012, 1018, and 1076 respectively).







**SCHEDULE O**  
**BLAKELEY COMMONS, A CONDOMINIUM**  
 Estimated Initial Monthly Assessment  
 Encore Project

Building	Units	Phase 1				Phase 2				Phase 3			
		Commons Assessments	LCCLU Assessments	Unlimited Commons Assessments	Total Assessments	Commons Assessments	LCCLU Assessments	Unlimited Commons Assessments	Total Assessments	Commons Assessments	LCCLU Assessments	Unlimited Commons Assessments	Total Assessments
West	185	2,270	1,771	3,041	\$171	0.995	1,740	\$183	1,740	0.830	1,740	\$183	\$163
West	181	1,790	1,915	3,705	\$299	1.740	1,740	\$245	1,740	0.830	1,740	\$245	\$175
West	102	1,430	1,510	2,940	\$81	0.645	1,740	\$102	1,740	0.645	1,740	\$102	\$119
West	103	1,645	1,725	3,370	\$95	0.720	1,740	\$118	1,740	0.720	1,740	\$118	\$173
West	104	1,040	1,110	2,150	\$72	0.655	1,740	\$84	1,740	0.655	1,740	\$84	\$128
West	105	1,695	1,810	3,505	\$98	0.740	1,740	\$121	1,740	0.740	1,740	\$121	\$178
West	207	1,745	1,865	3,610	\$101	0.760	1,740	\$125	1,740	0.760	1,740	\$125	\$207
West	208	2,505	2,675	5,180	\$324	1.690	1,740	\$409	1,740	1.690	1,740	\$409	\$214
West	209	2,435	2,600	5,035	\$314	1.690	1,740	\$398	1,740	1.690	1,740	\$398	\$214
West	210	1,845	1,945	3,790	\$141	0.945	1,740	\$175	1,740	0.945	1,740	\$175	\$289
West	211	2,840	3,035	5,875	\$247	1.615	1,740	\$304	1,740	1.615	1,740	\$304	\$279
West	212	1,370	1,460	2,830	\$164	1.240	1,740	\$203	1,740	1.240	1,740	\$203	\$347
West	300	2,625	2,800	5,425	\$379	2.395	1,740	\$458	1,740	2.395	1,740	\$458	\$167
West	301	1,480	1,580	3,060	\$151	1.150	1,740	\$188	1,740	1.150	1,740	\$188	\$321
West	302	1,480	1,580	3,060	\$151	1.150	1,740	\$188	1,740	1.150	1,740	\$188	\$321
West	303	1,480	1,580	3,060	\$151	1.150	1,740	\$188	1,740	1.150	1,740	\$188	\$321
West	304	1,820	1,945	3,765	\$242	1.650	1,740	\$304	1,740	1.650	1,740	\$304	\$279
West	305	2,650	2,825	5,475	\$383	2.695	1,740	\$462	1,740	2.695	1,740	\$462	\$183
West	306	1,200	1,280	2,480	\$98	0.850	1,740	\$107	1,740	0.850	1,740	\$107	\$183
West	307	1,795	1,920	3,715	\$133	1.155	1,740	\$149	1,740	1.155	1,740	\$149	\$224
West	308	2,540	2,710	5,250	\$347	2.735	1,740	\$426	1,740	2.735	1,740	\$426	\$147
West	309	2,480	2,645	5,125	\$343	2.640	1,740	\$422	1,740	2.640	1,740	\$422	\$147
West	310	1,775	1,890	3,665	\$134	1.180	1,740	\$152	1,740	1.180	1,740	\$152	\$211
West	311	2,895	3,090	5,985	\$402	3.465	1,740	\$504	1,740	3.465	1,740	\$504	\$303
West	312	2,615	2,790	5,405	\$385	3.265	1,740	\$417	1,740	3.265	1,740	\$417	\$217
West	400	2,640	2,840	5,480	\$388	3.440	1,740	\$432	1,740	3.440	1,740	\$432	\$324
West	401	1,500	1,600	3,100	\$113	0.960	1,740	\$127	1,740	0.960	1,740	\$127	\$185
West	402	1,500	1,600	3,100	\$113	0.960	1,740	\$127	1,740	0.960	1,740	\$127	\$185
West	403	1,500	1,600	3,100	\$113	0.960	1,740	\$127	1,740	0.960	1,740	\$127	\$185
West	404	1,825	1,950	3,775	\$137	1.170	1,740	\$152	1,740	1.170	1,740	\$152	\$224
West	405	2,615	2,865	5,480	\$388	3.465	1,740	\$432	1,740	3.465	1,740	\$432	\$324
West	406	1,230	1,300	2,530	\$92	0.930	1,740	\$107	1,740	0.930	1,740	\$107	\$147
West	407	1,835	1,955	3,790	\$138	1.175	1,740	\$153	1,740	1.175	1,740	\$153	\$220
West	408	2,615	2,785	5,400	\$381	3.400	1,740	\$426	1,740	3.400	1,740	\$426	\$176
West	409	2,535	2,705	5,240	\$371	3.275	1,740	\$417	1,740	3.275	1,740	\$417	\$176
West	410	1,865	1,985	3,850	\$140	1.175	1,740	\$153	1,740	1.175	1,740	\$153	\$210
West	411	2,930	3,125	6,055	\$416	3.660	1,740	\$491	1,740	3.660	1,740	\$491	\$329
West	412	2,930	3,125	6,055	\$416	3.660	1,740	\$491	1,740	3.660	1,740	\$491	\$329

Building	Unit	Phase I					Entire Project				
		CEL <sup>U</sup>	LCEL <sup>U</sup>	Common Assessments	Unfunded Common Assessments	Total Assessments	CEL <sup>U</sup>	LCEL <sup>U</sup>	Common Assessments	Unfunded Common Assessments	Total Assessments
West	412	2,650	2,825	\$260	\$153	\$357	1.60	1.20	\$190	\$135	\$325
West	500	2,735	2,915	\$206	\$158	\$364	1.95	1.270	\$196	\$139	\$335
West	501	1,860	1,980	\$140	\$107	\$247	0.810	0.665	\$133	\$95	\$228
West	502	1,275	1,365	\$96	\$74	\$170	0.515	0.495	\$91	\$65	\$156
West	503	2,080	2,215	\$157	\$120	\$277	0.905	0.965	\$148	\$106	\$254
West	505	3,470	3,690	\$261	\$200	\$461	1.510	1.605	\$247	\$176	\$423
West	509	2,590	2,760	\$195	\$149	\$344	1.130	1.200	\$185	\$131	\$316
West	510	1,885	2,010	\$142	\$109	\$251	0.820	0.872	\$134	\$96	\$230
West	512	3,345	3,560	\$232	\$193	\$445	1.455	1.545	\$238	\$169	\$407
Phase I:		100,600	100,600	\$7,529	\$5,411	\$12,940					
East	2A						1.000		\$164		\$164
East	2B						0.775		\$127		\$127
East	3A						0.780		\$128		\$128
East	3B						0.820		\$134		\$134
East	128						1.115	1.090	\$183	\$130	\$313
East	129						0.780	0.835	\$128	\$91	\$219
East	130						0.855	0.970	\$140	\$100	\$240
East	131						0.730	0.775	\$120	\$85	\$205
East	132						0.725	0.770	\$119	\$84	\$203
East	133						0.734	0.775	\$120	\$85	\$205
East	134						0.745	0.785	\$122	\$87	\$209
East	226						0.705	0.750	\$116	\$82	\$198
East	227						0.770	0.820	\$126	\$90	\$216
East	228						1.155	1.230	\$189	\$135	\$324
East	230						1.910	2.035	\$313	\$223	\$536
East	231						0.805	0.855	\$132	\$94	\$226
East	232						0.745	0.795	\$122	\$87	\$209
East	233						0.895	0.955	\$132	\$94	\$226
East	234						1.285	1.370	\$211	\$150	\$361
East	235						0.615	0.655	\$101	\$72	\$173
East	320						1.160	1.235	\$190	\$135	\$325
East	321						0.660	0.700	\$108	\$77	\$185
East	322						0.660	0.700	\$108	\$77	\$185
East	323						0.660	0.700	\$108	\$77	\$185
East	324						0.660	0.700	\$108	\$77	\$185
East	325						0.790	0.840	\$129	\$92	\$221
East	326						0.710	0.760	\$116	\$83	\$199
East	327						0.780	0.830	\$128	\$91	\$219
East	328						1.170	1.250	\$187	\$137	\$324
East	329						0.815	0.865	\$134	\$95	\$229
East	330						1.075	1.145	\$176	\$125	\$301
East	331						0.795	0.845	\$130	\$92	\$222

Building	Unit	Phase 1						Entire Project			Total Assessment
		CEL <sup>1</sup>	LCEL <sup>2</sup>	Common Assessments	Limited Common Assessments	Total Assessments	CEL <sup>1</sup>	LCEL <sup>2</sup>	Common Assessments	Limited Common Assessments	
East	312	0.735	0.790				0.735	0.790	\$128	\$86	\$706
East	313	0.805	0.835				0.805	0.835	\$94	\$94	\$728
East	314	1.285	1.370				1.285	1.370	\$211	\$190	\$161
East	315	1.065	1.235				1.065	1.235	\$191	\$135	\$376
East	420	1.175	1.235				1.175	1.235	\$193	\$137	\$350
East	421	0.665	0.740				0.665	0.740	\$109	\$78	\$187
East	422	0.665	0.710				0.665	0.710	\$109	\$78	\$187
East	424	0.665	0.710				0.665	0.710	\$109	\$78	\$187
East	425	0.805	0.835				0.805	0.835	\$132	\$94	\$726
East	426	0.725	0.775				0.725	0.775	\$119	\$85	\$704
East	427	0.795	0.845				0.795	0.845	\$130	\$92	\$722
East	428	1.190	1.270				1.190	1.270	\$195	\$139	\$334
East	429	0.835	0.890				0.835	0.890	\$137	\$97	\$234
East	430	1.100	1.170				1.100	1.170	\$180	\$128	\$308
East	431	0.820	0.870				0.820	0.870	\$134	\$95	\$229
East	432	0.735	0.805				0.735	0.805	\$124	\$88	\$212
East	433	0.830	0.870				0.830	0.870	\$134	\$95	\$229
East	434	1.320	1.400				1.320	1.400	\$216	\$153	\$369
East	435	1.170	1.245				1.170	1.245	\$192	\$136	\$328
East	520	1.190	1.270				1.190	1.270	\$195	\$139	\$334
East	521	0.675	0.725				0.675	0.725	\$111	\$79	\$190
East	522	0.675	0.725				0.675	0.725	\$111	\$79	\$190
East	523	0.675	0.725				0.675	0.725	\$111	\$79	\$190
East	524	0.675	0.725				0.675	0.725	\$111	\$79	\$190
East	525	0.815	0.870				0.815	0.870	\$134	\$95	\$229
East	526	1.765	1.885				1.765	1.885	\$289	\$206	\$495
East	531	0.835	0.890				0.835	0.890	\$137	\$97	\$234
East	532	0.770	0.820				0.770	0.820	\$126	\$90	\$216
East	533	0.835	0.890				0.835	0.890	\$137	\$97	\$234
East	535	1.460	1.545				1.460	1.545	\$239	\$169	\$408
Commercial Residential											
Entire Project:		100.000	100.000				100.000	100.000	\$16,592	\$10,944	\$57,336

<sup>1</sup> Common Expense Liability (CEL) is determined in accordance with a weighted formula which is 50% relative areas of Units and 50% relative declared value of units, rounded to equal 100%.

<sup>2</sup> Limited Common Expense Liability (LCEL) of each Unit is determined by a weighted formula which is 50% relative area of Units of the same type (Residential or Commercial) and 50% relative declared value of Units of the same type, rounded to equal 100%.

BLAKELEY COMMONS  
A CONDOMINIUM

ADDENDUM NO. 3 TO PUBLIC OFFERING STATEMENT ACKNOWLEDGEMENT

The undersigned prospective purchaser(s) of a Unit in Blakeley Commons, a condominium, acknowledges receipt on the date indicated below of the Public Offering Statement dated September 20, 2002, Addendum No. 1 thereto dated February 4, 2003, and Addendum No. 2 thereto dated April 27, 2004, and Addendum No. 3 dated October 20, 2004, together with a copy of each of the documents listed therein.

Dated: \_\_\_\_\_

PURCHASER

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BLAKELEY COMMONS  
CONDOMINIUM

ADDENDUM NO. 3 TO PUBLIC OFFERING STATEMENT ACKNOWLEDGEMENT

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Dated: \_\_\_\_\_

BUYER(S)

PURCHASER

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SALMI & GILLASPY, PLLC

SUPERIOR COURT OF WASHINGTON FOR KING COUNTY

BLAKELEY COMMONS CONDOMINIUM ASSOCIATION, a Washington non-profit corporation,

Plaintiff,

vs.

BLAKELEY VILLAGE LLC, a Washington Corporation; INTRACORP REAL ESTATE, LLC, a Washington Corporation; JOHN AND JANE DOES 1 through 20, individuals; CONTRACTOR DOES 21 through 35, entities conducting business in Washington;

Defendants.

NO. 06-2-03941-6SEA

DECLARATION OF JESSICA HASELBY IN SUPPORT OF PLAINTIFF'S MOTION TO SET A TRIAL DATE

I, JESSICA HASELBY, declare under the penalty of perjury and in accordance with the laws of the State of Washington, I am over 18 years old, competent to testify, and make this declaration based on personal knowledge:

- 1. I am an original purchaser of Unit No. 2A at the Blakeley Commons Condominium project in Seattle, Washington.
2. Attached hereto as Exhibit #1 is a true and correct copy of my Purchase and Sale Agreement for Unit No. 2A at the Blakeley Commons Condominiums.

DECLARATION OF JESSICA HASELBY IN SUPPORT OF PLAINTIFF'S MOTION TO SET A TRIAL DATE - 1

COPY

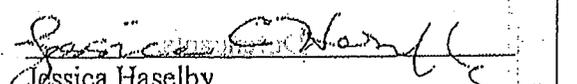
CASEY & SKOGLUND PLLC 114 West McGraw Street Seattle, Washington 98119 Phone (206) 284-8165

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3. I have reviewed Exhibit No. 2, attached hereto, entitled "BLAKELEY COMMONS, A CONDOMINIUM WARRANTY ADDENDUM" (hereinafter "Warranty Addendum") and to the best of my knowledge, I never signed a warranty addendum nor was I asked to sign a warranty addendum.
  
4. At no time did I understand by entering a Purchase and Sale Agreement with Blakely Village, LLC, I was giving up my right to a jury trial for any breach of contract, breach of the Consumer Protection Act, breach of implied warranty, breach of fiduciary duty, and/or any other similar claim, which I would normally have as a result of such transaction. It was never my understanding or my intent to give up my right to assert one of the foregoing claims by entering into the Purchase and Sale Agreement with Blakeley Village, LLC.

I SWEAR UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF WASHINGTON THAT THE FOREGOING IS TRUE AND CORRECT.

EXECUTED at Seattle, Washington this 18 day of June, 2008.

  
Jessica Haselby

DECLARATION OF JESSICA HASELBY  
IN SUPPORT OF PLAINTIFF'S MOTION  
TO SET A TRIAL DATE.

CASEY & SKOGLUND PLLC  
114 West McGraw Street  
Seattle, Washington 98119  
Phone (206) 284-8165

# EXHIBIT #1

*Blakeley Commons Condominium Assoc. v. Blakeley Village, LLC, et al.*  
King County Cause No.: 06-2-03941-6 SEA.

Seller is: Blakeley Village LLC

NWMLS Form 24  
CBA Form PS-1A  
Purchase & Sale Agreement  
Rev.12/08  
Page 1 of 8

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COMMERCIAL AND INVESTMENT REAL ESTATE  
PURCHASE AND SALE AGREEMENT

This has been prepared for submission to your attorney for review and approval prior to signing.  
No representation is made by licensee as to its sufficiency or tax consequences.

Date: November 15, 2004

The undersigned Buyer, Jessica Haselley and/or assigns, agrees to buy and  
Seller agrees to sell, on the following terms, the commercial real estate and all improvements thereon (collectively, the "Property") commonly known as  
2901 NE Blakeley Street, Unit 2A in the City of Seattle  
KING County, Washington, legally described on attached Exhibit A.  
(Buyer and Seller authorize the Listing Agent or Selling Licensee to insert and/or correct, over their signatures, the legal description of the Property.)

1. PURCHASE PRICE. The total purchase price is Three Hundred Twenty Thousand Dollars  
Dollars (\$ ~~320,000.00~~ 335,000), including the earnest money, payable as follows (check only one):  
 All cash at closing, including the earnest money, with no financing contingency. THIRTY FIVE THOUSAND  
 All cash at closing, including the earnest money, contingent on new financing under Section 4a below.  
 \$ \_\_\_\_\_ % of the purchase price in cash at closing, including the earnest money, with the balance of the purchase  
price paid as follows (check one or both, as applicable):  Buyer's assumption of any underlying note and deed of trust, or real estate contract,  
under Section 4b below;  Buyer's delivery at closing of a promissory note for the balance of the purchase price, secured by a deed of trust  
encumbering the Property, as described in Section 4c below.  
 Other: \_\_\_\_\_

2. EARNEST MONEY. Buyer agrees to deliver the earnest money \$ 10,000.00 in the form of  
 Cash  Personal check  Promissory note  Other: \_\_\_\_\_  
If the earnest money is in the form of a promissory note it shall be due no later than:  
 \_\_\_\_\_ days after mutual acceptance.  
 Upon removal of the inspection contingencies in Section 9 below.  
 Other: \_\_\_\_\_

The earnest money shall be held by  Selling Licensee  Closing Agent.  
Buyer shall deliver the earnest money no later than:  
 \_\_\_\_\_ days after mutual acceptance.  
 Upon removal of the inspection contingencies in Section 9 below.  
 Other: at time of offer presentation

Selling Licensee may, however, transfer the earnest money to Closing Agent.  
If the earnest money is to be held by Selling Licensee and is over \$10,000, it shall be deposited to:  Selling Licensee's pooled trust account  
(with interest paid to the State Treasurer)  A separate interest bearing trust account in Selling Licensee's name. The interest, if any, shall be  
credited at closing to Buyer whose Social Security or taxpayer ID Number is: \_\_\_\_\_ If this sale fails to close,  
whichever is entitled to the earnest money is entitled to interest.  
Selling Licensee shall deposit any check to be held by Selling Licensee within 5 days after receipt of mutual acceptance, whichever occurs later.  
Buyer agrees to pay financing and purchase costs incurred by Buyer, if all or part of the earnest money is to be returned to Buyer and any such  
costs remain unpaid. Selling Licensee or Closing Agent may deduct and pay them therefrom. Unless otherwise provided in this Agreement, the  
earnest money shall be applicable to the purchase price and shall be non-refundable except where a condition to Buyer's obligation under this  
Agreement is not satisfied through no fault of Buyer.

3. EXHIBITS AND ADDENDA. The following Exhibits and Addenda are made a part of this Agreement:  
Exhibit A - Legal Description  
 Earnest Money Promissory Note, CBA Form EM  
 Promissory Note, LPB Form No. 28/CBA Form N1-A  
 Short Form Deed of Trust, LPB Form No. 20  
 Deed of Trust Rider, CBA Form UTR  
 Utility Charges Addendum, CBA Form UA  
 FIRPTA Certification, CBA Form 28E  
 Assignment and Assumption, CBA Form PS-AB  
 Addendum/Amendment, CBA Form PSA  
 Back-Up Addendum, CBA Form BU-A  
 Vacant Land Addendum, CBA Form VLA  
 Other: CBA Form PS-1A

INITIALS: Buyer: [Signature] Date: 11/15/04 Seller: [Signature] Date: 11/16/04

NWMLS Form 24  
CRA Form PS-1A  
Purchase & Sale Agreement  
Rev. 12/99  
Page 2 of 6

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COMMERCIAL AND INVESTMENT REAL ESTATE  
PURCHASE AND SALE AGREEMENT  
(CONTINUED)

4. FINANCING

a. Application for New Financing. If payment of the purchase price is contingent on Buyer obtaining new financing, then Buyer's obligation to close is conditioned upon Buyer accepting a written commitment for financing. Buyer will not reject those terms of a commitment which provide for a loan amount of at least \_\_\_\_\_ percent (\_\_\_\_%) of the purchase price, interest not to exceed \_\_\_\_\_ percent (\_\_\_\_%) per annum, a payment schedule calling for monthly payments amortized over not less than \_\_\_\_\_ years, and total placement fees and points not more than \_\_\_\_\_ percent (\_\_\_\_%) of the loan amount. Buyer shall make immediate application for such commitment, pay required costs and make a good faith effort to procure such financing. This Agreement shall terminate and Buyer shall receive a refund of the earnest money unless Buyer gives Seller written notice that this condition is satisfied or waived on or before \_\_\_\_\_ days (30 days, if not completed) following mutual acceptance of this Agreement.

b. Assumption of Existing Financing. If payment of the purchase price includes Buyer's assumption of a note and mortgage or deed of trust, or a real estate contract, Seller shall promptly deliver to Buyer a copy of the underlying debt instrument(s) to be assumed, and Buyer shall be deemed to have approved all of the terms of the debt instrument(s) unless Buyer gives notice of disapproval within five (5) days after receiving such instrument(s). If any of the debt instrument(s) requires the consent of a third party to the assumption by Buyer, then Buyer shall apply for such consent within seven (7) days after receiving the debt instrument(s). Upon Buyer's request, Seller shall assist Buyer by requesting the third party's consent to the assumption on Buyer's behalf. This Agreement shall terminate and Buyer shall receive a refund of the earnest money unless Buyer gives Seller written notice within \_\_\_\_\_ days (30 days, if not completed) of receiving the debt instrument(s) stating that such consent is available. Buyer shall pay any assumption fees or other out-of-pocket expenses attributable to the assumption of the underlying indebtedness.

c. Seller Financing. If Seller is financing a portion of the purchase price by promissory note and deed of trust, unless different terms are attached to this Agreement, Buyer shall execute and submit to the Closing Agent: (i) LPB Form No. 28A Promissory Note and the DUE ON SALE and COMMERCIAL PROPERTY optional clauses in that form shall apply; (ii) UCC-1 Financing Statement covering the personal property described in Section 14 below; (iii) LPB Form No. 20 Short Form Deed of Trust; and (iv) CRA Form No. DTR Deed of Trust Rider. The promissory note shall bear interest at the rate of \_\_\_\_\_ % per annum, and shall be payable as follows (choose one):  monthly installments of interest only,  monthly installments of \$ \_\_\_\_\_,  equal monthly installments of principal and interest in an amount sufficient to fully amortize the outstanding principal balance at the stated interest rate over \_\_\_\_\_ years. Payments shall commence on the first day of the first month after closing and shall continue on the same day of each succeeding month until (choose one):  \_\_\_\_\_ months from the date of closing,  other \_\_\_\_\_ on which date all outstanding principal and interest shall be due. The principal shall, at Seller's option, bear interest at the rate of \_\_\_\_\_ % per annum (10% of the maximum rate allowed by law, whichever is less, if not filed in) during any period of Buyer's default. If Seller receives any monthly payment more than \_\_\_\_\_ days (15 days if not filed in) after its due date, then a late payment charge of \$ \_\_\_\_\_ % of the delinquent amount (5% of the delinquent amount if not filed in) shall be added to the scheduled payment. Buyer shall have \_\_\_\_\_ days (5 days if not filed in) after written notice to cure a default before Seller may declare all outstanding sums to be immediately due and payable.

(Note to Buyer and Seller: If the Property is currently used primarily for agricultural purposes, then a nonjudicial foreclosure/foreclosure remedy is available to Seller only by using a real estate contract and is not available with a deed of trust.)

d. Section 1031 Like-Kind Exchange. If either Buyer or Seller intends for this transaction to be a part of a Section 1031 like-kind exchange, then the other party agrees to cooperate in the completion of the like-kind exchange so long as the cooperating party incurs no additional liability in doing so, and so long as any expenses (including attorney's fees and costs) incurred by the cooperating party that are related only to the exchange are paid or reimbursed to the cooperating party at or prior to closing.

5. INSPECTION CONTINGENCY. This Agreement shall terminate and Buyer shall receive a refund of the earnest money unless Buyer gives written notice to Seller within BY 12/18/04 days (20 days if not filed in) of mutual acceptance of this Agreement stating that Buyer is satisfied, in Buyer's reasonable discretion, concerning all aspects of the Property, including without limitation, its physical condition; the presence of or absence of any hazardous substances; the contracts and leases affecting the property; the potential financial performance of the Property; the availability of government permits and approvals; and the feasibility of the Property for Buyer's intended purpose. If such notice is timely given, the inspection contingencies stated in this Section 5 shall be deemed to be satisfied.

5/11/04

f. Books, Records, Leases, Agreements. Seller shall make available for inspection by Buyer and its agents as soon as possible but no later than ten (10) days after mutual acceptance of this Agreement all documents available to Seller relating to the ownership, operation, renovation or development of the Property, including without limitation: statements for real estate taxes, assessments, and utilities; property management agreements, service contracts, and agreements with professionals or consultants entered into by the Seller or any predecessor in title to the Seller; leases of personal property or fixtures; leases or other agreements relating to occupancy of all or a portion of the Property and a schedule of tonnage, rents, and deposits; plans, specifications, permits, applications, drawings, surveys, studies and maintenance records; and accounting records and audit reports. Buyer shall determine within the contingency period stated in the preceding introductory paragraph whether it wishes and is able to assume, as of closing, all of the foregoing leases, contracts, and agreements which have terms extending beyond closing. Buyer shall be solely responsible for obtaining any required consents to such assumption. Seller shall transfer the leases, contracts and agreements as provided in Section 17 of this Agreement. Public offering statement included here

b. Access. Seller shall permit Buyer and its agents, at Buyer's sole expense and risk, to enter the Property at reasonable times after legal notice to tenants, to conduct inspections concerning the Property and improvements, including without limitation, the structural condition of improvements, hazardous materials (limited to a Phase I audit only), pest infestation, soil conditions, sensitive areas, wetlands, or other matters affecting the feasibility of the Property for Buyer's intended use. Buyer shall schedule any entry onto the Property with Seller in advance. Buyer shall not perform any invasive testing or contact the tenants without obtaining the Seller's prior written consent, which shall not be unreasonably withheld. Buyer shall restore the Property and improvements to the same condition they were in prior to inspection. Buyer agrees to indemnify and defend Seller from all liens, costs, claims, and expenses, including attorney's and expert fees, arising from or relating to entry onto or inspection

INITIALS: Buyer: [Signature] Date: 11/15/04 Seller: [Signature] Date: 11/16/04  
Buyer: \_\_\_\_\_ Date: \_\_\_\_\_ Seller: \_\_\_\_\_ Date: \_\_\_\_\_

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COMMERCIAL AND INVESTMENT REAL ESTATE  
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of the Property by Buyer and its agents. This agreement to indemnify and defend Seller shall survive closing. Buyer may continue to enter the Property and interview tenants in accordance with the foregoing terms and conditions after removal or satisfaction of the inspection contingency only for the purpose of re-sale, leasing or to satisfy conditions of financing.

6. TITLE INSURANCE

a. Title Report. Seller authorizes Lender and Listing Agent, Seller's Licensed or Closing Agent, at Seller's expense, to apply for and deliver to Buyer a  standard  extended (standard, if not completed) coverage owners' policy of title insurance. If an extended coverage owners' policy is issued, Buyer shall pay the increased costs associated with that policy including the excess premium over that charged for a standard policy, and the cost of any survey required by the title insurer. The title report shall be issued by Chicago Title

b. Permitted Exceptions. Buyer shall notify Seller of any objectionable matters in the title commitment or any supplemental report within ten (10) days after receipt of such commitment or supplement. This Agreement shall terminate and Buyer shall receive a refund of the earnest money, less any costs advanced or committed for Buyer, unless (i) within ten (10) days of Buyer's notice of such objections, Seller agrees to remove all objectionable provisions, or (ii) within fifteen (15) days after Buyer's notice of such objections, Buyer notifies Seller in writing that it waives any objections which Seller does not agree to remove. The closing date shall be extended to the extent necessary to permit time for these notices. Those provisions not objected to or for which Buyer waived its objections shall be referred to collectively as the "Permitted Exceptions." The title policy shall contain no exceptions other than the General Exclusions and Exceptions common to such form of policy and the Permitted Exceptions.

7. CLOSING OF SALE. This sale shall be closed on or before 12/21/2004 ("Closing") by Chicago Title Escrow ("Closing Agent"). Buyer and Seller will, immediately on demand, deposit with Closing Agent all instruments and monies required to complete the purchase in accordance with this Agreement. "Closing" shall be deemed to have occurred when all documents are recorded and the sale proceeds are available to Seller. Time is of the essence in the performance of this Agreement.

8. CLOSING COSTS. Seller shall pay the excise tax and premium for the owner's standard coverage title policy. Seller and Buyer shall each pay one-half of the escrow fees, real and personal property taxes and assessments payable in the year of closing; rents on any existing tenancies; interest; mortgage reserves; utilities; and other operating expenses shall be prorated as of closing. Buyer shall pay all costs of financing, including the premium for the lender's title policy, security, cleaning, and any other unearned deposits on tenancies, and remaining mortgage or other reserves shall be assigned to Buyer at closing. The real estate commission is due on closing or upon Seller's default under this Agreement, whichever occurs first, and neither the amount nor due date thereof can be changed without Listing Agent's written consent.

9. Unpaid Utility Charges. Buyer and Seller  WAIVE  DO NOT WAIVE the right to have the Closing Agent disburse closing funds necessary to satisfy unpaid utility charges affecting the Property pursuant to RCW 64.80. If "do not waive" is checked, then attach CBA Form UA ("Utility Charges" Addendum). If neither box is checked, then the "do not waive" option applies.

10. POST-CLOSING ADJUSTMENTS, COLLECTIONS, AND PAYMENTS. After closing, Buyer and Seller shall reconcile the actual amount of revenue or liabilities upon receipt or payment thereof to the extent those items were provided or credited at closing based upon estimates. Any bills or invoices received by Buyer after closing which relate to services rendered or goods delivered to the Seller of the Property prior to closing shall be paid by Seller upon presentation of such bill or invoice. At Buyer's option, Buyer may pay such bill or invoice and be reimbursed the amount paid plus interest at the rate of 12% per annum beginning fifteen (15) days from the date of Buyer's written demand to Seller for reimbursement until such reimbursement is made. Rents collected from each tenant after closing shall be applied first to rent due most recently from such tenant for the period after closing, and the balance shall be applied for the benefit of Seller for delinquent rentals owed for a period prior to closing. The amounts applied for the benefit of Seller shall be turned over by Buyer to Seller promptly after receipt.

11. OPERATIONS PRIOR TO CLOSING. Prior to closing, Seller shall continue to operate the Property in the ordinary course of its business and maintain the Property in the same or better condition than as existing on the date of mutual acceptance of this Agreement, but shall not be required to repair or maintain damage from casualty except as otherwise provided in this Agreement. Seller shall not enter into or modify existing rental agreements or leases (except that Seller may modify or terminate residential rental agreements or leases in the ordinary course of its business), service contracts, or other agreements affecting the Property which have terms extending beyond closing without first obtaining Buyer's consent, which shall not be unreasonably withheld.

12. POSSESSION. Buyer shall be entitled to possession, subject to existing tenancies (if any),  on closing  (on closing, if not completed).

13. SELLER'S REPRESENTATIONS AND WARRANTIES. Seller represents and warrants to Buyer that, to the best of Seller's knowledge, each of the following is true as of the date hereof and shall be true as of closing: (A) Seller is authorized to enter into the Agreement, to sell the Property, and to perform its obligations under the Agreement; (B) All books, records, maps, agreements and other items conveyed to Buyer pursuant to this Agreement are accurate and complete; (C) The Property and the business conducted thereon comply with all applicable laws, regulations, codes and ordinances; (d) Seller has all certificates of occupancy, permits, and other governmental consents necessary to own and operate the Property for its current use; (e) There is no pending or threatened litigation which would adversely affect the Property or Buyer's ownership thereof after closing; (f) There are no covenants, conditions, restrictions, or contractual obligations of Seller which will adversely affect Buyer's ownership of the Property after closing or prevent Seller from performing its obligations under the Agreement, except as disclosed in the preliminary commitment for title insurance or as otherwise disclosed to Buyer in writing prior to the end of the inspection contingency noted in Section 5 above; (g) There is no pending or threatened condemnation or similar proceedings affecting the Property, and except as otherwise disclosed in the preliminary commitment for title insurance or as otherwise disclosed to Buyer in writing prior to closing, the Property is not within the boundaries of any planned or authorized local improvement district; (h) Seller has paid (except to the extent provided at closing) all local, state and federal taxes (other than real and personal property taxes and assessments described in Section 8 above) attributable to the period prior to closing which, if not paid, could constitute a lien on Property (including any personal property, or for which Buyer may be held liable after closing); and (i) Seller warrants that there are no pending or threatened notices of violation of building, zoning, or land use codes applicable to the Property; and (j) Seller

INITIALS: Buyer: [Signature] Date: 11/15/04 Seller: [Signature] Date: 11/16/04  
Buyer: \_\_\_\_\_ Date: \_\_\_\_\_ Seller: \_\_\_\_\_ Date: \_\_\_\_\_

1000 5000 7000 8000 9000 10000 11000 12000 13000 14000 15000 16000 17000 18000 19000 20000

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- In not aware of any concealed material defects in the Property except:
- Seller makes no representations or warranties regarding the Property other than those specified in this Agreement, Buyer otherwise takes the Property "AS IS," and Buyer shall otherwise rely on its own pre-closing inspections and investigations.
13. **HAZARDOUS SUBSTANCES.** Except as disclosed to or known by Buyer prior to the satisfaction or waiver of the inspection contingency stated in Section 5 above, Seller represents and warrants to Buyer that, to the best of its knowledge: (i) there are no Hazardous Substances (as defined below) currently located in, on, or under the Property in a manner or quantity that presently violates any Environmental Law (as defined below); (ii) there are no underground storage tanks located on the Property; and (iii) there is no pending or threatened investigation or remedial action by any governmental agency regarding the release of Hazardous Substances or the violation of Environmental Law at the Property. As used herein, the term "Hazardous Substances" shall mean any substance or material now or hereafter defined or regulated as a hazardous substance, hazardous waste, toxic substance, pollutant, or contaminant under any federal, state, or local law, regulation, or ordinance governing any substance that could cause actual or suspected harm to human health or the environment ("Environmental Law"). The term "Hazardous Substances" specifically includes, but is not limited to, petroleum, petroleum by-products, and asbestos.
14. **PERSONAL PROPERTY.**
- a. This sale includes all right, title and interest of Seller to the following tangible personal property:  None  That portion of the personal property located on and used in connection with the Property, which Seller will itemize in an Addendum to be attached to this Agreement within ten (10) days of mutual acceptance (None, if not completed). The value assigned to the personal property shall be the amount agreed upon by the parties and, if they cannot agree, the County-assessed value if available, and if not available, the fair market value determined by an appraiser selected by the Listing Agent and Selling Licensee. Seller warrants title to, but not the condition of, the personal property and shall convey it by bill of sale. Buyer shall pay any sales or use tax arising from the transfer of the personal property.
- b. In addition to the leases, contracts and agreements assumed by Buyer pursuant to Section 5a above, this sale includes all right, title and interest of Seller to the following intangible property now or hereafter existing with respect to the Property including without limitation: all rights-of-way, rights of ingress or egress or other interests in, on, or to, any land, highway, street, road, or avenue, open or proposed, in, on, or across, in front of, abutting or adjoining the Property; all rights to utilities serving the Property; all drawings, plans, specifications and other architectural or engineering work product; all governmental permits, certificates, licenses, authorizations and approvals; all utility, security and other deposits and reserve accounts made as security for the fulfillment of any of Seller's obligations; any name of or telephone numbers for the Property and related trademarks, service marks or trade dress; and guarantees, warranties or other assurances of performance received.
15. **CONDEMNATION AND CASUALTY.** Buyer may terminate this Agreement and obtain a refund of the earnest money, less any costs advanced or committed by Buyer, if improvements on the Property are destroyed or materially damaged by casualty before closing, or if condemnation proceedings are commenced against all or a portion of the Property before closing.
16. **FIRPTA - TAX WITHHOLDING AT CLOSING.** Closing Agent is instructed to prepare a certification (CBA or NWMLS Form 22E, or equivalent) that Seller is not a "foreign person" within the meaning of the Foreign Investment in Real Property Tax Act. Seller agrees to sign this certification, if Seller is a foreign person, and this transaction is not otherwise exempt from FIRPTA. Closing Agent is instructed to withhold and pay the required amount to the Internal Revenue Service.
17. **CONVEYANCE.** This shall be conveyed by a Statutory Warranty Deed subject only to the Permitted Exceptions. If this Agreement is for conveyance of Seller's vendee's interest in a Real Estate Contract, the Statutory Warranty Deed shall include a contract vendee's assignment sufficient to convey after acquired title. At closing, Seller and Buyer shall execute and deliver to Closing Agent CBA Form No. PS-AS Assignment and Assumption Agreement transferring all leases, contracts and agreements assumed by Buyer pursuant to Section 5a and all intangible property transferred pursuant to Section 14b.
18. **SEATTLE REQUIREMENTS.** If the Property is in the City of Seattle, Seller shall deliver to Buyer a Certificate of Land Use and Local Assessments (not applicable to single family dwellings not represented to be a lawful use for more than one dwelling unit).
19. **NOTICES AND COMPUTATION OF TIME.** Unless otherwise specified, any notice required or permitted in, or related to, this Agreement (including revocations of offers and counteroffers) must be in writing. Notices to Seller must be signed by at least one Buyer and must be delivered to Seller and Listing Agent. A notice to Seller shall be deemed delivered only when received by Seller, Listing Agent, or the licensed office of Listing Agent and Listing Agent. A notice to Buyer must be signed by at least one Seller and must be delivered to Buyer and Selling Licensee. A notice to Buyer shall be deemed delivered only when received by Buyer, Selling Licensee, or the licensed office of Selling Licensee. Selling Licensee and Listing Agent have no responsibility to advise of receipt of a notice beyond either phoning the party or causing a copy of the notice to be delivered to the party's address on this Agreement. Buyer and Seller must keep Selling Licensee and Listing Agent advised of their whereabouts to receive prompt notification of receipt of a notice.
- Unless otherwise specified in this Agreement, any period of time in this Agreement shall begin the day after the event starting the period and shall expire at 5:00 pm Pacific time of the last calendar day of the specified period of time. If the last day is a Saturday, Sunday or legal holiday as defined in RCW 1.10.050, the specified period of time shall expire on the next day that is not a Saturday, Sunday or legal holiday. Any specified period of five (5) days or less shall not include Saturdays, Sundays or legal holidays.

INITIALS: Buyer: Jela Date: 11/15/04 Seller: JM Date: 11/16/04

Buyer: \_\_\_\_\_ Date: \_\_\_\_\_ Seller: \_\_\_\_\_ Date: \_\_\_\_\_

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20. AGENCY DISCLOSURE: At the signing of this Agreement,  
Selling Licensee Tom Jurcwick, WINDERMEKE RE FAUNTLEROY 237  
(Insert names of Licensee and the Company name as licensed) 231

represented BUYER 281  
(Insert Seller, Buyer, both Seller and Buyer or Neither Seller nor Buyer) 241

and the Listing Agent PETER ARGERLES, EWING & CLARK INC 241  
(Insert names of Licensee and the Company name as licensed) 241

represented SELLER 241  
(Insert Seller, Buyer, both Seller and Buyer or Neither Seller nor Buyer) 241

If Selling Licensee and Listing Agent are different salespersons affiliated with the same Broker, then Seller and Buyer confirm their consent to  
Broker acting as a dual agent. If Selling Licensee and Listing Agent are the same person representing both parties, then Seller and Buyer  
confirm their consent to that person, and his/her Broker acting as dual agents. If Selling Licensee, Listing Agent, or their Broker are dual agents,  
then Seller and Buyer consent to Selling Licensee, Listing Agent and their Broker being compensated based on a percentage of the purchase  
price or as otherwise disclosed on an attached addendum. In addition, Seller and Buyer hereby consent to Listing Broker or Selling Broker  
receiving compensation from more than one party. Buyer and Seller confirm receipt of the pamphlet entitled "The Law of Real Estate Agency" 251

21. ASSIGNMENT: Buyer  may  may not (may not, if not completed) assign this Agreement, or Buyer's rights hereunder, without Seller's prior  
written consent, unless provided otherwise herein. 251

22. DEFAULT AND ATTORNEYS FEE. In the event Buyer fails, without legal excuse, to complete the purchase of the Property, then (check one) 251  
 this portion of the earnest money which does not exceed five percent (5%) of the purchase price shall be kept by Seller as liquidated damages  
(subject to Seller's obligation to pay certain costs or a commission, if any) as the sole and exclusive remedy available to Seller for such  
failure; or 251  
 Seller may, at its option, (a) keep the earnest money as liquidated damages (subject to Seller's obligation to pay certain costs or a commis-  
sion, if any) as the sole and exclusive remedy available to Seller for such failure, (b) bring suit against Buyer for Seller's actual damages (c)  
bring suit to specifically enforce this Agreement and recover any incidental damages, or (d) pursue any other rights or remedies available at  
law or equity. 261  
If Buyer or Seller institutes suit concerning this Agreement, the prevailing party is entitled to reasonable attorney's fees and expenses. In the  
event of (b), the amount of the attorney's fee shall be fixed by the court. The venue of any suit shall be the county in which the Property is  
located, and this Agreement shall be governed by the laws of the state where the Property is located. 261

23. MISCELLANEOUS PROVISIONS 215  
a. Complete Agreement. This Agreement and any addenda and exhibits to it state the entire understanding of Buyer and Seller regarding the  
sale of the Property. There are no verbal or written agreements which modify or alter the Agreement. 215  
b. No Merger. The terms of the Agreement shall not merge in the deed or other conveyance instrument transferring the Property to Buyer at  
closing. The terms of this Agreement shall survive closing. 215  
c. Counterpart Signatures. The Agreement may be signed in counterpart, each signed counterpart shall be deemed an original, and all  
counterparts together shall constitute one and the same agreement. 215  
d. Facsimile and E-mail Transmission. Facsimile transmission of any signed original document, and retransmission of any signed facsimile  
transmission, shall be the same as delivery of an original. At the request of either party, or the Closing Agent, the parties will continue  
facsimile transmitted signatures by signing an original document. E-mail transmission of any document or notice shall not be effective unless  
the parties to the Agreement otherwise agree in writing. 215

24. ACCEPTANCE/COUNTEROFFER. Seller has until midnight of 11/15/07 215  
to accept this offer, unless sooner withdrawn. If this offer is not  
not filled in, the third business day following the last Buyer signature date below) to accept this offer, unless sooner withdrawn. If this offer is not  
timely accepted, it shall lapse and the earnest money shall be refunded to Buyer, if either party makes a future counteroffer, the other party shall  
have until 6:00 p.m. on the 11/16/07 business day (if not filled in, the second business day) following its receipt to accept the  
counteroffer, unless sooner withdrawn. If the counteroffer is not timely accepted or countered, the Agreement shall lapse and the earnest money  
shall be refunded to the Buyer. No acceptance, offer, or counteroffer from the Buyer is effective until a signed copy is received by the Seller, the  
Listing Agent or the licensed office of the Listing Agent. No acceptance, offer or counteroffer from the Seller is effective until a signed copy is  
received by the Buyer, the Selling Licensee or the licensed office of the Selling Licensee. 215

25. INFORMATION TRANSFER. In the event this Agreement is terminated, Buyer agrees to deliver to Seller within ten (10) days of Seller's written re-  
quest copies of all materials received from Seller and any plans, studies, reports, inspections, appraisals, surveys, drawings, permits, application  
or other development work product relating to the Property in Buyer's possession or control as of the date this Agreement is terminated. 215

INITIALS: Buyer [Signature] Date 11/15/07 Seller [Signature] Date 11/15/07 115  
Buyer \_\_\_\_\_ Date \_\_\_\_\_ Seller \_\_\_\_\_ Date \_\_\_\_\_ 117

206-208-937-2598 TOM AND KAREN NOV 16 2007 8:28AM

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COMMERCIAL AND INVESTMENT REAL ESTATE  
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- 26. CONFIDENTIALITY. Until and unless closing has been consummated, Buyer will treat all information obtained in connection with the negotiation and performance of this Agreement as confidential (except for any information that Buyer is required by law to disclose) and then only after giving Seller written notice at least three (3) days prior to the disclosure and will not use or knowingly permit the use of any confidential information in any manner detrimental to Seller. 288-291
- 27. SELLER'S ACCEPTANCE AND BROKERAGE AGREEMENT. Seller agrees in all the Property on the terms and conditions herein, and further agrees to pay a commission in a total amount computed in accordance with the listing agreement. If there is no written listing agreement, Seller agrees to pay a commission of 2.5% FOR 2.5% LOC % of the sales price or the listing agreement of any co-brokerage agreement. The commission shall be apportioned between Listing Agent and Selling Licensee as specified in the listing agreement or any co-brokerage agreement. Seller assigns to Listing Agent and Selling Licensee a portion of the sales proceeds equal to the commission, if the earnest money is retained as liquidated damages, any costs advanced or committed by Listing Agent or Selling Licensee for Buyer or Seller shall be reimbursed or paid therefrom, and the balance shall be paid one-half to Seller and one-half to Listing Agent and Selling Licensee according to the listing agreement and any co-brokerage agreement in any action by Listing Agent or Selling Licensee to enforce this Section, the prevailing party is entitled to reasonable attorneys' fees and expenses. Neither Listing Agent nor Selling Licensee are receiving compensation from more than one party to this transaction unless disclosed on an attached addendum, in which case Buyer and Seller consent to such compensation. The Property described in attached Exhibit A, is commercial real estate. Notwithstanding Section 28 above, the pages containing this section, the parties' signatures and an attachment describing the Property may be recorded. 292-304
- 28. LISTING AGENT AND SELLING LICENSEE DISCLOSURE. EXCEPT AS OTHERWISE DISCLOSED IN WRITING TO BUYER OR SELLER, THE SELLING LICENSEE, LISTING AGENT, AND BROKERS HAVE NOT MADE ANY REPRESENTATIONS OR WARRANTIES CONCERNING THE LEGAL EFFECT OF THIS AGREEMENT, BUYER'S OR SELLER'S FINANCIAL STRENGTH, OR THE PROPERTY, INCLUDING WITHOUT LIMITATION, THE PROPERTY'S ZONING, COMPLIANCE WITH APPLICABLE LAWS (INCLUDING LAWS REGARDING ACCESSIBILITY FOR DISABLED PERSONS), OR HAZARDOUS MATERIALS. SELLER AND BUYER ARE EACH ADVISED TO SEEK INDEPENDENT LEGAL AND TAX ADVICE ON THESE AND OTHER MATTERS RELATED TO THIS AGREEMENT. 305-311

Buyer [Signature] Date Nov 15, 2007 312

Buyer \_\_\_\_\_ Date \_\_\_\_\_ 313

Office Phone 206-527-6298 Fax No. 206-527-6639 Home Phone \_\_\_\_\_ 314

Buyer's Email Address \_\_\_\_\_ 315

Print Buyer's Name Jessica C. Haselby 316

Buyer's Address 4812 37th Ave NE, Seattle, WA 98105 317

Selling Office WINDERMERE RE FRANCHISE BY EM MLS Office No. 962300 318

Office Phone 206-937-7600 Other Phone 206-650-6505 Fax No. 206-937-9541 319

By [Signature] Print Name TOM JURKIEWICZ 320

Seller Blackley Village LLC Date 11/16/07 321

Seller BY: Frank Anderson Date \_\_\_\_\_ 322

Home Phone 425-470-1200 Office Phone \_\_\_\_\_ Fax No. 206-728-4593 323

Seller's Email Address SLAKER 324

Print Seller's Name SLAKER 325

Seller's Address \_\_\_\_\_ 326

Listing Office \_\_\_\_\_ MLS Office No. \_\_\_\_\_ 327

Office Phone \_\_\_\_\_ Other Phone \_\_\_\_\_ Fax No. \_\_\_\_\_ 328

29. BUYER'S RECEIPT. Buyer acknowledges receipt of a Seller-signed copy of this Agreement, on \_\_\_\_\_, 2007 329

BUYER \_\_\_\_\_ BUYER \_\_\_\_\_ 330

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Addendum/Amendment to P & S  
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ADDENDUM/AMENDMENT TO PURCHASE AND SALE AGREEMENT

The following is part of the Purchase and Sale Agreement dated November 15, 2004  
Between Hazelby &/or assigns ("Buyer")  
and \_\_\_\_\_ ("Seller")  
concerning: 2901 NE BLAKELEY STREET #2A, Seattle ("the Property")

IT IS AGREED BETWEEN THE SELLER AND BUYER AS FOLLOWS:

Purchase price includes three (3) parking spaces  
deeded to purchaser at closing.

*TPA  
4/16/04*

The following three (3) parking spaces shall  
be assigned to unit 2A, and schedule C' to  
the condominium declaration shall be revised &  
recorded accordingly:

- parking stall 64
- " " 66
- " " 81

ALL OTHER TERMS AND CONDITIONS of said Agreement remain unchanged.

AGENT (COMPANY) Windermere RE / FAUNTLC ROY INC

BY: \_\_\_\_\_

Initials: BUYER: Jeh

Date: 11/15/04

SELLER: \_\_\_\_\_

Date: 11/16/04

BUYER: \_\_\_\_\_

Date: \_\_\_\_\_

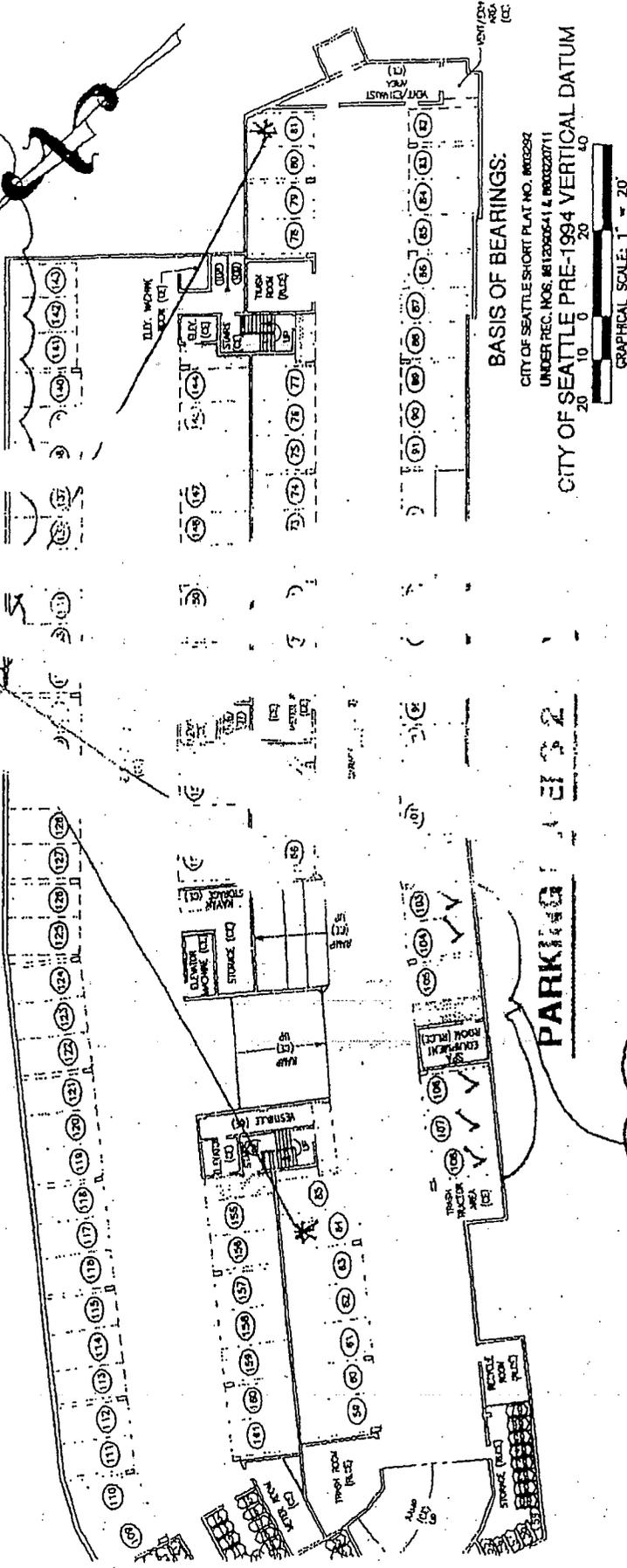
SELLER: \_\_\_\_\_

Date: \_\_\_\_\_

TOM AND KAREN

NOV 16 2004 8:49AM

**COMMONS, A CONDOMINIUM**  
 9, TWP. 25 N., RGE. 4 E., W.M., SEATTLE, KING COUNTY, WASHINGTON



**BASIS OF BEARINGS:**  
 CITY OF SEATTLE SHORT PLAT NO. 880282  
 UNDER REC. NOS. M1205641 & M00320711  
 CITY OF SEATTLE PRE-1994 VERTICAL DATUM

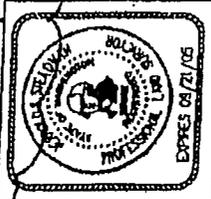
GRAPHICAL SCALE: 1" = 20'

SHARED COMMERCIAL  
 PARKING STALLS

PARKING STALLS

SHARED COMMERCIAL  
 PARKING STALLS

108, 107, 106, 104, 5



**MINIUM  
 COMPANY**  
 719 7th  
 SEATTLE, WA 98101 (206) 783-3818

**CONDOMINIUM ASSESSMENT  
 MAP & LAYOUT**

INDEX

2001048.00
DATE: 9 MAY 2001
REVISED: 21 APRIL 2004
DRAWN BY: MAM
MAP CHECK: RLE
FINAL CHECK: JSS
SHEET 3 OF 12

04-Nov-18 04:06pm From-ERIK & CLARK 2064415207 T-483 P.02/02 F-227  
 04-Nov-17 11:42am From-ERIK & CLARK 2064415207 T-473 P.02/02 F-198  
 04-Nov-18 11:47am From-ERIK & CLARK 2064415207 T-473 P.02/02 F-198

NY State Form No. 54  
 Additional Information to T & B  
 Rev. 8/99  
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ADDENDUM AMENDMENT TO PURCHASE AND SALE AGREEMENT

The following is part of the Purchase and Sale Agreement dated November 15, 2007  
 between Hosaboy & Co. acquires ("Buyer")  
 and \_\_\_\_\_ ("Seller")  
 concerning 2901 NE BLOKELBY STREET #2A Seattle ("the Property")  
 IT IS AGREED BETWEEN THE SELLER AND BUYER AS FOLLOWS:

Handwritten initials "HJW"

~~Purchaser shall include three (3) parking spaces~~  
~~needed for purchase of property.~~  
 The following three (3) parking spaces shall  
 be assigned to unit 2A, and Schedule C to  
 the condominium declaration shall be revised &  
 recorded accordingly:  
 - Hosaboy shall G4  
 " " G6  
 " " B1

The Purchase Price (total) is \$330,000.00  
 (Three Hundred Thirty Thousand Dollars)

Handwritten signature and date: 11/18/07

ALL OTHER TERMS AND CONDITIONS OF SAID AGREEMENTS WITHIN UNIFORMED.

AGENT (COMPANY) Windermere RE / Seattle East Side

BY: [Signature]  
 BUYER: [Signature] Date: 11/15/07  
 SELLER: [Signature] Date: \_\_\_\_\_  
 NUMBER OF PAGES: \_\_\_\_\_

Received 04-Nov-17 11:02am From-2007204588 To-ERIK & CLARK Page 08

Received 04-Nov-18 01:30pm From-208 987 2098 To-ERIK & CLARK Page 02

# EXHIBIT #2

*Blakeley Commons Condominium Assoc. v. Blakeley Village, LLC, et al.*  
King County Cause No.: 06-2-03941-6 SEA

BLAKELEY COMMONS, A CONDOMINIUM  
WARRANTY ADDENDUM

Addendum No. \_\_\_\_\_ to Purchase and Sale Agreement dated \_\_\_\_\_

Unit No.  
Blakeley Commons, a condominium

Name of Purchaser(s): \_\_\_\_\_

The Seller and the Purchaser agree that the Seller's and the Declarant's warranties to the Purchaser and to the Purchaser's successors and transferees, for the Unit and all Common Elements in the Condominium identified above, are limited to the terms stated in this Warranty Addendum ("Warranty"). ~~The implied warranties of quality under the Washington Condominium Act, RCW Chapter 64.34, are modified by this Warranty, and all provisions of this Warranty apply to all warranties from the Seller to the Purchaser, including the implied warranties of quality under the Washington Condominium Act. The definitions of terms set forth in the Condominium Declaration apply in this Warranty. As used in this Warranty, the term "Common Elements" includes both the Common Elements and the Limited Common Elements of the Condominium.~~

1. Limited Warranty. The Unit in the Condominium identified above and the Common Elements are suitable for the ordinary uses of real estate of their type and, except as provided below, all parts of the Unit and the Common Elements constructed by or for the Declarant are free from defective materials and have been constructed in accordance with applicable law, in accordance with sound engineering and construction standards, and in a workmanlike manner.

2. Modifications and Exclusions.

a. Sound Transmission. The Purchaser realizes that the Unit is in a multi-family building in an urban environment; therefore, the Seller makes no warranty or representation as to vertical or horizontal sound transmission that may arise from activities or building systems in any Unit, the Common Elements or outside the Condominium. The Purchaser realizes that where condominium units are built above or below each other, or side by side, it is normal to experience some transmission of sounds between those units from loud music, heels on uncarpeted floors, water traveling in drains, doors closing and other causes. From time to time, noise from various building systems may be heard from the Unit, including, but not limited to, noise from garage doors, exhaust and supply fans, elevators, fluorescent lighting and the transformer vault.

b. View. Seller makes no representation or warranty that the view from the Unit, as of the date this Agreement is signed or as of closing, will not be obstructed or changed in whole or in part at any time in the future. Purchaser agrees that Seller is not obligated to investigate or disclose real estate developments in the area that are possible, planned, permitted or under construction, nor is Seller obligated to protect views. This means that even though Seller may know of, or may itself be developing, possible, planned, permitted or under-construction developments that could affect views, Purchaser is not relying on Seller to disclose such developments, and Purchaser is releasing Seller from any duty Seller may otherwise have to disclose any such developments. Real estate agents and sales people are generally not experts on future real estate developments, and therefore Purchaser agrees that Purchaser has not relied and will not rely on statements from real estate agents or sales people about future developments or their impact or lack of impact on views.

c. Appliances and Equipment. The Seller makes no warranties or representations with respect to the appliances and equipment installed in the Unit or the Common Elements, including without limitation the stove, oven and/or range, refrigerator, microwave oven, dishwasher, garbage disposal, washer and dryer, spa or whirlpool, water heater, fireplace, garage doors and heating/ventilation/air conditioning

equipment. The Seller makes no warranties or representations with respect to equipment provided to Association for use in operation or maintenance of the Common Elements. With respect to all such appliances and equipment, the Seller's sole obligation is to assign to Purchaser all warranties and guarantees furnished to the Seller from the suppliers or manufacturers of the items.

d. Damage Caused by Purchaser and Others. This Warranty excludes all defects and damage to the extent caused or made worse by (i) negligence, failure to inspect, lack of maintenance, improper maintenance, improper operation or other action by anyone other than the Seller or its agents or contractors; (ii) failure of the Purchaser or the Association to comply with the warranty requirements of manufacturers or suppliers of appliances, fixtures or equipment; (iii) abnormal loading (including waterbeds) on floors, decks or other surfaces by the Purchaser that exceeds design loads that meet building codes; (iv) making or installation of holes, penetrations, windows or skylights in the Unit or Common Elements by anyone other than the Seller or its employees, agents or contractors; (v) failure of the Purchaser or the Association to mitigate damages; or (vi) changes made to the Unit or Common Elements by anyone other than the Seller or its employees, agents or contractors after closing.

e. Personal Injury and Consequential Damages. This Warranty excludes bodily injury, illness and death; damage to or theft of personal property; costs of shelter, transportation, food, moving, storage or other incidental expenses relating to relocation during repairs; and consequential, exemplary and punitive damages.

f. Defined Standards and Tolerances. This Warranty excludes all defects and faults that either (a) are of the same kind, but not the same extent or due to the same causes, as those listed as "Covered" or (b) are listed as "Not Covered" in Attachment A to this Warranty ("Defined Standards and Tolerances").

g. Warranty at Time of Purchase. This Warranty applies only to the construction and condition of the Unit and Common Elements at the time of Seller's sale of the Unit to the Purchaser. This Warranty does not extend to future performance or duration of any improvement or component of the Condominium, and the Seller makes no such warranty.

h. Other Limitations and Exclusions. This Warranty excludes any loss or damage (i) due to normal wear and tear or normal deterioration; (ii) caused by accidents, riot, fire, explosion, smoke, water escape, falling objects, aircraft, vehicles, acts of God, lightning, windstorm, hail, flood, mud slide, earthquake, volcanic eruption or changes in underground water table not reasonably foreseeable; (iii) caused by soil movement; (iv) caused by insects; (v) caused to or by any items supplied by the Purchaser or which are not part of the Unit at the time of closing; (vi) relating to cooking odors or other odors from other Units or elsewhere; or (vii) consisting of or relating to temporary ponding or pooling of water on roofs, decks, walkways, driveways or other parts of the Condominium, provided such ponding or pooling does not cause damage to the Unit or Common Elements.

3. Apparent Unit Defects. The Purchaser has had or will have at the time of possession the opportunity to make a detailed walk-through inspection of the Unit with a representative of the Seller ("Initial Inspection") and to notify the Seller in writing of any defects in appearance or color of, or damage to, the surfaces and fixtures in the Unit ("Apparent Unit Defects"). The Seller shall with reasonable promptness correct any Apparent Unit Defects which exist (in accordance with Attachment A hereto, "Defined Standards and Tolerances") and of which the Purchaser notifies the Seller in writing at the time of the Initial Inspection. The Purchaser waives all claims for any Apparent Unit Defects of which the Seller is not notified in writing at the time of the Initial Inspection, and this Warranty shall not extend to any Apparent Unit Defects of which the Seller is not notified in writing at the time of the Initial Inspection. "Apparent Unit Defects" include but are not limited to defects, inconsistencies, non-conformity and pre-existing damage in and to: paint, wall coverings, ceilings, hardwood and other floor materials, carpets, tiling or ceramic surfaces, electrical and

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heating/cooling/ventilation fixtures, bathroom fixtures and hardware, door and window hardware, cabinets, countertops and other surfaces in the Units.

4. Apparent Common Element Defects. The Purchaser and Seller agree that the Seller is entitled to receive timely notice of any construction defects in the Common Elements in order to verify that such defects have not been caused by subsequent damage and in order to allow the Seller the opportunity to correct such defects. Therefore, within sixty days after the termination of the period of declarant control provided in RCW 64.34.308(4), the Association shall notify the Seller in writing of any defects in the Common Elements which are visible or of which the Association has knowledge ("Apparent Common Element Defects"). The Seller shall with reasonable promptness correct any Apparent Common Element Defects which exist (in accordance with Attachment A hereto, "Defined Standards and Tolerances") and of which the Association timely notifies the Seller in writing. The Purchaser and the Association waive all claims for any Apparent Common Element Defects of which the Seller is not timely notified in writing, and this Warranty shall exclude any Apparent Common Element Defects of which the Seller is not timely notified in writing. "Apparent Common Element Defects" include but are not limited to visible or apparent defects, inconsistencies, non-conformity and pre-existing damage in and to: decks, walkways, siding, exterior surfaces, roofs, gutters and drainage pipes, landscaping, retaining walls, foundations, garages, paved surfaces, paint, wall coverings, ceilings, hardwood and other floor materials, carpets, tiling or ceramic surfaces, electrical, plumbing and heating/cooling/ventilation fixtures, and door and window hardware.

5. Claims Procedure.

Limitation of Time to Give Notice of Claim. If the Purchaser or the Association has a claim against the Seller arising out of any alleged defect in the Unit or any Common Element or any alleged breach of this Warranty or any other claimed warranties, express or implied, the Purchaser must give written notice of such claim to the Seller within one year after: (a) as to claims relating to the condition of a Unit, the date when the Purchaser entered into possession of the Unit if a possessory interest was conveyed, or the date of acceptance of the instrument of conveyance if a nonpossessory interest was conveyed; and (b) as to claims relating to the condition of any Common Element, the latest of (i) the date the first unit in the Condominium was conveyed to a bona fide purchaser, (ii) the date the Common Element was completed, (iii) the date the Common Element was added to the Condominium; or (iv) the end of the period of declarant control, if any, under RCW 64.34.308(4). **FAILURE TO GIVE WRITTEN NOTICE OF CLAIM WITHIN THE ONE YEAR PERIOD AND IN THE MANNER DESCRIBED IN THIS WARRANTY SHALL CONSTITUTE AN ABSOLUTE AND UNCONDITIONAL WAIVER, RELEASE AND BAR OF SUCH CLAIM.** Oral notice shall not satisfy the requirements of this Paragraph. The requirements of this Paragraph shall not be modified or waived except by a writing signed by an officer of the Seller expressly referring to this Paragraph and expressly modifying or waiving the requirements of this Paragraph. The foregoing shall not be deemed to reduce or lengthen any period of limitation of time to bring legal action provided by the Washington Condominium Act or other applicable law; however, the Purchaser or Association shall not bring any legal action on any claim with respect to which the Purchaser or Association has not complied with the provisions of this Paragraph.

Notice of Claim and Cure. Each claim under this Warranty which is made by the Purchaser with respect to the Unit, or by the Association with respect to a Common Element, shall first be made in writing entitled "Notice of Claim," and shall contain a detailed description of the claimed defect. Each claim shall be mailed, postage paid, to:

Blakely Village LLC  
2505 Second Avenue, Suite 300  
Seattle, WA 98121-1473

or to such other address as the Seller shall provide to the Purchaser. The Purchaser shall provide the Seller access and entry to the Unit and Common Elements during normal business hours to inspect and/or repair the

claimed defect within 48 hours after any written or spoken request by Seller for such access, or immediately if reasonably necessary to prevent further damage. The Seller shall respond in writing to such claim no later than 30 days after the Seller's receipt of the claim. The Seller shall have the right to cure the defective construction described in the claim to conform with this Warranty within 90 days after responding to the claim or within such longer period as may reasonably be required. The Seller may at its option repair or replace, or pay the reasonable cost of repairing or replacing, such defective construction. The Seller shall not be responsible for exact color, paint matching, texture or finish matches nor for unavailability of materials or components matching materials or equipment originally used. If either party is dissatisfied with the resolution of the claim following the Seller's written response and effort to cure the defective condition, then the parties shall meet within 14 days in an effort to resolve the claim to the parties' mutual satisfaction. All work done by Seller or its contractors on items not covered by this Warranty shall be at Purchaser's sole cost unless otherwise agreed in writing. Purchaser shall pay all costs incurred by Seller in inspecting items not covered by this Warranty based upon prevailing rates for Seller's employees or contractors.

6. Legal Action: Time Limitation. Any legal action asserting a claim under this Warranty or any other claimed warranty relating to the Unit or Common Elements must be commenced within four years after the cause of action accrues. A cause of action accrues, regardless of the Purchaser's lack of knowledge of the breach: (a) as to the Unit, the date Purchaser is first entitled to possession of the Unit; and (b) as to each Common Element, at the latest of (i) the date the first Unit in the Condominium was conveyed to a bona fide purchaser, (ii) the date the Common Element was completed, or (iii) the date the Common Element was added to the Condominium.

7. Seller's Right to Arbitration. At the option of Seller, Seller may require that any claim asserted by Purchaser or by the Association under this Warranty or any other claimed warranty relating to the Unit or Common Elements must be decided by arbitration, in King County, Washington, under the Construction Arbitration Rules of the American Arbitration Association (AAA) in effect on the date hereof, as modified by this Warranty. There shall be one arbitrator selected by the parties within seven days of the arbitration demand or if not, then pursuant to the AAA Rules, who shall be an attorney with at least five years condominium or construction law experience. Any issue about whether a dispute or claim must be arbitrated pursuant to this Warranty shall be determined by the arbitrator. At the request of either party made not later than 75 days after the arbitration demand, the parties agree to submit the dispute or unresolved claim to nonbinding mediation which shall not delay the arbitration hearing date. There shall be no substantive motions or discovery, except the arbitrator shall authorize such discovery as may be necessary to ensure a fair hearing, which shall be held within 120 days of the demand and concluded within two days. These time limits are not jurisdictional. The arbitrator shall apply substantive law and may award injunctive relief or any other remedy available from a judge including attorney fees and costs to the prevailing party, but the arbitrator shall not have the power to award punitive damages. The decision rendered by the arbitrator shall be final and binding without appeal or review and may be enforced in any court of competent jurisdiction.

8. Seller's Right to Inspect. The Seller shall be entitled (but shall not be obligated) to inspect any Common Elements at any time without notice to the Purchaser or the Association. The Seller shall be entitled (but shall not be obligated) to inspect the Unit at any time until four years after Purchaser takes possession of the Unit, or at any time if there is a pending action relating to the condition of any part of the Condominium, upon at least five days' written notice to the Purchaser or such shorter time as may be provided by court order.

9. Defects Encountered in Construction Process. The Purchaser acknowledges that defects and construction problems may occur during the construction process and be corrected by the builder and subcontractors during the course of or after the construction process, and the Purchaser agrees that if defects or construction problems have occurred during the construction process, this is not of itself a matter requiring disclosure to the Purchaser.

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10. Subsequent Purchasers. If the Purchaser sells the Unit at any time within four years after the closing of the sale of the Unit from Seller to Purchaser, or Purchaser's taking possession of the Unit, whichever is later, Purchaser shall notify Seller of the sale in writing and shall include in the signed purchase and sale agreement providing for such sale a provision that the person(s) purchasing the Unit agree that any warranty rights of such person(s) relating to the Unit or Common Elements are limited to the Purchaser's rights under this Warranty at the time of such sale. If Purchaser fails to comply with this Paragraph, Purchaser shall indemnify, defend and hold harmless Seller from and against all damages, costs, attorney fees and expenses caused by such failure.

11. No Other Warranties. The Seller and the Purchaser agree that there are no express or implied warranties concerning the design, construction or condition of the Unit or Common Elements arising from Seller's sale of the Unit to the Purchaser other than those stated in this Warranty.

12. Survival and Savings. This Warranty shall survive the conveyance of title, delivery of possession of the Unit, or other final settlement between the Seller and the Purchaser, and shall be binding upon the Seller and the Purchaser notwithstanding any provision to the contrary contained in the contract of purchase or other writing executed by the Purchaser or Seller. If any part of this Warranty is held invalid or unenforceable, such invalidity or unenforceability shall not affect the remainder hereof.

The Seller and Purchaser have executed this Warranty Addendum this \_\_\_\_\_ day of \_\_\_\_\_

**PURCHASER:** \_\_\_\_\_

**SELLER:** \_\_\_\_\_  
**BLAKELEY VILLAGE LLC, a Washington limited liability company**

By: \_\_\_\_\_  
Its \_\_\_\_\_

The undersigned hereby certifies that the foregoing is a true and correct copy of the original as the same appears in the records of the County of \_\_\_\_\_ State of \_\_\_\_\_

Notary Public for the State of \_\_\_\_\_  
My Commission Expires \_\_\_\_\_

11/20/2017

RECEIVED

JUL 6 2003

SALMI & GILLASPY, PLLC

SUPERIOR COURT OF WASHINGTON FOR KING COUNTY

BLAKELEY COMMONS CONDOMINIUM ASSOCIATION, a Washington non-profit corporation,

Plaintiff,

vs.

BLAKELEY VILLAGE LLC, a Washington Corporation; INTRACORP REAL ESTATE, LLC, a Washington Corporation; JOHN AND JANE DOES 1 through 20, individuals; CONTRACTOR DOES 21 through 35, entities conducting business in Washington;

Defendants.

NO. 06-2-03941-6SEA

DECLARATION OF THERESA VERRETTO IN SUPPORT OF PLAINTIFF'S MOTION TO SET A TRIAL DATE

I, THERESA VERRETTO, declare under the penalty of perjury and in accordance with the laws of the State of Washington, I am over 18 years old, competent to testify, and make this declaration based on personal knowledge;

- 1. I am an original purchaser of Unit No. 501 at the Blakeley Commons Condominium project in Seattle, Washington.
2. Attached hereto as Exhibit #1 is a true and correct copy of my Purchase and Sale Agreement for Unit No. 501 at the Blakeley Commons Condominiums.

DECLARATION OF THERESA VERRETTO IN SUPPORT OF PLAINTIFF'S MOTION TO SET A TRIAL DATE - 1

CASEY & SKOGLUND PLLC 114 West McGraw Street Seattle, Washington 98119 Phone (206) 284-8165



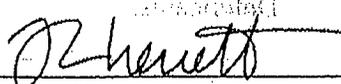
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3. I have reviewed Exhibit No. 2, attached hereto, entitled "BLAKELEY COMMONS, A CONDOMINIUM WARRANTY ADDENDUM" (hereinafter "Warranty Addendum") and to the best of my knowledge, I did not sign a warranty addendum, nor was I asked to sign a warranty addendum, in relation to the purchase of Unit No. 501.

4. At no time did I understand by entering a Purchase and Sale Agreement with Blakely Village, LLC, I was giving up my right to a jury trial for any breach of contract, breach of the Consumer Protection Act, breach of implied warranty, breach of fiduciary duty, and/or any other similar claim, which I would normally have as a result of such transaction. It was never my understanding or my intent to give up my right to assert one of the foregoing claims by entering into the Purchase and Sale Agreement with Blakeley Village, LLC.

I SWEAR UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF WASHINGTON THAT THE FOREGOING IS TRUE AND CORRECT.

EXECUTED at Seattle, Washington this 3rd day of July, 2008.



Theresa Verretto

DECLARATION OF THERESA VERRETTO  
IN SUPPORT OF PLAINTIFF'S MOTION  
TO SET A TRIAL DATE - 2

CASEY & SKOGLUND PLLC  
114 West McGraw Street  
Seattle, Washington 98119  
Phone (206) 284-8165

Y9000

CONDOMINIUM PURCHASE AND SALE AGREEMENT  
SPECIFIC TERMS

1. Date: 4/15/01  
 2. Buyer: THERESA VERRETTI MLS No.: \_\_\_\_\_  
 3. Seller: Blakeley Village LLC  
 4. Property: Tax Parcel Nos.: \_\_\_\_\_  
 Unit No.: 501 Residential Condominium: Blakeley Commons (King County)  
 Address: 2901 NE Blakeley Street  
 Recording Nos.: Survey Map and Plans: \_\_\_\_\_  
Seattle Washington 98105 Condominium Declaration \_\_\_\_\_  
 Parking Space No.: TBD Storage Space No.: TBD  
 Included Items:  stove/range  refrigerator  washer  dryer  dishwasher  trash compactor  
 wood stove  fireplace insert  security system  other Fireplace, Microwave  
 5. Purchase Price: \$264,900  
 6. Earnest Money: (To be held by  Selling Broker  Closing Agent)  
 Personal Check: \$ 13,245 + 2,750  
 Note: \$ 10,495  
 Other ( \_\_\_\_\_ ): \$ 10,495 (TRANSFER FROM UNIT #422)  
 7. Default: (check only one)  Forfeiture of Earnest Money  Seller's Election of Remedies  
 8. Title Insurance Company: Chicago Title  
 9. Closing Agent:  a qualified closing agent of Buyer's choice  Phoenix Escrow  
 10. Closing Date: See Builder Addendum  
 11. Possession Date:  on Closing  \_\_\_\_\_ calendar days after Closing  
 12. Offer Expiration Date: \_\_\_\_\_  
 13. Counteroffer Expiration Date: \_\_\_\_\_  
 14. Addenda: Builder Addendum, Seller's Warranty, Escrow Deposit Form

15. Agency Disclosure: Selling Licensee represents  Buyer  Seller  both parties  neither party  
 Listing Agent represents  Seller  both parties.  
 16. Services of Closing Agent for Payment of Utilities:  Requested (attach NWMLS Form 22K)  Waived  
 17. New Construction or Conversion:  is (attach NWMLS Form 29)  is not See Builder Addendum  
 18. Public Offering Statement:  Received To Follow  Deliver to Buyer \_\_\_\_\_ days after mutual acceptance  
 19. Resale Certificate:  Received N/A  Deliver to Buyer \_\_\_\_\_ days after mutual acceptance  
 20. Condominium Assessment: \$ \_\_\_\_\_ per month and Deposit equal to 2 month's assessment at Closing

[Signature] 4/15/01  
 Buyer's Signature Date  
 Buyer's Address: 7540 - 37th AVE NE, #301  
SEATTLE, WA 98115  
 City, State, Zip  
 Phone: (206) 522-6228 (206) 442-\_\_\_\_\_  
 Fax: \_\_\_\_\_  
 Selling Broker: TC SEATTLE, INC. TC-SEA-A\*-\*  
 Selling Licensee (Print): THERESA VERRETTI MLS Office No. \_\_\_\_\_  
 Selling Office Address: 900 4th AVE, SUITE 3300  
SEATTLE, WA 98164  
 City, State, Zip  
 Phone: (206) 223-0200 (206) 583-8753  
 Fax: \_\_\_\_\_

[Signature] 4/16/01  
 Seller's Signature Date  
 Seller's Address: 2505 2nd Avenue Ste. 300  
Seattle, WA 98121  
 City, State, Zip  
 Phone: 206.625.9226 206.728.4590  
 Fax: \_\_\_\_\_  
 Listing Broker: TCW Real Estate, Inc. MLS Office No. 7016  
 Listing Agent (Print): \_\_\_\_\_  
2505 2nd Avenue Ste. 300  
 Listing Office Address  
Seattle, WA 98121  
 City, State, Zip  
 Phone: 206.625.9226 206.728.4590  
 Fax: \_\_\_\_\_





CONDOMINIUM PURCHASE AND SALE AGREEMENT  
GENERAL TERMS  
(continued)

p. Default. In the event Buyer fails, without legal excuse, to complete the purchase of the Property, then the following provision, as identified in Specific Term No. 7, shall apply.

i. Forfeiture of Earnest Money. That portion of the Earnest Money that does not exceed five percent (5%) of the Purchase Price shall be forfeited to the Seller as the sole and exclusive remedy available to Seller for such failure.

ii. Seller's Ejection of Remedies. Seller may, at Seller's option, (a) keep as liquidated damages all or a portion of the Earnest Money as the sole and exclusive remedy available to Seller for such failure, (b) bring suit against Buyer for Seller's actual damages, (c) bring suit to specifically enforce this Agreement and recover any incidental damages, or (d) pursue any other rights or remedies available at law or equity.

q. Attorneys' Fees. If Buyer or Seller institutes suit against the other concerning this Agreement the prevailing party is entitled to reasonable attorneys' fees and expenses.

r. Offer. Buyer agrees to purchase the Property under the terms and conditions of this Agreement. Seller shall have until 9:00 p.m. on the Offer Expiration Date to accept this offer, unless sooner withdrawn. Acceptance shall not be effective until a signed copy is actually received by Buyer, by Selling Licensee or at the licensed office of Selling Licensee. If this offer is not so accepted, it shall lapse and any Earnest Money shall be refunded to Buyer.

s. Counteroffer. Seller agrees to sell the Property under the terms and conditions of this Agreement. If Seller makes a counteroffer, Buyer shall have until 9:00 p.m. on the Counteroffer Expiration Date to accept the counteroffer, unless sooner withdrawn. Acceptance shall not be effective until a signed copy is actually received by Seller, by Listing Agent or at the licensed office of Listing Agent. If the counteroffer is not so accepted, it shall lapse and any Earnest Money shall be refunded to Buyer. If no expiration date is specified for a future counteroffer, the counteroffer shall expire at 9:00 p.m. on the second day after the counteroffer is signed by the last party making the counteroffer, unless sooner withdrawn.

t. Agency Disclosure. Selling Broker represents the same party that Selling Licensee represents. Listing Broker represents the same party that the Listing Agent represents. If Selling Licensee and Listing Agent are different salespersons affiliated with the same Broker, then both Buyer and Seller confirm their consent to that Broker representing both parties as a dual agent. If Selling Licensee and Listing Agent are the same salesperson representing both parties then both Buyer and Seller confirm their consent to that salesperson and his/her Broker representing both parties as dual agents. All parties acknowledge receipt of the pamphlet entitled "The Law of Real Estate Agency."

u. Commission. Seller and Buyer agree to pay a commission in accordance with any listing or commission agreement to which they are a party. The Listing Broker's commission shall be apportioned between Listing Broker and Selling Broker as specified in the listing. Seller and Buyer assign to Listing Broker and Selling Broker, as applicable, a portion of their funds in escrow equal to such commission(s) and irrevocably instruct the Closing Agent to disburse the commission(s) directly to the Broker(s). In any action by Listing or Selling Broker to enforce this paragraph, the prevailing party is entitled to court costs and reasonable attorneys' fees. SOC to be 3% / 1.5%.

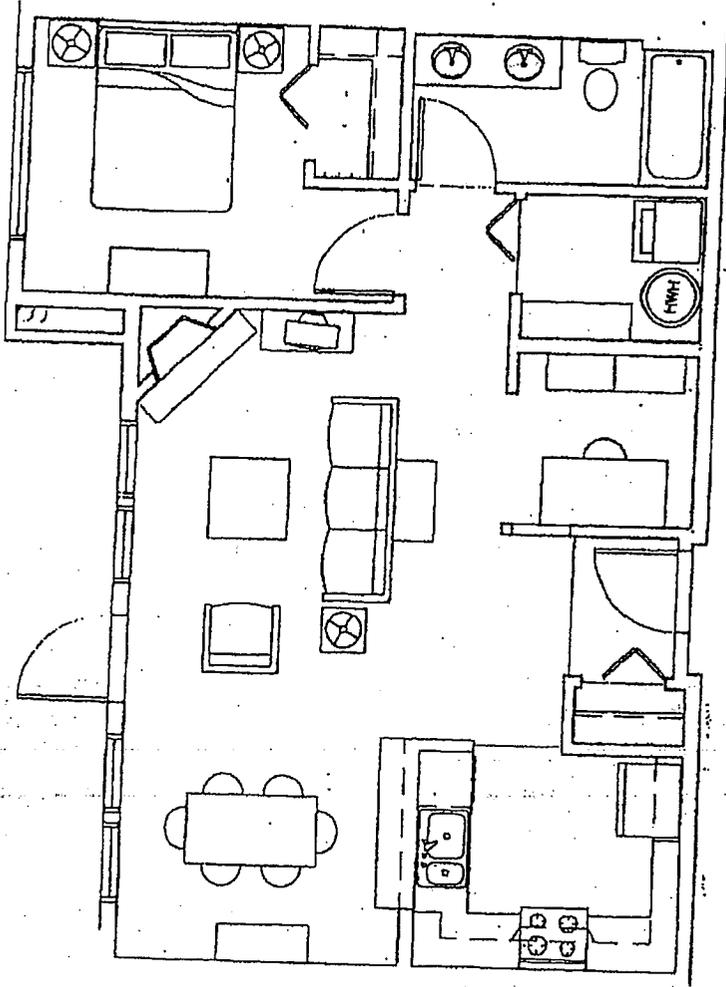
v. Public Offering Statement. This paragraph only applies if a Public Offering Statement is required by RCW 64.34. If Buyer has not received a Public Offering Statement (including the Declaration, Survey Map and Plans, Association Articles of Incorporation, Association Bylaws, Association Rules and Regulations, Association Budget and Association Balance Sheet) Seller agrees to deliver a Public Offering Statement to Buyer by the date specified in Specific Term No. 18. Buyer shall be conclusively deemed to have approved the Public Offering Statement unless, within 7 days following receipt, Buyer gives notice of disapproval of the same. If Buyer disapproves the Public Offering Statement, this Agreement shall terminate and the Earnest Money shall be refunded to Buyer.

w. Resale Certificate. This paragraph only applies if a Public Offering Statement is NOT required by RCW 64.34. If Buyer has not received a Resale Certificate, Seller agrees to deliver a Resale Certificate to Buyer by the date specified in Specific Term No. 19. Buyer shall be conclusively deemed to have approved the Resale Certificate unless, within 5 days following receipt, Buyer gives notice of disapproval of the same. If Buyer disapproves the Resale Certificate, this Agreement shall terminate and the Earnest Money shall be refunded to Buyer.

x. Condominium Assessment. The current Condominium Assessment is the amount specified in Specific Term No. 20, but is subject to change from time to time. In addition to Buyer's prorated portion of the Closing month's condominium assessment, a Deposit equal the amount specified in Specific Term No. 20 is required at Closing.

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BUYER: of N. DATE: 4/15/01 SELLER: J. Ann DATE: 4/16/01  
BUYER: \_\_\_\_\_ DATE: \_\_\_\_\_ SELLER: \_\_\_\_\_ DATE: \_\_\_\_\_



Note: All units have soffits and/or lowered ceiling areas to accommodate mechanical, plumbing, electrical, ventilation, acoustical or other conditions. Garages/entries are located in kitchens, utility rooms, bathrooms, bedrooms areas.

Stetley Village, LLC reserves the right to make modifications to product design and specifications. Plans are not to scale.

Handwritten signature and date: 10/11/14

UNITS  
#501  
2.20.01

BLAKELEY COMMONS, A CONDOMINIUM  
ADDENDUM TO  
CONDOMINIUM PURCHASE AND SALE AGREEMENT

THIS ADDENDUM between TERESA VERRETTO ("Buyer") and Blakeley Village LLC, a Washington limited liability company ("Seller"), is dated 4/15/01 and is an addendum to a Condominium Real Estate Purchase and Sale Agreement dated 4/15/01 4/15/01 and is an addendum between Buyer and Seller (together with all addenda, attachments and amendments, the "Agreement") relating to Unit 501 in Phase 1 (the "Unit") in Blakeley Commons, a condominium (the "Condominium") to be created by Seller in phases on property located at 2901 NE Blakeley Street, Seattle, Washington, which is more particularly described as follows

Lots B, C, D and E, City of Seattle Short Plat Number 8603292, recorded under Recording Number 8612090541 (corrected by affidavit recorded under Recording Number 8803220711, in King County, Washington (the "Property").

1. **FINANCING.** This purchase  is  is not conditioned on Buyer's obtaining a loan to pay a portion of the purchase price.

a. If Agreement is Contingent on Financing. Buyer agrees that any financing contingency in this Agreement is amended such that the contingency shall be effective only if (1) Buyer agrees to pay 20 % of the purchase price in cash and agrees to pay the balance of the purchase price with the proceeds of a loan (the "Loan") and (2) Buyer establishes Buyer's creditworthiness satisfactory to Seller, in Seller's sole discretion, by providing a pre-qualification letter ("Letter") to the Seller from Seller's Designated Lender, ITC Mortgage LLC ("ITC"), an affiliate of the Seller, within fifteen (15) days after execution of this Agreement by both parties ("Mutual Acceptance"). Buyer understands that providing the Letter shall be at no cost to Buyer, is exclusively for Seller's benefit in assessing Buyer's creditworthiness, and shall not obligate Buyer to borrow from ITC. The financing contingency shall be deemed approved by Seller unless Seller gives notice to Buyer of Seller's disapproval within seven (7) days.

If Seller disapproves of the financing contingency, Buyer shall have three (3) days thereafter to give notice of waiver of the financing contingency (and paragraph 1b below shall apply) or this Agreement shall terminate and the earnest money refunded to Buyer (less any sums to be withheld as provided in the Agreement). If the financing contingency is approved, Buyer shall make application for the Loan upon notification by Seller that the closing shall take place within six (6) months after the date of such notice and diligently pursue processing of the application and closing of the Loan. This notice is referred to as Seller's Six-Month Notice of Closing.

If Buyer has not waived the financing contingency within forty-five (45) days after Seller's Six-Month Notice of Closing, Seller may elect to terminate this Agreement by giving to Buyer a written notice that Seller will terminate the Agreement unless buyer provides written notice to Seller within five (5) days after receipt of Seller's Notice of Termination that Buyer has fully satisfied or waived its financing contingency. If Buyer does not provide Seller with such a notice within the 5-day period, this Agreement shall be void and Buyer's Earnest Money Deposit shall be refunded (less any sums to be withheld as provided in the Agreement).

b. If Agreement is NOT Contingent on Financing. If this Agreement is not contingent on a financing contingency, Buyer warrants that Buyer has sufficient funds to close this sale.

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Buyer shall demonstrate to Seller that Buyer is able to pay cash for the Unit by providing to Seller Buyer's current credit report and financial statement within fifteen (15) days after Mutual Acceptance. Seller shall have fifteen (15) days after receipt of Buyer's credit report and financial statement to satisfy itself that Buyer will be able to close without securing a loan. If Seller is not satisfied in its sole discretion that Buyer is able to close without securing a loan, Seller must notify Buyer in writing of its dissatisfaction within such 15-day period. If Seller gives such a notice, Buyer's Earnest Money Deposit shall be refunded (less Seller's costs incurred in reviewing Buyer's credit and financial condition and less any sums to be withheld as provided in the Agreement) and this Agreement shall terminate. If such notice is not given within the 15-day period, then Seller's right to terminate the Agreement under this section shall be deemed waived.

2. BUYER'S PRE-CLOSING ACCESS AND INSPECTION. Prior to closing, Seller or Seller's agent must accompany Buyer whenever Buyer or any agent or contractor inspects or visits the Unit or the interior of the building in which the Unit is located. For insurance, safety and other reasons Seller may deny Buyer and its agents and contractors access to the Unit or the building until the Unit is substantially completed. (As used in this Agreement, the term "substantial completion" or "substantially complete" means the completion of all work in substantial accordance with the Unit plans and specifications described in Section 4 below, to a level sufficient to obtain a Certificate of Occupancy for the Unit from the City of Seattle). Only employees and contractors of Seller are authorized to work on the Unit prior to closing. Any unauthorized work by Buyer or its agents or contractors on the Unit prior to closing shall constitute a material breach of this Agreement by Buyer.

Upon five (5) days notice (either oral or written) from Seller that the Unit is at or nearing substantial completion, Buyer will inspect the Unit with a designated agent of Seller and they will together create a list of Buyer's concerns ("List") with the construction of the Unit. Seller shall proceed in good faith to correct and complete all List items before closing, subject to availability of labor and materials and Seller's agreement that the items are required.

3. CLOSING DATE. This sale shall close within 7 days (7 days if not filled in) of the last to occur of: (a) substantial completion of the Unit, (b) satisfaction of any pre-sale requirement in Buyer's financing or Seller's underlying mortgage on the Property, or (c) creation of the List described in Section 2 above. (A pre-sale requirement is a requirement by a Lender that a certain percentage of the condominium units be pre-sold in order for any sale to close.) Seller reserves the right to delay closing in order to complete List items and similar work. Notwithstanding the foregoing, the final date for closing under this Agreement shall be August 30, 2002 for Units in Phase I and September 30, 2003 for Units in Phase II, subject to Seller's right to extend the closing date up to six (6) months by written notice to the Buyer.

Seller does not warrant, represent or guarantee to Buyer that construction of the Unit will be commenced, or be completed, by any particular date. Seller reserves the right not to begin construction at all and terminate all Agreements and provide a full refund of Buyer's Earnest Money Deposit. If the Unit is not substantially completed prior to the last day for closing described in the preceding paragraph, as it may be extended as provided in the preceding paragraph, then either Buyer or Seller may, by written notice to the other, terminate this Agreement, and Buyer's sole and exclusive remedy in such event shall be to obtain a refund of the Earnest Money Deposit, less any sums due withheld as provided in the Agreement. Buyer shall have no right to specific performance or damages as a consequence of Seller's failure to substantially complete the Unit. Upon such refund being made to the Buyer, this Agreement shall be terminated and neither the Seller nor the Seller's agents shall be under any other further or continuing obligation or liability whatsoever to the Buyer for any damage (including, without limitation, moving costs, temporary housing costs, loss of financing or increase in interest rates) that the Buyer may have sustained by reason

of the Seller's failure or inability to comply with the terms hereof. Additionally, each of the parties shall thereby be released from any and all claims by the other of any kind or nature.

4. CONSTRUCTION, SOUND AND VIEW WARRANTIES. The floor plan of the Unit and specifications for appliances and finishes in the Unit are attached to this Addendum. Seller shall construct the Unit substantially in accordance with that floor plan and those specifications, provided that Seller reserves the right to make changes to the plans and specifications for appliances and finishes to accommodate Seller's changes made during the design and construction process, or to substitute materials or other items, so long as the Unit constructed does not substantially differ from that described on the attached floor plan, and the appliances and finish specifications do not differ in terms of their overall size, function and appearance. Minor deviations and variations involving fixtures, appliances, finishes and other decoration and finish work shall not be considered substantial deviations from the floor plan and the specifications for appliances and finishes. Subject to the inspection and List procedure described in Section 2 above, and except for any warranties specifically made in Seller's Warranty Addendum, or other warranties expressly provided by law not waived herein, Buyer agrees to accept the Unit "AS IS." Seller does not represent or warrant to Buyer that any materials, fixtures, equipment, appliances, finishes, design or other aspects of any Model Unit viewed by Buyer shall be identical to the construction of the Unit, and Buyer may only rely on those items set out in that floor plan and the specifications for appliances and finishes (as they may be amended by Seller from time to time) with respect to the Unit. Furthermore, Buyer acknowledges that the artist's rendering of the Condominium on any promotional materials for the Condominium and model are impressions of architectural elevation drawings and should not be considered as an accurate representation of the Condominium. Seller shall assign to Buyer any warranties issued by the manufacturer or supplier of new equipment or appliances installed in the Unit. The Unit square footage to be shown in the Declaration will be based on the surveyor's "as-built" determination of square footage measured from the face of the perimeter walls of the Unit and may be different than the Unit square footage shown on plans and specifications, advertising brochures or listing information, which are estimates based on architectural drawings.

Seller makes no representation as to the size or location of the parking space or storage unit included with the Unit. Assignment of parking and storage spaces shall not be subject to Buyer's approval. Seller reserves the right to construct and assign compact-sized parking spaces.

Buyer acknowledges that at the time of taking possession of the Unit and for an indefinite period thereafter, construction of the Condominium, including construction of additional units and phases, might not be completed and that renovation or construction work may be continuing, creating a possible inconvenience or nuisance. Buyer releases Seller from all claims that Buyer may have for such inconvenience or nuisance.

Buyer acknowledges that Seller makes no representation or warranty as to any sounds audible within the Unit which may arise from activities in any other unit, any common element of the Condominium, or anywhere outside the Condominium. Buyer further acknowledges that Seller makes no representation or warranty that the view from the Unit, as of the date this Agreement is signed or as of closing, will not be obstructed or changed in whole or in any part at any time in the future. Buyer acknowledges that Seller undertakes no obligation to investigate or disclose real estate developments in the area that are possible, planned, permitted or under construction, nor does Seller undertake any duty to protect views. This means that even though Seller may know of developments that could affect views, Buyer acknowledges that Buyer is not relying on Seller to disclose such developments, and Buyer acknowledges that Buyer is releasing Seller from any duty Seller might otherwise have to disclose such developments known to Seller. Buyer acknowledges that Buyer is purchasing a Unit in an area that may experience considerable and rapid development, and such developments could affect views. Buyer acknowledges that Seller does not undertake any duty to investigate or disclose any developments that may involve Seller or any

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company affiliated with Seller and including any development that is now known to Seller or becomes known to Seller after this Agreement is signed. If Buyer desires to investigate the potential for future development in the area, information is available from the City of Seattle's Department of Design, Construction and Land Use and from other sources. Real estate agents are generally not experts on future real estate developments, and Seller requires that Buyer not rely on statements from real estate agents.

5. TITLE INSURANCE AND ESCROW. Title insurance shall be ordered through Chicago Title Insurance Company. Phoenix Escrow, Inc. will be the escrow agent for the closing. Seller reserves the right to change the title company and the escrow agent at any time before closing upon notice to Buyer. Buyer shall pay one-half of the normal schedule escrow fee. Seller may be entitled to a builder's discount on its portion of the escrow fee.

6. INSULATION. Federal law may require disclosure of the following information:

Insulation	Type	Thickness	R-Value
Exterior Wall (residential)	Batt	5½"	R-19
Exterior Wall (commercial)	Batt	3½"	R-13
Roof (wood frame)	Batt	12"	R-38
Roof (courtyard)	Rigid	6"	R-30
Garage	Vinyl faced batts	9"	R-30

7. DECLARATION AND BYLAWS. Seller may make amendments to the Public Offering Statement, Declaration, Articles, Bylaws, Survey Map and Plans, Association Rules and Regulations, Association Budget, Association Balance Sheet, and Unit plans and specifications (including, without limitation, floor plans, exterior design, materials and finish schedule) prepared by or for Seller as Seller may deem desirable (or as may be required by lenders, investors, or title insurance companies to meet requirements for title insurance and mortgagee protection); but if any amendments are made before closing which materially change the Unit's square footage, voting percentage or liability for assessments, without first obtaining the written approval of Buyer, Buyer shall be entitled to rescind the Agreement and retain a refund of the Earnest Money Deposit. Buyer's failure to disapprove in writing any of the documents referred to in this Section (or amendments thereto) within seven (7) days of receipt of such documents (or amendments) shall be deemed Buyer's approval thereof. Any notice of disapproval by Buyer must include reasonable grounds for such disapproval, or else the documents shall be deemed approved.

8. ASSESSMENTS. Buyer shall pay to the owners association (the "Association") for the Condominium (or the Seller, as provided below) at closing the following amounts: (a) a pro rata portion of the current month's assessment, if Association assessments are being collected, and (b) an amount equal to two months' assessments (based on the Association's initial budget), which will be treated as an initial contribution to the working capital of the Association. Seller may elect to pay all actual costs of the Association and delay commencement of assessments by the Association. If Association assessments have not commenced, Buyer agrees to pay Seller, as an interim assessment, the amount Buyer would otherwise pay in assessments, less replacement reserves, until the Association commences collection of assessments. If Seller has previously paid the two-month contribution to the Association's working

capital, the escrow agent shall pay the amount paid to Seller. Buyer acknowledges that the initial level of assessments is an estimate only which may be changed prior to and after closing.

**9. MANAGEMENT BY SELLER.** Seller, as Declarant, may retain for the period stated in the Declaration the full effective management authority of the Association.

**10. CONDITION OF TITLE.** Matters disclosed in the Public Offering Statement shall not cause title to the Unit to be unmarketable.

**11. OCCUPANCY REPRESENTATION.** Buyer represents that the Unit will be Buyer's:

TV Primary Residence  
initials

Second Home  
initials

Investment Property  
initials

Buyer agrees to make the same representation to Lender.

**12. SELLER'S MORTGAGE.** If Seller has an underlying mortgage ("Mortgage") on the Condominium, then Buyer's and Seller's rights under the Agreement shall be subject and subordinate to the rights of the Lender holding the Mortgage.

**13. COMPLETE AGREEMENT REPRESENTATIONS, AMENDMENTS.** This Agreement, including all attachments and addenda hereto, and the Public Offering Statement constitute the complete agreement between the parties regarding the sale of the Unit. There are no other written or oral express or implied agreements, promises or representations except as set forth herein or in the Public Offering Statement. Buyer and all agents acknowledge that no sales agent, job superintendent, contractor or subcontractor has the authority to make, or has made, any agreement, promise or representation on behalf of Seller. No oral representations or statements are part of the Agreement between Buyer and Seller, and no oral past or future representations or statements shall be deemed a part of this Agreement. This Agreement may not be amended except by an agreement in writing signed by both Buyer and Seller.

**14. RISK OF LOSS.** All risk of loss shall be upon the Seller until closing or earlier occupancy, at which time it shall shift to Buyer.

**15. ADDITIONAL DISCLOSURE.** Buyer acknowledges that the Listing Agent, ITW Real Estate, Inc. ("ITW") is an affiliate of Seller, and that Seller is the "Declarant" of this Condominium. Buyer also acknowledges that ITW never represents the Buyer, but always represents the Seller in this transaction, even if ITW is the Selling Licensee. Seller may transfer its interest in the Property and the Unit, and all of its rights and obligations under the Agreement, to a third party (an "Assignee"). Upon Seller's notice to Buyer of such a transfer by Seller: (i) Assignee shall have all rights of Seller under the Agreement; (ii) Assignee shall fully assume all existing and future obligations of Seller to Buyer under the Agreement (including all obligations and rights associated with Buyer's earnest money deposit and any other payments made or to be made by Buyer under the Agreement); and (iii) Seller shall, upon such assignment, be released from all obligations and liabilities to Buyer as seller under the Agreement, whether then existing or arising in the future, and whether then known or unknown.

16. ASSIGNMENT AND RESALE. Buyer agrees that buyer's rights under this agreement are not assignable and that Buyer may not market the Property for resale prior to closing.

17. EARNEST MONEY DEPOSIT. ITW Real Estate, Inc. does not maintain a trust account; therefore it cannot accept any Earnest Money Deposits. Consequently, Buyer's Earnest Money Deposit shall be placed in an escrow account with the Escrow Agent within five (5) days of Mutual Acceptance.

18. COMMUNICATIONS; RESCISSION. Buyer understands that Seller may need to communicate from time to time with Buyer concerning a variety of issues prior to closing that may affect the Unit and/or the Condominium ("Communication"). Because time is of the essence, Buyer must respond promptly to Seller, but in any event, unless Buyer and Seller agree in writing to some other time period, Buyer must respond no later than five (5) business days after receipt of any written Seller's Communication. If Buyer does not respond within such time period, Buyer shall be in material default of this Agreement and the Agreement may, at Seller's election, be terminated. Upon such termination, Seller shall have those remedies provided in this Agreement in addition to all other remedies. Buyer acknowledges that it will not be necessary for a rescission agreement to be signed if this Agreement is terminated in accordance with the terms of any part of this Agreement. However, if requested by Seller to sign such a rescission agreement, Buyer will do so promptly.

19. NOTICES. Unless otherwise specified, any notice or other Communication (collectively, "Notice(s)") required or permitted in this Agreement must be in writing and signed by any one Buyer (including either husband or wife) or the Seller.

Notice to Seller must be received at the office of the Listing Agent, whose address and fax number are as follows:

ITW Real Estate, Inc.  
ATTN: K. J.  
2505 Second Avenue, Suite #300  
Seattle, WA 98121-1464  
Fax No.: (206) 625-9133

Notice to Buyer must be received by the Buyer or at the office of the Buyer's agent (if applicable), at Seller's election. These addresses and fax numbers are as follows:

Buyer:

Buyer's Agent:

900 FOURTH AVE, #3300  
SEATTLE, WA 98164

SAME AS BUYER

Fax No.: (206) 583-8753

Fax No.: \_\_\_\_\_

Notices may be sent (i) by certified mail, postage prepaid, return receipt requested, (ii) by facsimile transmission, or (iii) by personal delivery. Notices sent by certified mail will be deemed received the third day after being deposited in the United States mail. Notices sent by facsimile will be deemed received immediately after a successfully completed transmission with electronic or telephonic confirmation of receipt. Notices sent by personal delivery will be deemed received immediately upon delivery.

Any time limit in or applicable to a Notice will begin immediately upon deemed receipt. Either party may change their address or fax number to where Notices may be sent by notifying the other party in accordance with the terms of this section.

BUYER MUST KEEP BUYER'S AGENT AND LISTING AGENT ADVISED OF THEIR WHEREABOUTS TO RECEIVE PROMPT NOTIFICATION OF RECEIPT OF A NOTICE. BUYER'S AGENT HAS NO RESPONSIBILITY TO ADVISE OF RECEIPT OF A NOTICE BEYOND EITHER PHONING THE BUYER OR CAUSING A COPY OF THE NOTICE TO BE DELIVERED TO THE BUYER'S ADDRESS ON THIS AGREEMENT.

20. AGENCY LAW. Buyer(s) acknowledge receipt of The Law of Real Estate Agency pamphlet.

21. ADDENDUM CONTROLS. The provisions of this Addendum shall control over any conflicting provisions of the Agreement or any other written document.

BUYER:

*J. Veneto*

SELLER:

BLAKELEY VILLAGE LLC, a Washington limited liability company

By:

*PROPER MANAGER*

ADDENDUM TO HUD-1 SETTLEMENT STATEMENT

I have carefully reviewed the HUD-1 Settlement Statement and to the best of my knowledge and belief, it is a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction. I further certify that I have received a copy of the HUD-1 Settlement Statement.

X *T. A. Verretto*  
BUYER: THERESA A. VERRETTO

*Blakely Village*  
SELLER: BLAKELEY VILLAGE L.L.C.

BUYER:

SELLER:

BUYER:

SELLER:

BUYER:

SELLER:

To the best of my knowledge, the HUD-1 Settlement Statement which I have prepared is a true and accurate account of the funds which were received and have been or will be disbursed by the undersigned as part of the settlement of this transaction.

*[Signature]*  
SETTLEMENT AGENT:

DATE:

WARNING: It is a crime to knowingly make false statements to the United States on this or any other similar form. Penalties upon conviction can include a fine and imprisonment. For details see: Title 18 U.S. Code Section 1001 and Section 1010.

NWMLS Form 34  
Addendum/Amendment to P & S  
Rev. 5/98  
Page 1 of 1

ADDENDUM/AMENDMENT TO PURCHASE AND SALE AGREEMENT

The following is part of the Purchase and Sale Agreement dated 4-15-01 1  
between THOMAS VERICATO ("Buyer") 2  
and BLAKELEY Village LLC ("Seller") 3  
concerning Blakeley Commons #501 ("the Property") 4

IT IS AGREED BETWEEN THE SELLER AND BUYER AS FOLLOWS:  5

1) NO SELLING OFFICE COMMISSIONS TO BE PAID ON  
THIS TRANSACTION. 6  
7  
8  
9

2) SELLER TO CREDIT BUYER \$ 5,474.00 <sup>o.v.</sup> 5/13/02 / BC 5/13/02 10  
~~BUYER'S ALLOWABLE CLOSING COSTS, BUYER'S UPGRADING OR~~ 11  
~~WITH ANY REMAINS GOING TO REDUCE THE PURCHASE~~ 12  
~~PRICE PRE-PAID HOA DUES.~~ 13  
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ALL OTHER TERMS AND CONDITIONS of said Agreement remain unchanged. 41

AGENT (COMPANY) Trammell Crow Co. 42  
BY: [Signature] 43

Initials: BUYER: T.V. DATE: 5/11/02 SELLER: [Signature] DATE: 5/13/02 44  
BUYER: \_\_\_\_\_ DATE: \_\_\_\_\_ SELLER: \_\_\_\_\_ DATE: \_\_\_\_\_ 45

ADDENDUM/AMENDMENT TO PURCHASE AND SALE AGREEMENT

The following is part of the Purchase and Sale Agreement dated 4.15.01  
between BLAKELEY VILLAGE, LLC ("Seller")  
and Theresa Verretto ("Buyer")  
concerning: Blakeley Commons ("the Property").

IT IS AGREED BETWEEN THE SELLER AND BUYER AS FOLLOWS:

T.V. 4/15/01  
J.A.M. 4/16/01  
T.V. 4/18/01  
J.A.M. 4/16/01

~~originally purchased 402-~~

\* ~~buyer requests \$2,500 toward closing costs.~~

SELLER AGREES TO PAY \$2,500 TOWARDS BUYER'S ALLOWABLE CLOSING COSTS IF FINANCED WITH ITC MORTGAGE. USING ITC MORTGAGE IS NOT A CONDITION OF THIS PURCHASE & SALE AGREEMENT.

BUYER HAS RESIGNED ON UNIT #402 AND THE EARNEST MONEY IN THE AMOUNT OF \$10,495 SHALL BE TRANSFERRED TO THE EARNEST MONEY ACCOUNT FOR UNIT #501.

AGENT (COMPANY) TRAMMELL CROW COMPANY BY: THERESA VERRETTO

ALL OTHER TERMS AND CONDITIONS of said Agreement remain unchanged.

*J. Verretto*

Initials: BUYER: T.V. Date: 4/15/01 SELLER: J.A.M. Date: 4/16/01  
BUYER: \_\_\_\_\_ Date: \_\_\_\_\_ SELLER: \_\_\_\_\_ Date: \_\_\_\_\_

Ancher

FIRST + BROAD LLC  
Blakeley Village Design Center

INTERIOR FINISH ADDENDUM CHANGE ORDER:

Date: 3/11/2002

Date Initiated: 3/5/2002

Unit #: 501

Item #1: Add acoustimat

Description: Add acoustimat under gypcrete  
in Living, Dining, Hall & Entry closet

Item #2: Change floor tile

Description: Change Kitchen & Entry floor tile to  
hardwood, Junckers, White Oak, extend hardwood into Entry closet

Item #3: Change Kitchen countertop

Description: Change plastic laminate to Formica, Sand Stone  
Matte Finish, # 7265-58

Cost: \$2,353.87

Buyer Signature:

*JL Navetta*

Date: 3.18.02

Designer Signature:

*Carleen A. Holmes*

Date: 3.11.02

*Blakeley  
Commons*  
INTERIOR FINISH ADDENDUM

This Addendum ("Interior Finish Addendum") to the Condominium Purchase and Sale Agreement is made and entered into this 11th day of March 2002 by and between Blakeley Village L.L.C. ("Seller") and Theresa Veretto ("Buyer") of Unit 501 ("Property") and shall supplement and modify that certain Condominium Purchase and Sale Agreement dated April 16, 2001 and any addenda and amendments thereto ("Agreement"). Buyer and Seller hereby agree as follows:

**# INTERIOR FINISH SELECTIONS:**

Buyer has requested that certain Interior Finishes & Options be made to the property as specified on the attached contract pages referred to as: "Schedule A" (Of the Interior Finish Addendum), "Worksheets" and "Plans". Seller shall have no obligation to execute more than one Interior Finish Addendum with Buyer. If Buyer has not selected any Interior Finishes Options, for any particular aspect, for any reason, then Buyer shall receive the building standard specification and finishes as selected by Blakeley Village LLC staff.

**# INTERIOR FINISH OPTION PAYMENT:**

The costs (if applicable, refer to "Schedule A") for the Interior Finish Options shall be paid by Buyer to Seller (including sales tax), in cash at the time this Addendum is executed ("Interior Finish Option Payment").

Buyer agrees that Seller is not obligated to commence any Interior Finish Options, or order any materials in connection with requested Options, prior to receiving the "Interior Finish Option Payment" from Buyer. The "Interior Finish Option Payment" shall be deemed fully earned by Seller upon payment thereof, in consideration of Seller agreeing to make the Interior Finish Options. The "Interior Finish Option Payment" shall be retained by Seller in the event Buyer fails to close for any reason, including failure of Buyer to waive a contingency in the Agreement. The "Interior Finish Option Payment" is not an earnest money deposit as set forth in RCW 64.04.005(4).

**# RESTORATION DEPOSIT (Check one)**

Seller has advised Buyer that certain Interior Finish Options require a "Restoration Deposit" as specified on the attached Schedule A. The "Restoration Deposit" represents an amount deemed sufficient by Seller to pay for Seller's costs to complete or restore the said property to a marketable state, in the event this transaction fails to close for any reason.

Buyer agrees that Seller is not obligated to commence any Interior Finish Options, or order any materials in connection with requested Options, prior to receiving the "Restoration Deposit". The "Restoration Deposit" shall be deemed fully earned by Seller in the event Buyer fails to close for any reason, and shall not be considered part of the earnest money deposit. If closing does occur, then the "Restoration Deposit" shall be credited to Buyer at Closing.

Buyer is not required to pay a "Restoration Deposit".

**# OTHER TERMS AND CONDITIONS:**

It is understood that all Interior Finish Selections and Options are final. Should any Interior Finish materials be unavailable, Buyer will be notified by Seller and Buyer shall reselect promptly. If applicable, an additional Interior Finish Options Payment and/or a Restoration Deposit will be collected and Buyer shall sign a "Revised" Interior Finish Addendum, Schedule A, Interior Selection Worksheet, and/or Finish Selection Worksheet. Buyer acknowledges that color samples vary. Please consider your choices carefully.

All other terms and conditions of this Agreement remain in full force and effect except as modified in this Interior Finish Addendum to the Condominium Purchase and Sale Agreement.

Buyer: Theresa Veretto Date: 3.18.02

Buyer: \_\_\_\_\_ Date: \_\_\_\_\_

Prepared by: Blakeley Village LLC

Seller: Blakeley Village LLC

By: Carlson H. Johnson Date: 3.11.02

BY: \_\_\_\_\_ Date: \_\_\_\_\_

Interior Designer

Brian Krueger, Authorized Agent

Interior Finish Option Payment:		'Restoration Deposit' \$	
Check #		Check #:	
Date:		Date:	

Blakekey Commons

SCHEDULE A

OF THE INTERIOR FINISH ADDENDUM

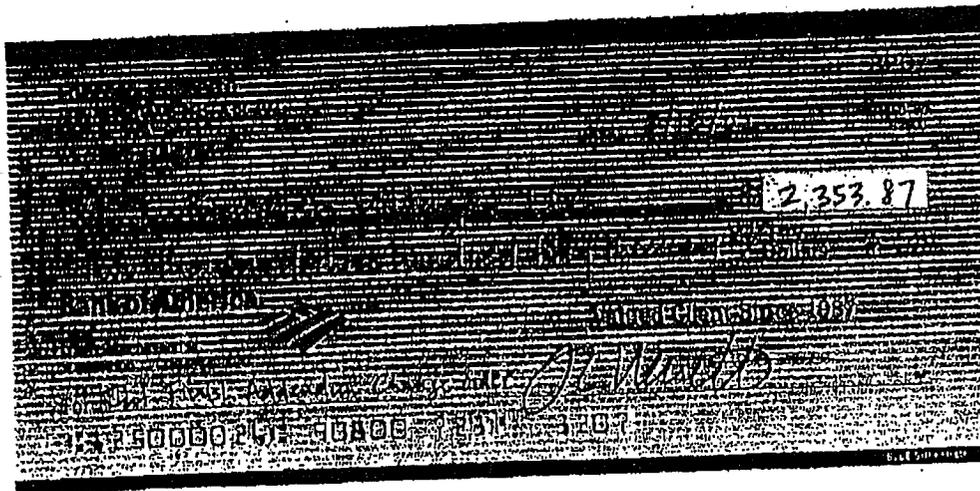
Seller is hereby instructed to order and complete the following Options to Unit #: 501

And Buyer hereby agrees to pay for these Options as indicated below.

(Refer to Interior Finish Worksheets for more detailed description of approved Finishes & Options)

		Applicable Cost of Options	Responsible Deposit
(Incl. W.S.T.)			
<b>Finish Option Worksheet Summary</b>			
Total from Mechanical Section of Worksheet		\$0.00	\$0.00
Total from Electrical Section of Worksheet		\$1,329.81	\$0.00
Total from Plumbing Section of Worksheet		\$344.08	\$0.00
Total from Appliance Section of Worksheet		\$0.00	\$0.00
Total from Millwork & Hardware Section of Worksheet		\$0.00	\$0.00
Total from Cabinetry Section of Worksheet		\$516.75	\$0.00
<b>TOTAL OF INTERIOR SELECTION WORKSHEETS</b>		<b>\$2,190.64</b>	<b>\$0.00</b>
<b>TOTAL FROM FINISH SELECTION WORKSHEET</b>		<b>\$2,353.87</b>	<b>\$0.00</b>
<b>Other Misc. Options:</b>			
1			
2			
3			
4			
5			
<b>TOTAL MISC. OPTIONS</b>		<b>\$0.00</b>	<b>\$0.00</b>
Credit from Purchase and Sale Agreement (If appl.)			
Credit from Previous Addendum(s) (If appl.)			
		<b>2,190.64</b>	
<b>CHANGE ORDER BALANCE DUE</b>		<b>2,353.87</b>	<b>0.00</b>
<b>CONTRACT TOTAL IS: \$4,544.51</b>			
<b>ATTACHMENTS TO INTERIOR FINISH ADDENDUM:</b>			
	X (if incl.)	Comments	
Addendum	X		
Schedule A	X		
Interior Selection Worksheets	X		
Finish Selection Worksheet	X		
Floor Plans	X		
Electrical Plans	X		
Cabinetry Layout	X		
Misc. Details or sketches, etc.			

Acceptance: [Signature] Date: 3.18.02  
 Buyer: \_\_\_\_\_ Date: \_\_\_\_\_  
 Designer: [Signature] Date: 3.11.02





## Blakeley Commons

1-Bedroom+Dens, 2-Bedrooms, 2-Bedrooms+Dens

Handwritten notes: A large 'X' mark, 'A.V.', 'A.16.01', and a circular stamp with illegible text.

At *Blakeley Commons*, our architecture, interiors, and project amenities are as special as our location

Dramatically situated on The Burke Gilman Trail and overlooking University Village, the amenities are plentiful and the neighborhood vibrant. The location is convenient; the homes are part of a growing village, and our commitment to quality design assured. With charming lobbies and an art-enhanced courtyard, *Blakeley Commons* is a natural choice for village living.

### *Blakeley Commons* amenities include...

- Full time building manager
- Secured one-space-per-home parking in underground garage (an additional parking space may be available to purchase on select homes. Ask a Sales Associate for further details)
- Controlled building access
- Landscaped and art-enhanced central courtyard
- Guest Suite for visiting friends and family
- Pleasant and comfortable club room for parties and terrace gatherings
- Fitness center and relaxing spa
- Fire sprinkler system throughout building
- Garage level bicycle storage with access to the Burke Gilman Trail
- Individual storage units
- Hobby room, car wash station, kayak storage
- Terrace barbecue area
- Convenient trash chute and recycling room

### *Blakeley Commons* home interiors include...

- Spacious 8'-6" ceilings (when architectural and mechanical requirement allow)
- Private terrace or balcony
- Private entries with viewer and deadbolt
- Bay windows (some homes)
- Painted millwork throughout
- Gas fireplaces
- Stylish lighting
- Ceramic tile entries and tiled kitchen and bath floors
- Appliance package (white) including gas range, microwave, refrigerator, dishwasher, full-size stacked washer/dryer
- Kitchen eating bar
- Low "e" double pane windows
- Screens on all operable windows (excluding deck doors)
- Electric heat and water
- Electric forced air furnaces in some homes (ask a Sales Associate for further details)
- Air conditioning upgrade option
- Pre-wired for cable TV, cable internet, and 4 phone lines
- Smoke detectors and sprinkler system
- "Barrier-free" floor plans available in designated homes
- Together with *Blakeley Commons*' professional design staff, choose from three customized color and material themes or choose from options that meet your needs.

2715 N.E. Blakeley  
Seattle, WA 98105

Ph: 206.527.3455  
Fax: 206.527.1736

[www.blakeleycommons.com](http://www.blakeleycommons.com)

In the interest of continuing product improvement and/or product availability, Blakeley Village LLC, reserves the right to make modifications to the design and specifications.

4-6-01

traditionally...  
untraditional

To: Phoenix Escrow, Inc.  
1750 112th Ave. N.E., #209A  
Bellevue, WA 98004

You are hereby authorized and instructed to deposit the sum of \$ 13,245  
to Escrow No. \_\_\_\_\_ (to follow) into a Escrow Depository/Money Market  
Account. This account is to be used only for deposit of earnest money,  
withdrawals are not allowed.

FDIC/FSLIC does not insure over \$100,000.00.

Said account is to be opened in the name of

THERESA VERRETTO

for Escrow No. \_\_\_\_\_ (to follow).

Unless otherwise designated in writing, all interest shall accrue for the benefit of:

Name: THERESA VERRETTO

Address: 7540-37th AVE NE, #301

SEATTLE, WA 98115

Phone: (206) 522-6228

Tax I.D. or Social Security No.: 536-84-0787

The Escrow Agent under these instructions is authorized to liquidate this  
investment, without further authorization, as may be reasonably necessary to  
close the escrow with collected funds in a timely manner.

It is understood that the escrow agent is depositing the funds as an  
accommodation, without charge, and has no duty to invest the funds at the  
highest rate available.

Original signature must be on file at bank to avoid back-up withholding.

The undersigned understands that investment institutions may have certain  
dollar investment requirements. The escrow agent's responsibility will be to  
invest funds to the nearest dollar accepted by the institution for the above  
account.

Date: 4/15/01

J. Veretto

RECEIVED

JUL 17 2009

SALMI & GILLASPY, PLLC

SUPERIOR COURT OF WASHINGTON FOR KING COUNTY

BLAKELEY COMMONS CONDOMINIUM ASSOCIATION, a Washington non-profit corporation,

Plaintiff,

vs.

BLAKELEY VILLAGE LLC, a Washington Corporation; INTRACORP REAL ESTATE, LLC, a Washington Corporation; JOHN AND JANE DOES 1 through 20, individuals; CONTRACTOR DOES 21 through 35, entities conducting business in Washington;

Defendants.

NO. 06-2-03941-6SEA

DECLARATION OF SANDI KAPLAN IN SUPPORT OF PLAINTIFF'S MOTION TO SET A TRIAL DATE

I, SANDI KAPLAN, declare under the penalty of perjury and in accordance with the laws of the State of Washington, I am over 18 years old, competent to testify, and make this declaration based on personal knowledge:

- 1. I am an original purchaser of Unit No. 3B at the Blakeley Commons Condominium project in Seattle, Washington.
2. Attached hereto as Exhibit #1 is a true and correct copy of my Purchase and Sale Agreement for Unit No. 3B at the Blakeley Commons Condominiums.

DECLARATION OF SANDI KAPLAN IN SUPPORT OF PLAINTIFF'S MOTION TO SET A TRIAL DATE - 1

CASEY & SKOGLUND PLLC 114 West McGraw Street Seattle, Washington 98119 Phone (206) 284-8165

COPY

1  
2 3. I have reviewed Exhibit No. 2, attached hereto, entitled "BLAKELEY  
3 COMMONS, A CONDOMINIUM WARRANTY ADDENDUM"  
4 (hereinafter "Warranty Addendum") and to the best of my knowledge, I never  
5 signed a warranty addendum nor was I asked to sign a warranty addendum.

6 4. At no time did I understand by entering a Purchase and Sale Agreement with  
7 Blakely Village, LLC, I was giving up my right to a jury trial for any breach  
8 of contract, breach of the Consumer Protection Act, breach of implied  
9 warranty, breach of fiduciary duty, and/or any other similar claim, which I  
10 would normally have as a result of such transaction. It was never my  
11 understanding or my intent to give up my right to assert one of the foregoing  
12 claims by entering into the Purchase and Sale Agreement with Blakeley  
13 Village, LLC.

14 I SWEAR UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF  
15 WASHINGTON THAT THE FOREGOING IS TRUE AND CORRECT.

16 EXECUTED at Seattle, Washington this 16TH day of June, 2008.

17   
18 Sandi Kaplan

19  
20  
21  
22  
23  
24  
25  
DECLARATION OF SANDI KAPLAN  
IN SUPPORT OF PLAINTIFF'S MOTION  
TO SET A TRIAL DATE - 2

CASEY & SKOGLUND PLLC  
114 West McGraw Street  
Seattle, Washington 98119  
Phone (206) 284-8165

Faint, illegible text at the top of the page, possibly bleed-through from the reverse side.

# EXHIBIT #1

Faint, illegible text in the middle section of the page.

**Blakeley Commons Condominium Assoc. v. Blakeley Village, LLC, et al.**  
**King County Cause No.: 06-2-03941-6 SEA**

Faint text at the bottom left, possibly a signature or reference.

Faint text at the bottom right, possibly a signature or reference.

Bentley Properties  
George R. Moorhead  
2018 - 156th Ave. NE Ste. 100  
Bellevue, WA 98007  
Phone: (425) 748-5065  
Fax: (425) 748-5070

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### COMMERCIAL & INVESTMENT REAL ESTATE PURCHASE & SALE AGREEMENT

*This has been prepared for submission to your attorney for review and approval prior to signing. No representation is made by licensee as to its sufficiency or tax consequences*  
CBA Text Disclaimer: Text deleted by licensee indicated by strike. New text inserted by licensee indicated by small capital letters.

Date: AUGUST 16, 2004

The undersigned Buyer, SANDI KAPLAN A MARRIED PERSON & KATHLEEN PUTNAM A MARRIED PERSON, agrees to buy and Seller agrees to sell, on the following terms, the commercial real estate and all improvements thereon (collectively, the "Property") commonly known as 2901 NE BLAKELEY in the City of SEATTLE, KING County, Washington, legally described on attached Exhibit A.

(Buyer and Seller authorize the Listing Agent or Selling Licensee to insert and/or correct, over their signatures, the legal description of the Property.)

1. **PURCHASE PRICE.** The total purchase price is TWO HUNDRED THIRTY NINE THOUSAND Dollars (\$239,000), including the earnest money, payable as follows (check only one):

- All cash at closing, including the earnest money, with no financing contingency.
- All cash at closing, including the earnest money, contingent on new financing under Section 4a below.
- \$        /        % of the purchase price in cash at closing, including the earnest money, with the balance of the purchase price paid as follows (check one or both, as applicable):  Buyer's assumption of any underlying note and deed of trust, or real estate contract, under Section 4b below,  Buyer's delivery at closing of a promissory note for the balance of the purchase price, secured by a deed of trust encumbering the Property, as described in Section 4c below.
- Other:       .

2. **EARNEST MONEY.** Buyer agrees to deliver the earnest money \$5,000.00 in the form of  Cash  Personal check  Promissory note  Other:       

If the earnest money is in the form of a promissory note, it shall be due no later than:

- days after mutual acceptance.
- Upon removal of the inspection contingencies in Section 5 below.
- Other:       .

The earnest money shall be held by  Selling Licensee  Closing Agent.

Buyer shall deliver the earnest money no later than:

- days after mutual acceptance.
- Upon removal of the inspection contingencies in Section 5 below.
- Other:       .

Selling Licensee may, however, transfer the earnest money to Closing Agent.

If the earnest money is to be held by Selling Licensee and is over \$10,000, it shall be deposited to:  Selling Licensee's pooled trust account (with interest paid to the State Treasurer)  A separate interest bearing trust account in Selling Licensee's name. The interest, if any, shall be credited at closing to Buyer whose Social Security or taxpayer ID Number is:       . If this sale fails to close, whoever is entitled to the earnest money is entitled to interest.

INITIALS: Buyer SK Date 8/16/04 Seller \_\_\_\_\_ Date \_\_\_\_\_  
Buyer KL Date 8/16/04 Seller \_\_\_\_\_ Date \_\_\_\_\_

**Bentley Properties**  
**George R. Moorhead**  
 2018 - 156th Ave. NE Ste. 100  
 Bellevue, WA 98007  
 Phone: (425) 748-5065  
 Fax: (425) 748-5070

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**COMMERCIAL & INVESTMENT REAL ESTATE  
 PURCHASE & SALE AGREEMENT**

Selling Licensee shall deposit any check to be held by Selling Licensee within 3 days after receipt or mutual acceptance, whichever occurs later. Buyer agrees to pay financing and purchase costs incurred by Buyer. If all or part of the earnest money is to be returned to Buyer and any such costs remain unpaid, Selling Licensee or Closing Agent may deduct and pay them therefrom. Unless otherwise provided in this Agreement, the earnest money shall be applicable to the purchase price and shall be non-refundable except where a condition to Buyer's obligation under this Agreement is not satisfied through no fault of Buyer.

**3. EXHIBITS AND ADDENDA.** The following Exhibits and Addenda are made a part of this Agreement:

Exhibit A - Legal Description

- Earnest Money Promissory Note, CBA Form EMN
- Promissory Note, LPB Form No. 28A/CBA Form N1-A
- Short Form Deed of Trust, LPB Form No. 20
- Deed of Trust Rider, CBA Form DTR
- Utility Charges Addendum, CBA Form UA
- FIRPTA Certification, CBA Form 22E
- Assignment and Assumption, CBA Form PS-AS
- Addendum/Amendment, CBA Form PSA
- Back-Up Addendum, CBA Form BU-A
- Vacant Land Addendum, CBA Form VLA
- Other \_\_\_\_\_
- Other \_\_\_\_\_

**4. FINANCING**

**a. Application for New Financing.** If payment of the purchase price is contingent on Buyer obtaining new financing, then Buyer's obligation to close is conditioned upon Buyer accepting a written commitment for financing. Buyer will not reject those terms of a commitment which provide for a loan amount of at least \_\_\_\_\_ or 80% or 90% of the purchase price AND BUILD-OUT COSTS, interest not to exceed 8 percent (\_\_\_\_%) per annum, a payment schedule calling for monthly payments amortized over not less than \_\_\_\_\_ (25) years, and total placement fees and points not more than \_\_\_\_\_ percent (1.5%) of the loan amount. Buyer shall make immediate application for said commitment, pay required costs and make a good faith effort to procure such financing. This Agreement shall terminate and Buyer shall receive a refund of the earnest money unless Buyer gives Seller written notice that this condition is satisfied or waived on or before \_\_\_\_\_ (45) days (60 days, if not completed) following mutual acceptance of this Agreement.

**b. Assumption of Existing Financing.** If payment of the purchase price includes Buyer's assumption of a note and mortgage or deed of trust, or a real estate contract, Seller shall promptly deliver to Buyer a copy of the underlying debt instrument(s) to be assumed, and Buyer shall be deemed to have approved all of the terms of the debt instrument(s) unless Buyer gives notice of disapproval within five (5) days after receiving such instrument(s). If any of the debt instrument(s) requires the consent of a third party to the assumption by Buyer, then Buyer shall apply for such consent within seven (7) days after receiving the debt instrument(s). Upon Buyer's request, Seller shall assist Buyer by requesting the third party's consent to the assumption on Buyer's behalf. This Agreement shall terminate and Buyer shall receive a refund of the earnest money unless Buyer gives Seller written notice within \_\_\_\_\_ (\_\_\_\_) days (30 days, if not completed) of receiving the debt instrument(s), stating that such consent is available. Buyer shall pay any assumption fees or other out-of-pocket expenses attributable to the assumption of the underlying indebtedness.

**c. Seller Financing.** If Seller is financing a portion of the purchase price by promissory note and deed of trust, unless different forms are attached to this Agreement, Buyer shall execute and submit to the Closing Agent: (i) LPB Form No. 28A Promissory Note and the DUE ON SALE and COMMERCIAL PROPERTY optional clauses in that form shall apply; (ii) UCC-1 Financing Statement covering the personal property described in Section 14

INITIALS: Buyer KP Date 8/16/04 Seller \_\_\_\_\_ Date \_\_\_\_\_  
 Buyer SK Date 8/16/04 Seller \_\_\_\_\_ Date \_\_\_\_\_



COMMERCIAL & INVESTMENT REAL ESTATE  
PURCHASE & SALE AGREEMENT

below; (iii) LPB Form No. 20 Short Form Deed of Trust; and (iv) CBA Form No. DTR Deed of Trust Rider. The promissory note shall bear interest at the rate of \_\_\_\_% per annum, and shall be payable as follows (choose one):  monthly installments of interest only,  monthly installments of \$ \_\_\_\_\_,  equal monthly installments of principal and interest in an amount sufficient to fully amortize the outstanding principal balance at the stated interest rate over \_\_\_\_ years,  other \_\_\_\_\_. Payments shall commence on the first day of the first month after closing and continuing on the same day of each succeeding month until (choose one):  \_\_\_\_ months from the date of closing,  other \_\_\_\_\_, on which date all outstanding principal and interest shall be due. The principal shall, at Seller's option, bear interest at the rate of \_\_\_\_% per annum (18% or the maximum rate allowed by law, whichever is less, if not filled in) during any period of Buyer's default. If Seller receives any monthly payment more than \_\_\_\_ days (15 days if not filled in) after its due date, then a late payment charge of \$\_\_\_\_\_/\_\_\_\_\_% of the delinquent amount (5% of the delinquent amount if not filled in) shall be added to the scheduled payment. Buyer shall have \_\_\_\_ days (5 days if not filled in) after written notice to cure a default before Seller may declare all outstanding sums to be immediately due and payable.

(Note to Buyer and Seller: If the Property is currently used primarily for agricultural purposes, then a nonjudicial foreclosure/forfeiture remedy is available to Seller only by using a real estate contract and is not available with a deed of trust.)

d. **Section 1031 Like-Kind Exchange.** If either Buyer or Seller intends for this transaction to be a part of a Section 1031 like-kind exchange, then the other party agrees to cooperate in the completion of the like-kind exchange so long as the cooperating party incurs no additional liability in doing so, and so long as any expenses (including attorneys fees and costs) incurred by the cooperating party that are related only to the exchange are paid or reimbursed to the cooperating party at or prior to closing.

5. **INSPECTION CONTINGENCY.** This Agreement shall terminate and Buyer shall receive a refund of the earnest money unless Buyer gives written notice to Seller within \_\_\_\_\_ 45 days (20 days if not filled in) of mutual acceptance of this Agreement stating that Buyer is satisfied, in Buyer's reasonable discretion, concerning all aspects of the Property, including without limitation, its physical condition; the presence of or absence of any hazardous substances; the contracts and leases affecting the property; the potential financial performance of the Property; the availability of government permits and approvals; and the feasibility of the Property for Buyer's intended purpose. If such notice is timely given, the inspection contingencies stated in this Section 5 shall be deemed to be satisfied. *BUYER AND SELLER TO WALK THROUGH AND MARK WHERE THE INTERIOR SEPERATION WALL WILL BE BUILT AND MEASUREMENTS TAKEN TO ENSURE A TOTAL OF 1,100 SQUARE FEET ARE AVAILABLE WITHIN THAT SPACE.*

a. **Books, Records, Leases, Agreements.** Seller shall make available for inspection by Buyer and its agents as soon as possible but no later than ten (10) days after mutual acceptance of this Agreement all documents available to Seller relating to the ownership, operation, renovation or development of the Property, including without limitation: statements for real estate taxes, assessments, and utilities; property management agreements, service contracts, and agreements with professionals or consultants entered into by the Seller or any predecessor in title to the Seller; leases of personal property or fixtures; leases or other agreements relating to occupancy of all or a portion of the Property and a schedule of tenants, rents, and deposits; plans, specifications, permits, applications, drawings, surveys, studies and maintenance records; and accounting records and audit reports. Buyer shall determine within the contingency period stated in the preceding introductory paragraph whether it wishes and is able to assume, as of closing, all of the foregoing leases, contracts, and agreements which have terms extending beyond closing. Buyer shall be solely responsible for obtaining any required consents to such assumption. Seller shall transfer the leases, contracts and agreements as provided in Section 17 of this Agreement. *SELLER TO PROVIDE ALL BYLAWS, ASSOCIATION RESTRICTIONS, AND RESALE CERTIFICATES WITHIN 10 DAYS OF MUTUAL ACCEPTANCE.*

b. **Access.** Seller shall permit Buyer and its agents, at Buyer's sole expense and risk to enter the Property at reasonable times after legal notice to tenants, to conduct inspections concerning the Property and improvements,

INITIALS: Buyer KD Date 8/16/04 Seller \_\_\_\_\_ Date \_\_\_\_\_  
Buyer SK Date 8/16/04 Seller \_\_\_\_\_ Date \_\_\_\_\_

Bentley Properties  
George R. Moorhead  
2018 - 156th Ave. NE Ste. 100  
Bellevue, WA 98007  
Phone: (425) 748-5065  
Fax: (425) 748-5070

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PURCHASE & SALE AGREEMENT

including without limitation, the structural condition of improvements, hazardous materials (limited to a Phase I audit only), pest infestation, soils conditions, sensitive areas, wetlands, or other matters affecting the feasibility of the Property for Buyer's intended use. Buyer shall schedule any entry onto the Property with Seller in advance. Buyer shall not perform any invasive testing or contact the tenants without obtaining the Seller's prior written consent, which shall not be unreasonably withheld. Buyer shall restore the Property and improvements to the same condition they were in prior to inspection. Buyer agrees to indemnify and defend Seller from all liens, costs, claims, and expenses, including attorneys' and experts' fees, arising from or relating to entry onto or inspection of the Property by Buyer and its agents. This agreement to indemnify and defend Seller shall survive closing. Buyer may continue to enter the Property and interview tenants in accordance with the foregoing terms and conditions after removal or satisfaction of the inspection contingency only for the purpose of re-sale, leasing or to satisfy conditions of financing.

6. TITLE INSURANCE.

a. **Title Report.** Seller authorizes Lender and Listing Agent, Selling Licensee or Closing Agent, at Seller's expense, to apply for and deliver to Buyer a  standard  extended (standard, if not completed) coverage owner's policy of title insurance. If an extended coverage owner's policy is specified, Buyer shall pay the increased costs associated with that policy including the excess premium over that charged for a standard coverage policy, and the cost of any survey required by the title insurer. The title report shall be issued by 08/20/04.

b. **Permitted Exceptions.** Buyer shall notify Seller of any objectionable matters in the title commitment or any supplemental report within ten (10) days after receipt of such commitment or supplement. This Agreement shall terminate and Buyer shall receive a refund of the earnest money, less any costs advanced or committed for Buyer, unless (a) within ten (10) days of Buyer's notice of such objections, Seller agrees to remove all objectionable provisions, or (b) within fifteen (15) days after Buyer's notice of such objections, Buyer notifies Seller in writing that it waives any objections which Seller does not agree to remove. The closing date shall be extended to the extent necessary to permit time for these notices. Those provisions not objected to or for which Buyer waived its objections shall be referred to collectively as the "Permitted Exceptions." The title policy shall contain no exceptions other than the General Exclusions and Exceptions common to such form of policy and the Permitted Exceptions.

7. **CLOSING OF SALE.** This sale shall be closed on or before NOVEMBER 30, 2004 ("closing") by CHICAGO ESCROW ("Closing Agent"). Buyer and Seller will, immediately on demand, deposit with Closing Agent all instruments and monies required to complete the purchase in accordance with this Agreement. "Closing" shall be deemed to have occurred when all documents are recorded and the sale proceeds are available to Seller. Time is of the essence in the performance of this Agreement.

8. **CLOSING COSTS.** Seller shall pay the excise tax and premium for the owner's standard coverage title policy. Seller and Buyer shall each pay one-half of the escrow fees. Real and personal property taxes and assessments payable in the year of closing, rents on any existing tenancies, interest, mortgage reserves, utilities, and other operating expenses shall be pro-rated as of closing. Buyer shall pay all costs of financing, including the premium for the lender's title policy, security, cleaning, and any other unearned deposits on tenancies, and remaining mortgage or other reserves shall be assigned to Buyer at closing. The real estate commission is due on closing or upon Seller's default under this Agreement, whichever occurs first, and neither the amount nor due date thereof can be changed without Listing Agent's written consent.

a. **Unpaid Utility Charges.** Buyer and Seller  WAIVE  DO NOT WAIVE the right to have the Closing Agent disburse closing funds necessary to satisfy unpaid utility charges affecting the Property pursuant to RCW 60.80. If "do not waive" is checked, then attach CBA Form UA ("Utility Charges" Addendum). If neither box is checked, then the "do not waive" option applies.

INITIALS: Buyer KP Date 8/16/04 Seller \_\_\_\_\_ Date \_\_\_\_\_  
Buyer SK Date 8/16/04 Seller \_\_\_\_\_ Date \_\_\_\_\_

Bentley Properties  
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9. **POST-CLOSING ADJUSTMENTS, COLLECTIONS, AND PAYMENTS.** After closing, Buyer and Seller shall reconcile the actual amount of revenues or liabilities upon receipt or payment thereof to the extent those items were prorated or credited at closing based upon estimates. Any bills or invoices received by Buyer after closing which relate to services rendered or goods delivered to the Seller or the Property prior to closing shall be paid by Seller upon presentation of such bill or invoice. At Buyer's option, Buyer may pay such bill or invoice and be reimbursed the amount paid plus interest at the rate of 12% per annum beginning fifteen (15) days from the date of Buyer's written demand to Seller for reimbursement until such reimbursement is made. Rents collected from each tenant after closing shall be applied first to rentals due most recently from such tenant for the period after closing, and the balance shall be applied for the benefit of Seller for delinquent rentals owed for a period prior to closing. The amounts applied for the benefit of Seller shall be turned over by Buyer to Seller promptly after receipt.
10. **OPERATIONS PRIOR TO CLOSING.** Prior to closing, Seller shall continue to operate the Property in the ordinary course of its business and maintain the Property in the same or better condition than as existing on the date of mutual acceptance of this Agreement, but shall not be required to repair material damage from casualty except as otherwise provide in this Agreement. Seller shall not enter into or modify existing rental agreements or leases (except that Seller may modify or terminate residential rental agreements or leases in the ordinary course of its business), service contracts, or other agreements affecting the Property which have terms extending beyond closing without first obtaining Buyer's consent, which shall not be unreasonably withheld.
11. **POSSESSION.** Buyer shall be entitled to possession, subject to existing tenancies (if any),  on closing  \_\_\_\_\_ (on closing, if not completed).
12. **SELLER'S REPRESENTATIONS AND WARRANTIES.** Seller represents and warrants to Buyer that, to the best of Seller's knowledge, each of the following is true as of the date hereof and shall be true as of closing: (a) Seller is authorized to enter into the Agreement, to sell the Property, and to perform its obligations under the Agreement; (b) All books, records, leases, agreements and other items delivered to Buyer pursuant to this Agreement are accurate and complete; (c) The Property and the business conducted thereon comply with all applicable laws, regulations, codes and ordinances; (d) Seller has all certificates of occupancy, permits, and other governmental consents necessary to own and operate the Property for its current use; (e) There is no pending or threatened litigation which would adversely affect the Property or Buyer's ownership thereof after closing; (f) There are no covenants, conditions, restrictions, or contractual obligations of Seller which will adversely affect Buyer's ownership of the Property after closing or prevent Seller from performing its obligations under the Agreement, except as disclosed in the preliminary commitment for title insurance or as otherwise disclosed to Buyer in writing prior to the end of the inspecting contingency stated in Section 5 above; (g) There is no pending or threatened condemnation or similar proceedings affecting the Property, and except as otherwise disclosed in the preliminary commitment for title insurance as or otherwise disclosed to Buyer in writing prior to closing, the Property is not within the boundaries of any planned or authorized local improvement district; (h) Seller has paid (except to the extent prorated at closing) all local, state and federal taxes (other than real and personal property taxes and assessments described in Section 8 above) attributable to the period prior to closing which, if not paid, could constitute a lien on Property (including any personal property), or for which Buyer may be held liable after closing; and (i) Seller warrants that there are no pending or threatened notices of violation of building, zoning, or land use codes applicable to the Property; and (j) Seller is not aware of any concealed material defects in the Property except: \_\_\_\_\_. Seller makes no representations or warranties regarding the Property other than those specified in this Agreement, Buyer otherwise takes the Property "AS IS," and Buyer shall otherwise rely on its own pre-closing inspections and investigations.
13. **HAZARDOUS SUBSTANCES.** Except as disclosed to or known by Buyer prior to the satisfaction or waiver of the inspection contingency stated in Section 5 above, Seller represents and warrants to Buyer that, to the best of its knowledge: (i) there are no Hazardous Substances (as defined below) currently located in, on, or under the Property in a manner or quantity that presently violates any Environmental Law (as defined below); (ii) there are

INITIALS: Buyer KP Date 8/16/04 Seller \_\_\_\_\_ Date \_\_\_\_\_  
Buyer SC Date 8/16/04 Seller \_\_\_\_\_ Date \_\_\_\_\_

Bentley Properties  
George R. Moorhead  
2018 - 156th Ave. NE Ste. 100  
Bellevue, WA 98007  
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COMMERCIAL & INVESTMENT REAL ESTATE  
PURCHASE & SALE AGREEMENT

no underground storage tanks located on the Property; and (iii) there is no pending or threatened investigation or remedial action by any governmental agency regarding the release of Hazardous Substances or the violation of Environmental Law at the Property. As used herein, the term "Hazardous Substances" shall mean any substance or material now or hereafter defined or regulated as a hazardous substance, hazardous waste, toxic substance, pollutant, or contaminant under any federal, state, or local law, regulation, or ordinance governing any substance that could cause actual or suspected harm to human health or the environment ("Environmental Law"). The term "Hazardous Substances" specifically includes, but is not limited to, petroleum, petroleum by-products, and asbestos.

14. PERSONAL PROPERTY

a. This sale includes all right, title and interest of Seller to the following tangible personal property:  None  That portion of the personal property located on and used in connection with the Property, which Seller will itemize in an Addendum to be attached to this Agreement within ten (10) days of mutual acceptance (None, if not completed). The value assigned to the personal property shall be the amount agreed upon by the parties and, if they cannot agree, the County-assessed value if available, and if not available, the fair market value determined by an appraiser selected by the Listing Agent and Selling Licensee. Seller warrants title to, but not the condition of, the personal property and shall convey it by bill of sale. Buyer shall pay any sales or use tax arising from the transfer of the personal property.

b. In addition to the leases, contracts and agreements assumed by Buyer pursuant to Section 5a above, this sale includes all right, title and interest of Seller to the following intangible property now or hereafter existing with respect to the Property including without limitation: all rights-of-way, rights of ingress or egress or other interests in, on, or to, any land, highway, street, road, or avenue, open or proposed, in, on, or across, in front of, abutting or adjoining the Property, all rights to utilities serving the Property, all drawings, plans, specifications, and other architectural or engineering work product, all governmental permits, certificates, licenses, authorizations and approvals, all utility, security and other deposits and reserve accounts made as security for the fulfillment of any of Seller's obligations, any name of or telephone numbers for the Property and related trademarks, service marks or trade dress, and guaranties, warranties or other assurances of performance received.

15. CONDEMNATION AND CASUALTY. Buyer may terminate this Agreement and obtain a refund of the earnest money, less any costs advanced or committed for Buyer, if improvements on the Property are destroyed or materially damaged by casualty before closing, or if condemnation proceedings are commenced against all or a portion of the Property before closing.

16. FIRPTA - TAX WITHHOLDING AT CLOSING. Closing Agent is instructed to prepare a certification (CBA or NWMLS Form 22E, or equivalent) that Seller is not a "foreign person" within the meaning of the Foreign Investment in Real Property Tax Act. Seller agrees to sign this certification. If Seller is a foreign person, and this transaction is not otherwise exempt from FIRPTA, Closing Agent is instructed to withhold and pay the required amount to the Internal Revenue Service.

17. CONVEYANCE. Title shall be conveyed by a Statutory Warranty Deed subject only to the Permitted Exceptions. If this Agreement is for conveyance of Seller's vendee's interest in a Real Estate Contract, the Statutory Warranty Deed shall include a contract vendee's assignment sufficient to convey after acquired title. At closing, Seller and Buyer shall execute and deliver to Closing Agent CBA Form No. PS-AS Assignment and Assumption Agreement transferring all leases, contracts and agreements assumed by Buyer pursuant to Section 5a and all intangible property transferred pursuant to Section 14b.

18. NOTICES AND COMPUTATION OF TIME. Unless otherwise specified, any notice required or permitted in, or related to, this Agreement (including revocations of offers and counteroffers) must be in writing. Notices to Seller must be signed by at least one Buyer and must be delivered to Seller and Listing Agent. A notice to Seller shall be deemed delivered only when received by Seller, Listing Agent, or the licensed office of Listing Agent. Notices to Buyer must be signed by at least one Seller and must be delivered to Buyer and Selling Licensee. A notice to

INITIALS: Buyer KP Date 8/16/04 Seller \_\_\_\_\_ Date \_\_\_\_\_  
Buyer SL Date 8/16/04 Seller \_\_\_\_\_ Date \_\_\_\_\_

Bentley Properties  
George R. Moorhead  
2018 - 156th Ave. NE Ste. 100  
Bellevue, WA 98007  
Phone: (425) 748-5065  
Fax: (425) 748-5070

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Buyer shall be deemed delivered only when received by Buyer, Selling Licensee, or the licensed office of Selling Licensee. Selling Licensee and Listing Agent have no responsibility to advise of receipt of a notice beyond either phoning the party or causing a copy of the notice to be delivered to the party's address on this Agreement. Buyer and Seller must keep Selling Licensee and Listing Agent advised of their whereabouts to receive prompt notification of receipt of a notice.

Unless otherwise specified in this Agreement, any period of time in this Agreement shall begin the day after the event starting the period and shall expire at 5:00 p.m. Pacific time of the last calendar day of the specified period of time, unless the last day is a Saturday, Sunday or legal holiday as defined in RCW 1.16.050, in which case the specified period of time shall expire on the next day that is not a Saturday, Sunday or legal holiday. Any specified period of five (5) days or less shall not include Saturdays, Sundays or legal holidays.

19. AGENCY DISCLOSURE. At the signing of this Agreement,

Selling Licensee GEORGE MOORHEAD - BENTLEY PROPERTIES

(Insert names of Licensee and the Company name as licensed)

represented SANDI KAPLAN & KATHLEEN PUTNAM - BUYERS

(Insert Seller, Buyer, both Seller and Buyer or Neither Seller nor Buyer)

and the Listing Agent PETER ARGERES - EWING AND CLARK

(Insert names of Licensee and the Company name as licensed)

represented BLAKELEY COMMONS COMMERCIAL - SELLER

(Insert Seller, Buyer, both Seller and Buyer or Neither Seller nor Buyer)

If Selling Licensee and Listing Agent are different salespersons affiliated with the same Broker, then Seller and Buyer confirm their consent to Broker acting as a dual agent. If Selling Licensee and Listing Agent are the same person representing both parties, then Seller and Buyer confirm their consent to that person and his/her Broker acting as dual agents. If Selling Licensee, Listing Agent, or their Broker are dual agents, then Seller and Buyer consent to Selling Licensee, Listing Agent and their Broker being compensated based on a percentage of the purchase price or as otherwise disclosed on an attached addendum. Buyer and Seller confirm receipt of the pamphlet entitled "The Law of Real Estate Agency."

20. ASSIGNMENT. Buyer  may  may not (may not, if not completed) assign this Agreement, or Buyer's rights hereunder, without Seller's prior written consent, unless provided otherwise herein.

21. DEFAULT AND ATTORNEY'S FEE. In the event Buyer fails, without legal excuse, to complete the purchase of the Property, then (check one):

that portion of the earnest money which does not exceed five percent (5%) of the purchase price shall be kept by Seller as liquidated damages (subject to Seller's obligation to pay certain costs or a commission, if any) as the sole and exclusive remedy available to Seller for such failure; or

Seller may, at its option, (a) keep as liquidated damages all of the earnest money (subject to Seller's obligation to pay certain costs or a commission, if any) as the sole and exclusive remedy available to Seller for such failure, (b) bring suit against Buyer for Seller's actual damages, (c) bring suit to specifically enforce this Agreement and recover any incidental damages, or (d) pursue any other rights or remedies available at law or equity.

If Buyer or Seller institutes suit concerning this Agreement, the prevailing party is entitled to reasonable attorneys' fees and expenses. In the event of trial, the amount of the attorney's fee shall be fixed by the court. The venue of

INITIALS: Buyer KP Date 8/16/04 Seller \_\_\_\_\_ Date \_\_\_\_\_  
Buyer SK Date 8/16/04 Seller \_\_\_\_\_ Date \_\_\_\_\_



COMMERCIAL & INVESTMENT REAL ESTATE  
PURCHASE & SALE AGREEMENT

any suit shall be the county in which the Property is located, and this Agreement shall be governed by the laws of the state where the Property is located.

22. MISCELLANEOUS PROVISIONS.

a. **Complete Agreement.** The Agreement and any addenda and exhibits to it state the entire understanding of Buyer and Seller regarding the sale of the Property. There are no verbal or written agreements which modify or affect the Agreement.

b. **No Merger.** The terms of the Agreement shall not merge in the deed or other conveyance instrument transferring the Property to Buyer at closing. The terms of this Agreement shall survive closing.

c. **Counterpart Signatures.** The Agreement may be signed in counterpart, each signed counterpart shall be deemed an original, and all counterparts together shall constitute one and the same agreement.

d. **Facsimile Transmission.** Facsimile transmission of any signed original document, and retransmission of any signed facsimile transmission, shall be the same as delivery of an original. At the request of either party, or the Closing Agent, the parties will confirm facsimile transmitted signatures by signing an original document.

23. **ACCEPTANCE; COUNTEROFFERS.** Seller has until midnight of AUGUST 18, 2004 (if not filled in, the third business day following the last Buyer signature date below) to accept this offer, unless sooner withdrawn. If this offer is not timely accepted, it shall lapse and the earnest money shall be refunded to Buyer. If either party makes a future counteroffer, the other party shall have until 5:00 p.m. on the 2ND business day (if not filled in, the second business day) following its receipt to accept the counteroffer, unless sooner withdrawn. If the counteroffer is not timely accepted or countered, this Agreement shall lapse and the earnest money shall be refunded to the Buyer. No acceptance, offer or counteroffer from the Buyer is effective until a signed copy is received by the Seller, the Listing Agent or the licensed office of the Listing Agent. No acceptance, offer or counteroffer from the Seller is effective until a signed copy is received by the Buyer, the Selling Licensee or the licensed office of the Selling Licensee.

24. **INFORMATION TRANSFER.** In the event this Agreement is terminated, Buyer agrees to deliver to Seller within ten (10) days of Seller's written request copies of all materials received from Seller and any plans, studies, reports, inspections, appraisals, surveys, drawings, permits, application or other development work product relating to the Property in Buyer's possession or control as of the date this Agreement is terminated.

25. **CONFIDENTIALITY.** Until and unless closing has been consummated, Buyer will treat all information obtained in connection with the negotiation and performance of this Agreement as confidential (except for any information that Buyer is required by law to disclose and then only after giving Seller written notice at least three (3) days prior to the disclosure) and will not use or knowingly permit the use of any confidential information in any manner detrimental to Seller.

26. **SELLER'S ACCEPTANCE AND BROKERAGE AGREEMENT.** Seller agrees to sell the Property on the terms and conditions herein and further agrees to pay a commission in a total amount computed in accordance with the listing agreement. If there is no written listing agreement, Seller agrees to pay a commission of PER LISTING% of the sales price or \$\_\_\_\_\_. The commission shall be apportioned between Listing Agent and Selling Licensee as specified in the listing agreement or any co-brokerage agreement. Seller assigns to Listing Agent and Selling Licensee a portion of the sales proceeds equal to the commission. If the earnest money is retained as liquidated damages, any costs advanced or committed by Listing Agent or Selling Licensee for Buyer or Seller shall be reimbursed or paid therefrom (and the balance shall be paid one-half to Seller and one-half to Listing Agent and Selling Licensee according to the listing agreement and any co-brokerage agreement. In any action by Listing Agent or Selling Licensee to enforce this Section, the prevailing party is entitled to reasonable attorneys' fees and expenses. Neither Listing Agent nor Selling Licensee are receiving compensation from more than one party to this transaction unless disclosed on an attached addendum, in which case Buyer and Seller consent to such compensation. The Property described in attached Exhibit A, is commercial real estate. Notwithstanding Section

INITIALS: Buyer KP Date 8/16/04 Seller \_\_\_\_\_ Date \_\_\_\_\_  
Buyer SL Date 8/16/04 Seller \_\_\_\_\_ Date \_\_\_\_\_

Bentley Properties  
George R. Moorhead  
2018 - 156th Ave. NE Ste. 100  
Bellevue, WA 98007  
Phone: (425) 748-5065  
Fax: (425) 748-5070

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COMMERCIAL & INVESTMENT REAL ESTATE  
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26 above, the pages containing this section, the parties' signatures and an attachment describing the Property may be recorded.

27. LISTING AGENT AND SELLING LICENSEE DISCLOSURE. EXCEPT AS OTHERWISE DISCLOSED IN WRITING TO BUYER OR SELLER, THE SELLING LICENSEE, LISTING AGENT, AND BROKERS HAVE NOT MADE ANY REPRESENTATIONS OR WARRANTIES CONCERNING THE LEGAL EFFECT OF THIS AGREEMENT, BUYER'S OR SELLER'S FINANCIAL STRENGTH, OR THE PROPERTY, INCLUDING WITHOUT LIMITATION, THE PROPERTY'S ZONING, COMPLIANCE WITH APPLICABLE LAWS (INCLUDING LAWS REGARDING ACCESSIBILITY FOR DISABLED PERSONS), OR HAZARDOUS MATERIALS. SELLER AND BUYER ARE EACH ADVISED TO SEEK INDEPENDENT LEGAL AND TAX ADVICE ON THESE AND OTHER MATTERS RELATED TO THIS AGREEMENT.

INITIALS: Buyer KP Date 8/16/04 Seller \_\_\_\_\_ Date \_\_\_\_\_  
Buyer \_\_\_\_\_ Date \_\_\_\_\_ Seller \_\_\_\_\_ Date \_\_\_\_\_

**Bentley Properties**  
George R. Moorhead  
2018 156th Ave. NE Ste: 100  
Bellevue WA 98007  
Phone: (425) 748-5065  
Fax: (425) 748-5070

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**COMMERCIAL & INVESTMENT REAL ESTATE  
PURCHASE & SALE AGREEMENT**

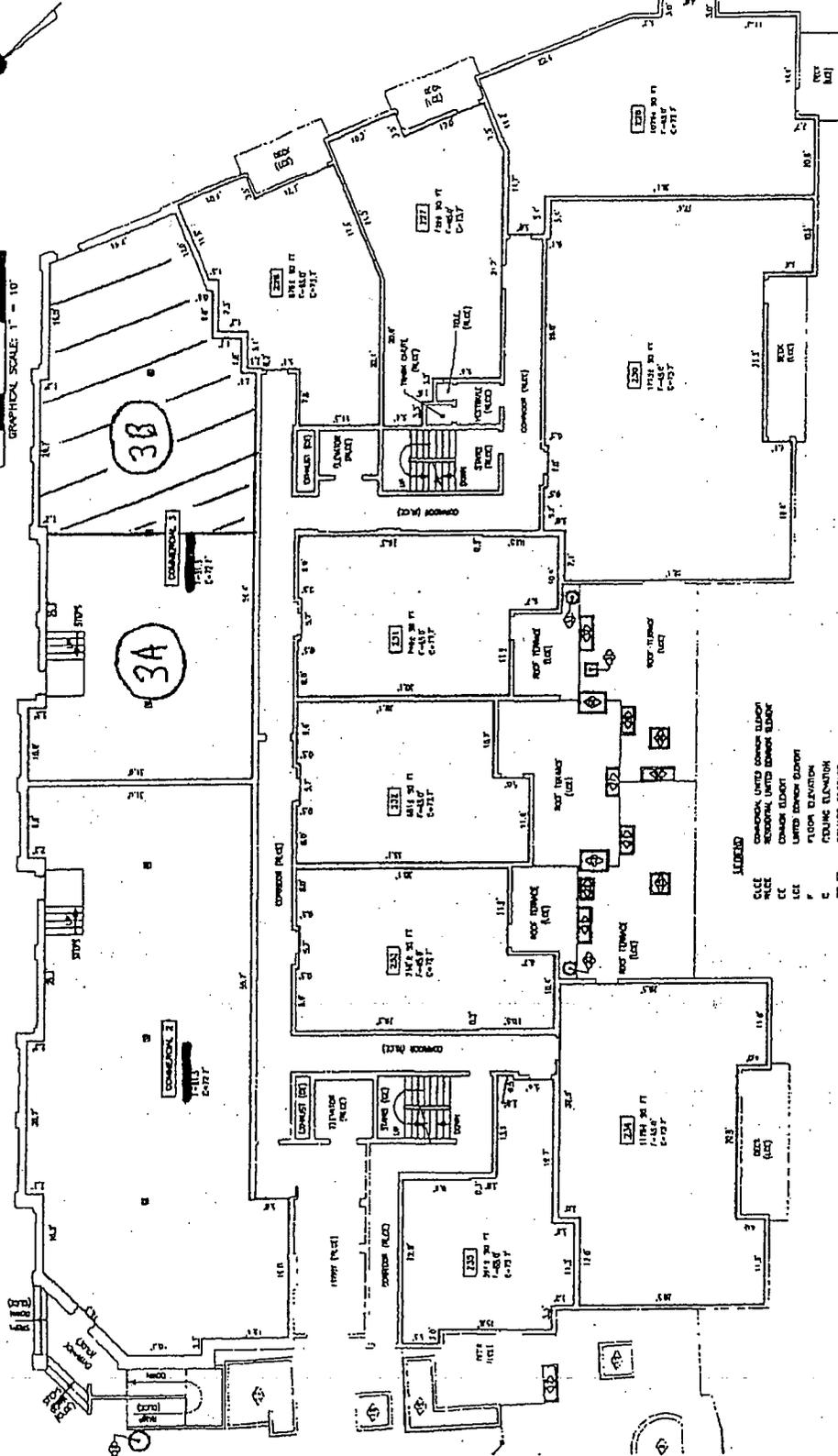
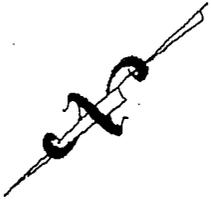
EXHIBIT A  
[Legal Description]

INITIALS: Buyer KOP Date 8/16/04 Seller \_\_\_\_\_ Date \_\_\_\_\_  
Buyer \_\_\_\_\_ Date \_\_\_\_\_ Seller \_\_\_\_\_ Date \_\_\_\_\_

**BLAKELEY COMMONS, A CONDOMINIUM**

NW 1/4, SE 1/4, SEC. 9, TWP. 25 N., RGE. 4 E., W.M., SEATTLE, KING COUNTY, WASHINGTON

**BASIS OF BEARINGS:**  
 CITY OF SEATTLE SHORT PLAT NO. 200000  
 UNDER REC. NO. 88178 AND S.L.E. 88200711  
 CITY OF SEATTLE PRE-1994  
 VERTICAL DATUM



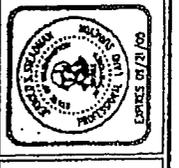
**LEVEL 2 - EAST**

- LEGEND**
- CONDOMINIUM UNIT COMMON ELEMENT
  - RESIDENTIAL UNIT COMMON ELEMENT
  - COMMON ELEMENT
  - UNIT COMMON ELEMENT
  - FLOOR ELEVATION
  - FINISH ELEVATION
  - SQUARE FOOTAGE
  - UNIT NUMBER
  - PLUMBING SYMBOLS
  - ELECTRICAL SYMBOLS
  - MECHANICAL SYMBOLS
  - STRUCTURAL SYMBOLS
  - FINISH SYMBOLS
  - COMMON ELEMENT
  - RESIDENTIAL UNIT COMMON ELEMENT
  - UNIT COMMON ELEMENT
  - FLOOR ELEVATION
  - FINISH ELEVATION
  - SQUARE FOOTAGE
  - UNIT NUMBER
  - PLUMBING SYMBOLS
  - ELECTRICAL SYMBOLS
  - MECHANICAL SYMBOLS
  - STRUCTURAL SYMBOLS
  - FINISH SYMBOLS

2001048.00  
 DATE: 9 MAY 2001  
 REVISED: 21 APRIL 2004  
 DRAWN BY: MAM  
 MAP CHECK: RLE  
 FINAL CHECK: JSS  
 SHEET 5 OF 12

NW 1/4, SE 1/4, SEC. 9,  
 TWP. 25 N., RGE. 4 E., W.M.  
 KING COUNTY, WASHINGTON

**CONDOMINIUM SURVEY  
 MAP & PLANS**



**CONDOMINIUM  
 SURVEY COMPANY**  
 Specializing in  
 CONDOMINIUM SURVEYS ONLY  
 1004 FIFTH AVENUE, SOUTH, SEATTLE, WASHINGTON 98108  
 (206) 729-2316

INDEX

Exhibit A

for 8/13/04



Bentley Properties  
George R. Moorhead  
2018 - 158th Ave. NE Ste. 100  
Bellevue, WA 98007  
Phone: (425) 748-5065  
Fax: (425) 748-5070

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COMMERCIAL & INVESTMENT REAL ESTATE  
PURCHASE & SALE AGREEMENT  
(CONTINUED)

Buyer \_\_\_\_\_ Date \_\_\_\_\_

Buyer \_\_\_\_\_ Date \_\_\_\_\_

Office Phone \_\_\_\_\_ Fax No. \_\_\_\_\_ Home Phone \_\_\_\_\_

Print Buyer's Name \_\_\_\_\_

Buyer's Address \_\_\_\_\_

Selling Office BENTLEY PROPERTIES

Office Phone 425-748-5065 Other Phone 206-391-7766 Fax No. 425-748-5070

Address 2018-156<sup>TH</sup> AVE NE, STE. 100, BELLEVUE 98007 MLS Office No. 1002623

By GEORGE R. MOORHEAD Print Name GEORGE R. MOORHEAD

Seller \_\_\_\_\_ Date \_\_\_\_\_

Seller \_\_\_\_\_ Date \_\_\_\_\_

Home Phone \_\_\_\_\_ Office Phone \_\_\_\_\_ Fax No. \_\_\_\_\_

Print Seller's Name \_\_\_\_\_

Seller's Address \_\_\_\_\_

Listing Agent PETER ARGERES

Listing Office EWING AND CLARK

Office Phone No. 206-441-7900 Other Phone 206-695-4831 Fax No. 206-441-5297

Address 2110 WESTERN AVE, SEATTLE 98121 MLS Office No. \_\_\_\_\_

28. BUYER'S RECEIPT. Buyer acknowledges receipt of a Seller signed copy of this Agreement, on

\_\_\_\_\_  
BUYER

\_\_\_\_\_  
BUYER

Bartheley Properties  
George R. Moorhead  
2018 115th Ave. NE Ste. 100  
Bellevue, WA 98007  
Phone: (425) 748-5025  
Fax: (425) 748-5070

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CBA Form FSA  
NWMLS Form No. 34  
Addendum/Amendment to P.A.S.  
Rev. 12/00  
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**ADDENDUM/AMENDMENT TO  
PURCHASE AND SALE AGREEMENT**  
CBA Text Disclaimer: Text deleted by licensee indicated by strike,  
New text indicated by licensee indicated by direct capital letters.

The following is part of the Purchase and Sale Agreement dated AUGUST 16, 2004,

Between BLAKELEY COMMONS COMMERCIAL ("Seller")

And SANDI KAPLAN & KATHLEEN PUTNAM ("Buyer")

regarding the sale of the Property known as: 2901 NE BLAKELEY, SEATTLE, 98105

IT IS AGREED BETWEEN THE SELLER AND BUYER AS FOLLOWS:

1) TWO PARKING SPACES SHALL BE PROVIDED AT THIS PRICE WITH AN OPTION ON FOUR ADDITIONAL SPACES AT \$11,000 TO BE EXERCISED ON OR BEFORE AUGUST 31, 2004. (SEE 4 below)

2) FOR CLARIFICATION: THE PURPOSE OF THE PURCHASE AGREEMENT BEING ASSIGNABLE IS TO ALLOW TRANSFER TO AN AFFILIATE FUTURE LLC ON BEHALF OF THE BUYERS.

3) SELLER TO INDICATE WHERE UTILITIES ARE AVAILABLE FROM AND WHAT TYPES AND SIZES. *CP 8/16/04*

4) PARKING stalls 85 & 86 are included in purchase price.  
*The option to purchase (4) four additional stalls noted in sentence (1) above shall be specifically for stalls 80, 81, 83 & 84.*

5) Buyer to place \$25,000 of non-refundable deposit into escrow after removal of financing contingency. *8/17/04*

AGENT (COMPANY): Bartheley Properties *George R. Moorhead*  
ALL OTHER TERMS AND CONDITIONS of said Agreement remain unchanged.

INITIALS: Buyer CP Date 8/16/04 Seller [Signature] Date 8/17/04  
Buyer [Signature] Date 8/16/04 Seller \_\_\_\_\_ Date \_\_\_\_\_

WYMLS Form No. 34  
Addendum/Amendment to P & S  
Rev. 4/02

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ADDENDUM/AMENDMENT TO PURCHASE AND SALE AGREEMENT

The following is part of the Purchase and Sale Agreement date AUGUST 16, 2004  
between BLAKELEY COMMONS COMMERCIAL ("Seller")  
and SANDI KAPLAN & KATHLEEN PUTNAM ("Buyer")  
concerning: 2801 NE BLAKELEY, SEATTLE (The Property).

IT IS AGREED BETWEEN THE SELLER AND BUYER AS FOLLOWS:  
THIS ADDENDUM CREATED ON SEPTEMBER 3, 2004

IN ADDITION TO THE TWO SPACES THAT COME WITH THE CONDO UNIT, WE ARE COMMITTING TO  
PURCHASE 3 ADDITIONAL SPACES AS DEFINED IN THE PURCHASE AND SALES AGREEMENT.  
(THREE)

The purchase Price is hereby adjusted to \$272,000. The  
Purchase Price includes the Property, and parking  
stalls 80, 83, 84, 85 and 86.

for | 9/10/04

AGENT (COMPANY) Bentley Properties BY: GEORGE R. MOORHEAD

ALL OTHER TERMS AND CONDITIONS of said Agreement remain unchanged.

INITIALS: BUYER KP BUYER SK SELLER GM SELLER \_\_\_\_\_  
DATE 9/3 2004 DATE 9/3 2004 DATE 9/10 2004 DATE \_\_\_\_\_  
WHITE—Selling Agent's Copy GREEN—Buyer's Copy CANARY—Purchase's 2nd Copy PINK—Seller's Copy GOLD—Purchase's 1st Copy

Bentley Properties  
George R. Moorhead  
2018 - 158th Ave. NE Ste. 100  
Bellevue, WA 98007  
Phone: (425) 748-5085  
Fax: (425) 748-5070

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Addendum/Amendment to P & S  
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CBA

**ADDENDUM/AMENDMENT TO  
PURCHASE AND SALE AGREEMENT**

CBA Text Disclaimer: Text deleted by licensee indicated by strike  
New text inserted by licensee indicated by small capital letters

The following is part of the Purchase and Sale Agreement dated AUGUST 16, 2004  
Between BLAKELEY COMMONS COMMERCIAL ("Seller")  
And SANDI KAPLAN & KATHLEEN PUTNAM ("Buyer")  
regarding the sale of the Property known as: 2901 NE BLAKELEY, SEATTLE, 98105

IT IS AGREED BETWEEN THE SELLER AND BUYER AS FOLLOWS:

- 1) TWO PARKING SPACES SHALL BE PROVIDED AT THIS PRICE WITH AN OPTION ON FOUR ADDITIONAL SPACES AT \$11,000 TO BE EXERCISED ON OR BEFORE AUGUST 31, 2004.
- 2) FOR CLARIFICATION: THE PURPOSE OF THE PURCHASE AGREEMENT BEING ASSIGNABLE IS TO ALLOW TRANSFER TO AN AFFILIATE FUTURE LLC ON BEHALF OF THE BUYERS.
- 3) SELLER TO INDICATE WHERE UTILITIES ARE AVAILABLE FROM AND WHAT TYPES AND SIZES. *CP 8/16/04*

AGENT (COMPANY): \_\_\_\_\_ By: \_\_\_\_\_

ALL OTHER TERMS AND CONDITIONS of said Agreement remain unchanged.

INITIALS: Buyer CP Date 8/16/04 Seller \_\_\_\_\_ Date \_\_\_\_\_  
Buyer SK Date 8/16/04 Seller \_\_\_\_\_ Date \_\_\_\_\_

BLAKELEY COMMONS, A CONDOMINIUM  
PUBLIC OFFERING STATEMENT ACKNOWLEDGEMENT

In connection with the purchase of a Unit in Blakeley Commons, a condominium, the undersigned Purchaser hereby acknowledges receipt, and the undersigned Selling Agent hereby certifies delivery, of a Public Offering Statement dated September 20, 2002, together with copies of all of the documents referred to therein (the "POS").

Purchaser and Selling Agent further acknowledge: that Selling Agent does not have the authority to make, and has not made, any representation or promise on behalf of Seller; and that Seller is liable only for representations and promises contained either in the POS or other written document signed by Seller.

PURCHASER:

UNIT #:

Dated: 8/20/04

Blaplan

B-3

Dated: 8/20/04

K Putnam

SELLING AGENT:

Dated: 8/20/04

By George R. Moorhead  
Its \_\_\_\_\_

INSTRUCTIONS TO SELLING AGENT

Upon delivery of the POS to the Purchaser, the above acknowledgement must be signed by the Purchaser and Selling Agent; and returned to the Listing Agent. Purchase and Sale Agreements will not be accepted by Seller unless accompanied by the Purchaser's written acknowledgement of receipt of the foregoing documents.



CHICAGO TITLE INSURANCE COMPANY  
ESTIMATED BUYER'S/BORROWER'S SETTLEMENT STATEMENT

ESCROW NUMBER: 00623 001141876-001 ORDER NUMBER: J0631-001141876

CLOSING DATE: 11/30/04 CLOSER: SUE STEVEN

BUYER: PUTNAM, MARTYNOWICH & KAPLAN, L.L.C., A WASHINGTON LIMITED LIABILITY COMPANY  
SRI, FR: BLAKESLEY VILLAGE, L.L.C., A WASHINGTON LIMITED LIABILITY COMPANY

PROPERTY: 2961 NORTHEAST BLAKESLEY ST. #18, SEATTLE, WASHINGTON 98105

CHARGE: BUYER CREDIT-BUYER  
272,000.00  
24,999.29  
273,996.77

Loan Charges To STERLING SAVINGS 2,700.00  
Loan Origination Fee STERLING SAVINGS 18,000.00  
FLOOD DETERMINATION FEE STERLING SAVINGS 50.00  
TAX PREPAY TO STERLING SAVINGS 1,500.00  
DEPOSIT WITH STERLING SAVINGS FOR RAISALS 1,500.00

Appraisal Fee To STERLING SAVINGS 1,500.00

Prorations And Adjustments  
County Taxes from 11/30/04 to 01/01/05 25.48  
Total amount \$ 250.85 for 365 days  
CONDO HOA DUES from 11/30/04 to 12/01/04 4.47  
Total amount \$ 134.00 for 10 days

Settlement or Closing Fee To CHICAGO TITLE ( 1/2 ) 580.00  
Title Insurance To CHICAGO TITLE INSURANCE 601.77  
ESTIMATED RECORDING FEES 250.00  
DELIVERY/WIRE FEES 54.40  
HOA TRANSFER FEE TO CONDOMINIUM MGMT 50.00  
DECEMBER HOA FEES TO BLAKESLEY CONDO. 134.00  
Funds Due To Buyer At Closing 21,910.64

TOTALS \$ 299,996.76 \$ 299,996.76

INSTITUTION TO RETURN TO  
The undersigned hereby certifies that the above information is true and correct to the best of their knowledge and belief.  
PUTNAM, MARTYNOWICH & KAPLAN, L.L.C., A WASHINGTON LIMITED LIABILITY COMPANY  
A statement will not be recorded by the Recorder's Office unless the foregoing information is true and correct to the best of the undersigned's knowledge.

DATE: 11/26/04 10:53:24

# EXHIBIT #2

*Blakeley Commons Condominium Assoc. v. Blakeley Village, LLC, et al.*  
King County Cause No.: 06-2-03941-6 SEA

BLAKELEY COMMONS, A CONDOMINIUM  
WARRANTY ADDENDUM

Addendum No. \_\_\_\_\_ to Purchase and Sale Agreement dated \_\_\_\_\_

Unit No. \_\_\_\_\_  
Blakeley Commons, a condominium

Name of Purchaser(s): \_\_\_\_\_

The Seller and the Purchaser agree that the Seller's and the Declarant's warranties to the Purchaser and to the Purchaser's successors and transferees, for the Unit and all Common Elements in the Condominium identified above, are limited to the terms stated in this Warranty Addendum ("Warranty"). The implied warranties of quality under the Washington Condominium Act, RCW Chapter 64.34, are modified by this Warranty, and all provisions of this Warranty apply to all warranties from the Seller to the Purchaser, including the implied warranties of quality under the Washington Condominium Act. The definitions of terms set forth in the Condominium Declaration apply in this Warranty. As used in this Warranty, the term "Common Elements" includes both the Common Elements and the Limited Common Elements of the Condominium.

1. Limited Warranty. The Unit in the Condominium identified above and the Common Elements are suitable for the ordinary uses of real estate of their type and, except as provided below, all parts of the Unit and the Common Elements constructed by or for the Declarant are free from defective materials and have been constructed in accordance with applicable law, in accordance with sound engineering and construction standards, and in a workmanlike manner.

2. Modifications and Exclusions.

a. Sound Transmission. The Purchaser realizes that the Unit is in a multi-family building in an urban environment; therefore, the Seller makes no warranty or representation as to vertical or horizontal sound transmission that may arise from activities or building systems in any Unit, the Common Elements or outside the Condominium. The Purchaser realizes that where condominium units are built above or below each other, or side by side, it is normal to experience some transmission of sounds between those units from loud music, heels on uncarpeted floors, water traveling in drains, doors closing and other causes. From time to time, noise from various building systems may be heard from the Unit, including, but not limited to, noise from garage doors, exhaust and supply fans, elevators, fluorescent lighting and the transformer vault.

b. View. Seller makes no representation or warranty that the view from the Unit, as of the date this Agreement is signed or as of closing, will not be obstructed or changed in whole or in part at any time in the future. Purchaser agrees that Seller is not obligated to investigate or disclose real estate developments in the area that are possible, planned, permitted or under construction, nor is Seller obligated to protect views. This means that even though Seller may know of, or may itself be developing, possible, planned, permitted or under-construction developments that could affect views, Purchaser is not relying on Seller to disclose such developments, and Purchaser is releasing Seller from any duty Seller may otherwise have to disclose any such developments. Real estate agents and sales people are generally not experts on future real estate developments, and therefore Purchaser agrees that Purchaser has not relied and will not rely on statements from real estate agents or sales people about future developments or their impact or lack of impact on views.

c. Appliances and Equipment. The Seller makes no warranties or representations with respect to the appliances and equipment installed in the Unit or the Common Elements, including without limitation the stove, oven and/or range, refrigerator, microwave oven, dishwasher, garbage disposal, washer and dryer, spa or whirlpool, water heater, fireplace, garage doors and heating/ventilation/air conditioning.

equipment. The Seller makes no warranties or representations with respect to equipment provided to Association for use in operation or maintenance of the Common Elements. With respect to all such appliances and equipment, the Seller's sole obligation is to assign to Purchaser all warranties and guarantees furnished to the Seller from the suppliers or manufacturers of the items.

d. Damage Caused by Purchaser and Others. This Warranty excludes all defects and damage to the extent caused or made worse by (i) negligence, failure to inspect, lack of maintenance, improper maintenance, improper operation or other action by anyone other than the Seller or its agents or contractors; (ii) failure of the Purchaser or the Association to comply with the warranty requirements of manufacturers or suppliers of appliances, fixtures or equipment; (iii) abnormal loading (including waterbeds) on floors, decks or other surfaces by the Purchaser that exceeds design loads that meet building codes; (iv) making or installation of holes, penetrations, windows or skylights in the Unit or Common Elements by anyone other than the Seller or its employees, agents or contractors; (v) failure of the Purchaser or the Association to mitigate damages; or (vi) changes made to the Unit or Common Elements by anyone other than the Seller or its employees, agents or contractors after closing.

e. Personal Injury and Consequential Damages. This Warranty excludes bodily injury, illness and death; damage to or theft of personal property; costs of shelter, transportation, food, moving, storage or other incidental expenses relating to relocation during repairs; and consequential, exemplary and punitive damages.

f. Defined Standards and Tolerances. This Warranty excludes all defects and faults that either (a) are of the same kind, but not the same extent or due to the same causes, as those listed as "Covered" or (b) are listed as "Not Covered" in Attachment A to this Warranty ("Defined Standards and Tolerances").

g. Warranty at Time of Purchase. This Warranty applies only to the construction and condition of the Unit and Common Elements at the time of Seller's sale of the Unit to the Purchaser. This Warranty does not extend to future performance or duration of any improvement or component of the Condominium, and the Seller makes no such warranty.

h. Other Limitations and Exclusions. This Warranty excludes any loss or damage (i) due to normal wear and tear or normal deterioration; (ii) caused by accidents, riot, fire, explosion, smoke, water escape, falling objects, aircraft, vehicles, acts of God, lightning, windstorm, hail, flood, mud slide, earthquake, volcanic eruption or changes in underground water table not reasonably foreseeable; (iii) caused by soil movement; (iv) caused by insects; (v) caused to or by any items supplied by the Purchaser or which are not part of the Unit at the time of closing; (vi) relating to cooking odors or other odors from other Units or elsewhere; or (vii) consisting of or relating to temporary ponding or pooling of water on roofs, decks, walkways, driveways or other parts of the Condominium, provided such ponding or pooling does not cause damage to the Unit or Common Elements.

3. Apparent Unit Defects. The Purchaser has had or will have at the time of possession the opportunity to make a detailed walk-through inspection of the Unit with a representative of the Seller ("Initial Inspection") and to notify the Seller in writing of any defects in appearance or color of, or damage to, the surfaces and fixtures in the Unit ("Apparent Unit Defects"). The Seller shall with reasonable promptness correct any Apparent Unit Defects which exist (in accordance with Attachment A hereto, "Defined Standards and Tolerances") and of which the Purchaser notifies the Seller in writing at the time of the Initial Inspection. The Purchaser waives all claims for any Apparent Unit Defects of which the Seller is not notified in writing at the time of the Initial Inspection, and this Warranty shall not extend to any Apparent Unit Defects of which the Seller is not notified in writing at the time of the Initial Inspection. "Apparent Unit Defects" include but are not limited to defects, inconsistencies, non-conformity and pre-existing damage in and to: paint, wall coverings, ceilings, hardwood and other floor materials, carpets, tiling or ceramic surfaces, electrical and

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heating/cooling/ventilation fixtures, bathroom fixtures and hardware, door and window hardware, cabinets, countertops and other surfaces in the Units.

4. Apparent Common Element Defects. The Purchaser and Seller agree that the Seller is entitled to receive timely notice of any construction defects in the Common Elements in order to verify that such defects have not been caused by subsequent damage and in order to allow the Seller the opportunity to correct such defects. Therefore, within sixty days after the termination of the period of declarant control provided in RCW 64.34.308(4), the Association shall notify the Seller in writing of any defects in the Common Elements which are visible or of which the Association has knowledge ("Apparent Common Element Defects"). The Seller shall with reasonable promptness correct any Apparent Common Element Defects which exist (in accordance with Attachment A hereto, "Defined Standards and Tolerances") and of which the Association timely notifies the Seller in writing. The Purchaser and the Association waive all claims for any Apparent Common Element Defects of which the Seller is not timely notified in writing, and this Warranty shall exclude any Apparent Common Element Defects of which the Seller is not timely notified in writing. "Apparent Common Element Defects" include but are not limited to visible or apparent defects, inconsistencies, non-conformity and pre-existing damage in and to: decks, walkways, siding, exterior surfaces, roofs, gutters and drainage pipes, landscaping, retaining walls, foundations, garages, paved surfaces, paint, wall coverings, ceilings, hardwood and other floor materials, carpets, tiling or ceramic surfaces, electrical, plumbing and heating/cooling/ventilation fixtures, and door and window hardware.

5. Claims Procedure.

a. Limitation of Time to Give Notice of Claim. If the Purchaser or the Association has a claim against the Seller arising out of any alleged defect in the Unit or any Common Element or any alleged breach of this Warranty or any other claimed warranties, express or implied, the Purchaser must give written notice of such claim to the Seller within one year after: (a) as to claims relating to the condition of a Unit, the date when the Purchaser entered into possession of the Unit if a possessory interest was conveyed, or the date of acceptance of the instrument of conveyance if a nonpossessory interest was conveyed; and (b) as to claims relating to the condition of any Common Element, the latest of (i) the date the first unit in the Condominium was conveyed to a bona fide purchaser, (ii) the date the Common Element was completed, (iii) the date the Common Element was added to the Condominium; or (iv) the end of the period of declarant control, if any, under RCW 64.34.308(4). FAILURE TO GIVE WRITTEN NOTICE OF CLAIM WITHIN THE ONE-YEAR PERIOD AND IN THE MANNER DESCRIBED IN THIS WARRANTY SHALL CONSTITUTE AN ABSOLUTE AND UNCONDITIONAL WAIVER, RELEASE AND BAR OF SUCH CLAIM. Oral notice shall not satisfy the requirements of this Paragraph. The requirements of this Paragraph shall not be modified or waived except by a writing signed by an officer of the Seller expressly referring to this Paragraph and expressly modifying or waiving the requirements of this Paragraph. The foregoing shall not be deemed to reduce or lengthen any period of limitation of time to bring legal action provided by the Washington Condominium Act or other applicable law; however, the Purchaser or Association shall not bring any legal action on any claim with respect to which the Purchaser or Association has not complied with the provisions of this Paragraph.

b. Notice of Claim and Cure. Each claim under this Warranty which is made by the Purchaser with respect to the Unit or by the Association with respect to a Common Element, shall first be made in writing, entitled "Notice of Claim," and shall contain a detailed description of the claimed defect. Each claim shall be mailed, postage paid, to:

Blakeley Village LLC  
2505 Second Avenue, Suite 300  
Seattle, WA 98121-1473

or to such other address as the Seller shall provide to the Purchaser. The Purchaser shall provide the Seller access and entry to the Unit and Common Elements during normal business hours to inspect and/or repair the

claimed defect within 48 hours after any written or spoken request by Seller for such access, or immediately if reasonably necessary to prevent further damage. The Seller shall respond in writing to such claim no later than 30 days after the Seller's receipt of the claim. The Seller shall have the right to cure the defective construction described in the claim to conform with this Warranty within 90 days after responding to the claim or within such longer period as may reasonably be required. The Seller may at its option repair or replace, or pay the reasonable cost of repairing or replacing, such defective construction. The Seller shall not be responsible for exact color, paint matching, texture or finish matches nor for unavailability of materials or components matching materials or equipment originally used. If either party is dissatisfied with the resolution of the claim following the Seller's written response and effort to cure the defective condition, then the parties shall meet within 14 days in an effort to resolve the claim to the parties' mutual satisfaction. All work done by Seller or its contractors on items not covered by this Warranty shall be at Purchaser's sole cost unless otherwise agreed in writing. Purchaser shall pay all costs incurred by Seller in inspecting items not covered by this Warranty based upon prevailing rates for Seller's employees or contractors.

6. Legal Action: Time Limitation. Any legal action asserting a claim under this Warranty or any other claimed warranty relating to the Unit or Common Elements must be commenced within four years after the cause of action accrues. A cause of action accrues, regardless of the Purchaser's lack of knowledge of the breach: (a) as to the Unit, the date Purchaser is first entitled to possession of the Unit; and (b) as to each Common Element, at the latest of (i) the date the first Unit in the Condominium was conveyed to a bona fide purchaser, (ii) the date the Common Element was completed, or (iii) the date the Common Element was added to the Condominium.

7. Seller's Right to Arbitration. At the option of Seller, Seller may require that any claim asserted by Purchaser or by the Association under this Warranty or any other claimed warranty relating to the Unit or Common Elements must be decided by arbitration, in King County, Washington, under the Construction Arbitration Rules of the American Arbitration Association (AAA) in effect on the date hereof, as modified by this Warranty. There shall be one arbitrator selected by the parties within seven days of the arbitration demand or if not, then pursuant to the AAA Rules, who shall be an attorney with at least five years condominium or construction law experience. Any issue about whether a dispute or claim must be arbitrated pursuant to this Warranty shall be determined by the arbitrator. At the request of either party made not later than 75 days after the arbitration demand, the parties agree to submit the dispute or unresolved claim to nonbinding mediation which shall not delay the arbitration hearing date. There shall be no substantive motions or discovery, except the arbitrator shall authorize such discovery as may be necessary to ensure a fair hearing, which shall be held within 120 days of the demand and concluded within two days. These time limits are not jurisdictional. The arbitrator shall apply substantive law and may award injunctive relief or any other remedy available from a judge including attorney fees and costs to the prevailing party, but the arbitrator shall not have the power to award punitive damages. The decision rendered by the arbitrator shall be final and binding without appeal or review and may be enforced in any court of competent jurisdiction.

8. Seller's Right to Inspect. The Seller shall be entitled (but shall not be obligated) to inspect any Common Elements at any time without notice to the Purchaser or the Association. The Seller shall be entitled (but shall not be obligated) to inspect the Unit at any time until four years after Purchaser takes possession of the Unit, or at any time if there is a pending action relating to the condition of any part of the Condominium, upon at least five days' written notice to the Purchaser or such shorter time as may be provided by court order.

9. Defects Encountered in Construction Process. The Purchaser acknowledges that defects and construction problems may occur during the construction process and be corrected by the builder and subcontractors during the course of or after the construction process, and the Purchaser agrees that if defects or construction problems have occurred during the construction process, this is not of itself a matter requiring disclosure to the Purchaser.

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10. Subsequent Purchasers. If the Purchaser sells the Unit at any time within four years after closing of the sale of the Unit from Seller to Purchaser, or Purchaser's taking possession of the Unit, whichever is later, Purchaser shall notify Seller of the sale in writing and shall include in the signed purchase and sale agreement providing for such sale a provision that the person(s) purchasing the Unit agree that any warranty rights of such person(s) relating to the Unit or Common Elements are limited to the Purchaser's rights under this Warranty at the time of such sale. If Purchaser fails to comply with this Paragraph, Purchaser shall indemnify, defend and hold harmless Seller from and against all damages, costs, attorney fees and expenses caused by such failure.

11. No Other Warranties. The Seller and the Purchaser agree that there are no express or implied warranties concerning the design, construction or condition of the Unit or Common Elements arising from Seller's sale of the Unit to the Purchaser, other than those stated in this Warranty.

12. Survival and Savings. This Warranty shall survive the conveyance of title, delivery of possession of the Unit, or other final settlement between the Seller and the Purchaser, and shall be binding upon the Seller and the Purchaser notwithstanding any provision to the contrary contained in the contract of purchase or other writing executed by the Purchaser or Seller. If any part of this Warranty is held invalid or unenforceable, such invalidity or unenforceability shall not affect the remainder hereof.

The Seller and Purchaser have executed this Warranty Addendum this \_\_\_\_\_ day of \_\_\_\_\_

**PURCHASER:** \_\_\_\_\_  
**SELLER:** \_\_\_\_\_  
**BLAKELBY VILLAGE LLC, a Washington limited liability company**  
By: \_\_\_\_\_  
Its \_\_\_\_\_

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SALMI & GILLASPY, PLLC

SUPERIOR COURT OF WASHINGTON FOR KING COUNTY

BLAKELEY COMMONS CONDOMINIUM  
ASSOCIATION, a Washington non-profit  
corporation,

Plaintiff,

vs.

BLAKELEY VILLAGE LLC, a Washington  
Corporation; INTRACORP REAL ESTATE,  
LLC, a Washington Corporation; JOHN  
AND JANE DOES 1 through 20, individuals;  
CONTRACTOR DOES 21 through  
35, entities conducting business in  
Washington;

Defendants.

NO. 06-2-03941-6 SEA

DECLARATION OF TODD SKOGLUND  
IN SUPPORT OF PLAINTIFF'S REPLY  
TO ITS MOTION TO SET TRIAL DATE

I, TODD SKOGLUND, declare under the penalty of perjury and in accordance with  
the laws of the State of Washington that I am over the age of 18 and that I am competent to  
testify at trial that:

1. I am the attorney for Blakely Commons Condominium Association.

DECLARATION OF TODD SKOGLUND IN  
SUPPORT OF PLAINTIFF'S REPLY TO ITS  
MOTION TO SET TRIAL DATE - 1

CASEY & SKOGLUND PLLC  
114 West McGraw Street  
Seattle, WA 98119  
Phone (206) 284-8165

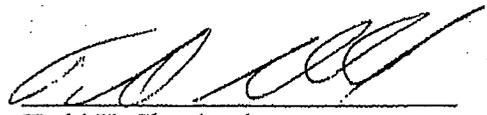
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2. Attached hereto as Exhibit A is a true and correct copy of the Order Granting Plaintiff's Motion to Lift the Stay on Proceedings and Deny Mandatory Arbitration of its WCA Claims, which was entered on July 16, 2007.
3. Attached hereto as Exhibit B is a true and correct copy of the Declaration of Jeff Babcock and exhibits attached thereto. This Declaration was inadvertently not provided with my initial filing.
4. Attached hereto as Exhibit C is a true and correct copy of the Declaration of Joan Danoff and exhibits attached thereto.
5. Attached hereto as Exhibit D is a true and correct copy of the list of units at the Blakeley Commons Condominiums.

I SWEAR UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF WASHINGTON THAT THE FOREGOING IS TRUE AND CORRECT.

EXECUTED in Seattle, Washington this 17 day of July, 2007.



Todd Kl Skoglund

COPY

# EXHIBIT #A

*Blakeley Commons Condominium Assoc. v. Blakeley Village, LLC, et al.*  
King County Cause No.: 06-2-03941-6 SEA

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SUPERIOR COURT OF WASHINGTON FOR KING COUNTY

BLAKELEY COMMONS CONDOMINIUM  
ASSOCIATION, a Washington non-profit  
corporation,

Plaintiff,

vs.

BLAKELEY VILLAGE LLC, a Washington  
Corporation; INTRACORP REAL ESTATE,  
LLC, a Washington Corporation; JOHN  
AND JANE DOES 1 through 20, individuals;  
CONTRACTOR DOES 21 through  
35, entities conducting business in  
Washington;

Defendants.

NO. 06-2-03941-6SEA

ORDER GRANTING (PROPOSED)  
PLAINTIFF'S MOTION TO LIFT THE  
STAY ON PROCEEDINGS AND DENY  
MANDATORY ARBITRATION OF ITS  
WCA CLAIMS

*without oral argument*  
This matter having come before the Court on Plaintiff's Motion to Lift the Stay on  
Proceedings and Deny Mandatory Arbitration of Its WCA Claims, the Court without having  
heard oral argument, considered the pleadings and files herein, and:

ORDER GRANTING PLAINTIFF'S  
MOTION TO LIFT THE STAY  
ON PROCEEDINGS AND DENY  
MANDATORY ARBITRATION OF ITS  
WCA CLAIMS

CASEY & SKOGLUND PLLC  
114 West McGraw Street  
Seattle, Washington 98119  
Phone (206) 284-8165

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1. Plaintiff's Motion to Lift the Stay on Proceedings and Deny Mandatory Arbitration of Its WCA Claims;

2. The Declaration of Adil A. Siddiki and the Exhibits attached thereto;

3. Defendant Blakeley Village LLC's Response and Cross Motion to Compel Together with its separate and Motion to Compel Arbitration and supporting Declarations with Exhibits

4. Plaintiff's Reply with Supporting Declaration and Exhibits

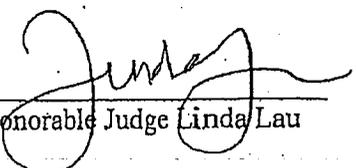
5. Defendant Blakeley Village LLC's Reply In Support of Cross Motion to Compel Arbitration

The Court having considered itself fully advised in the premises, it is hereby

**ORDERED, ADJUDGED AND DECREED** that the August 8, 2006 stay on proceedings is lifted and defendants request for mandatory arbitration on the Association's claims for breach of implied and express warranties of the Washington Condominium Act is denied. The

Satomii decision controls. The parties shall agree upon a new trial date. The Court will issue amended case schedule upon receipt of a stipulated Order setting the new trial date.

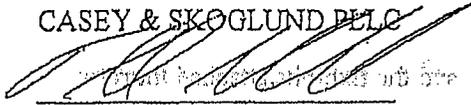
DATED August 3, 2007

  
Honorable Judge Linda Lau

ORDER GRANTING PLAINTIFF'S  
MOTION TO LIFT THE STAY  
ON PROCEEDINGS AND DENY  
MANDATORY ARBITRATION OF ITS  
WCA CLAIMS

CASEY & SKOGLUND PLLC  
114 West McGraw Street  
Seattle, Washington 98119  
Phone (206) 284-8165

2 CASEY & SKOGLUND PLLC

3   
4 Todd K. Skoglund, WSBA #30403

5 Adil A. Siddiki, WSBA #37492

6 Attorneys for Plaintiffs

7 AGREED AS TO FORM AND CONTENT BY:

8 SALMI & GILLASPY, PLLC

9 Besty A. Gillapsy, WSBA #21340

10 Daniel L. Dvorkin, WSBA #32776

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ORDER GRANTING PLAINTIFF'S  
MOTION TO LIFT THE STAY  
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MANDATORY ARBITRATION OF ITS  
WCA CLAIMS

CASEY & SKOGLUND PLLC  
114 West McGraw Street  
Seattle, Washington 98119  
Phone (206) 284-8165

# EXHIBIT #B

*Blakeley Commons Condominium Assoc. v. Blakeley Village, LLC, et al.*  
King County Cause No.: 06-2-03941-6 SEA

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SUPERIOR COURT OF WASHINGTON FOR KING COUNTY

BLAKELEY COMMONS CONDOMINIUM ASSOCIATION, a Washington non-profit corporation,

Plaintiff,

vs.

BLAKELEY VILLAGE LLC, a Washington Corporation; INTRACORP REAL ESTATE, LLC, a Washington Corporation; JOHN AND JANE DOES 1 through 20, individuals; CONTRACTOR DOES 21 through 35, entities conducting business in Washington;

Defendants.

NO. 06-2-03941-6SEA

DECLARATION OF JEFF BABCOCK IN SUPPORT OF PLAINTIFF'S MOTION TO SET A TRIAL DATE

I, JEFF BABCOCK, declare under the penalty of perjury and in accordance with the laws of the State of Washington, I am over 18 years old, competent to testify, and make this declaration based on personal knowledge:

1. Stewart and McCormack, LLC is the original purchaser of Unit No. 1B at the Blakeley Commons Condominium project in Seattle, Washington.
2. Attached hereto as Exhibit #1 is a true and correct copy of the Purchase and Sale Agreement for Unit No. 1B at the Blakeley Commons Condominiums.

DECLARATION OF JEFF BABCOCK IN SUPPORT OF PLAINTIFF'S MOTION TO SET A TRIAL DATE --1

CASEY & SKOGLUND PLLC  
114 West McGraw Street  
Seattle, Washington 98119  
Phone (206) 284-8165

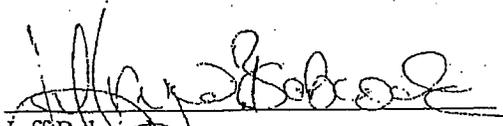
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- 3. I am the Managing Director (title) of Stewart and McCormack, LLC and am authorized to execute this Declaration on Stewart and McCormack, LLC's behalf.
  
- 4. I have reviewed Exhibit No. 2, attached hereto, entitled "BLAKELEY COMMONS, A CONDOMINIUM WARRANTY ADDENDUM" (hereinafter "Warranty Addendum") and to the best of my knowledge, I never signed a warranty addendum nor was I asked to sign a warranty addendum.
  
- 5. At no time did I understand by entering a Purchase and Sale Agreement with Blakely Village, LLC, I was giving up my right to a jury trial for any breach of contract, breach of the Consumer Protection Act, breach of implied warranty, breach of fiduciary duty, and/or any other similar claim, which I would normally have as a result of such transaction. It was never my understanding or my intent to give up my right to assert one of the foregoing claims by entering into the Purchase and Sale Agreement with Blakeley Village, LLC.

I SWEAR UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF WASHINGTON THAT THE FOREGOING IS TRUE AND CORRECT.

EXECUTED at Seattle, Washington this 15 day of June, 2008.

  
\_\_\_\_\_  
Jeff Babcock

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# EXHIBIT

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# #1

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*[Handwritten signature]*  
[Illegible text]

111 West Michigan Street  
Ann Arbor, Michigan 48106  
Phone: (313) 763-1111

IN SUPPORT OF THE PROSECUTION  
BY SET A TRAIL DATE

PURCHASE AND SALE AGREEMENT

*ds*  
 PURCHASE AND SALE AGREEMENT (the "Agreement") is entered into as of ~~October 2~~ 2004, between BLAKELEY VILLAGE LLC, a Washington limited liability company ("Seller"), and BABCOCK AND BERGLUND, LLC, a Washington limited liability company ("Purchaser").

For valuable consideration, the receipt and sufficiency of which are acknowledged, the parties agree as follows:

1. Purchase and Sale. Seller agrees to sell to Purchaser, and Purchaser agrees to purchase from Seller the ground floor condominium retail known as Unit 1A located in Blakely Commons, together with a limited common area comprised of one parking space identified as space number 59 in the parking garage located in Blakely Commons, all as specifically described on Exhibit A attached to this Agreement (the "Property").

2. Deposit. As security for Purchaser's obligations under this Agreement, concurrent with mutual execution hereof (the "Effective Date"), Purchaser shall deposit with Windermere Real Estate/Washington Inc. ("Purchaser's Broker") the sum of Fifteen Thousand Dollars (\$15,000) cash (together with all accrued interest thereon, the "Deposit") which sum shall be held by Purchaser's Broker in an interest bearing account and be nonrefundable, absent Seller's default and except as otherwise specifically provided herein. The Deposit will be released to Seller upon the expiration of the Contingency Period (as defined in Section 7), unless Purchaser has earlier terminated this Agreement in accordance with Section 7. The Deposit will be applied toward the purchase price upon Closing.

3. Purchase Price. The purchase price for the Property will be Three Hundred Twenty Thousand and 00/100 Dollars (\$320,000.00). Purchaser shall pay the purchase price at Closing in cash or immediately available funds inclusive of the Deposit.

4. Title Commitment. Seller will provide Purchaser with a preliminary commitment for a standard form owner's title insurance policy issued by Chicago Title Insurance Company, Seattle, Washington ("Title Company"), together with a copy of the documents representing the underlying exceptions described in the commitment. Seller will convey the Property to Purchaser subject to (a) the standard general exceptions set forth in Title Company's standard coverage policy of title insurance, (b) matters contained in City of Seattle Short Plat No. 8603292 recorded under King County Recording No. 8612090541, (c) general and special taxes and charges not yet delinquent, (d) the Condominium Declaration for Blakely Commons, a Condominium, recorded under King County Recording No. 20020919001684 and amendments thereto recorded under King County Recording Nos. 20030108002219 and 20030326002468 (as amended, the "Condominium Declaration"), and (e) any other exception agreed to by Seller and Purchaser (collectively, the "Permitted Exceptions"). If the preliminary commitment issued to Purchaser under this Section 4 contains special exceptions other than the Permitted Exceptions, Purchaser may, within ten (10) days from its receipt of the preliminary commitment, give Seller written notice that Purchaser objects to such additional exceptions. If Seller does not indicate it will remove the additional objectionable exceptions, or if Seller fails to respond in writing within

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five (5) days after Seller receives Purchaser's notice, then Purchaser shall advise Seller in writing within five (5) days thereafter whether Purchaser will (a) waive such objections, or (b) elect to terminate this Agreement, in which event the Deposit shall be refunded to Purchaser. If Purchaser fails to so advise Seller in writing within the five (5) day period, Purchaser will be deemed to have waived such objections. Purchaser has received and reviewed the Public Offering Statement for Blakelley Commons, including all schedules and exhibits, and agrees to all of the terms and conditions included therein. The Property will be subject to the Condominium Declaration, which, among other things, requires Purchaser to become a member of the condominium association formed thereunder.

5. Deed. Title shall be conveyed by statutory warranty deed (the "Deed"), free of encumbrances or defects, except for the Permitted Exceptions. Seller shall have no duty to satisfy any Title Company or Escrow Agent requirements, such as certificates or indemnities, related to any title endorsements requested by Purchaser.

6. Seller's Representations and Warranties. Seller represents and warrants to Buyer that the following facts are true as of the date of Seller's execution hereof:

(a) Authority. Except as specifically set forth in this Agreement, no further action is necessary on the part of Seller or any third party to make this Agreement fully and completely binding upon Seller in accordance with its terms.

(b) Existing Agreements. Seller's execution, delivery and consummation of this Agreement will not result in any default or violation of any Agreement by which Seller is bound.

These representations and warranties shall survive Closing for a period of twelve (12) months, and no claim brought for misrepresentation or breach of warranty shall be valid unless brought within twelve (12) months after Closing.

7. Purchaser's Feasibility Contingency. Purchaser will have until 5:00 p.m. local time on December 1, 2004 (the "Feasibility Period") within which to inspect the Property, review records, conduct tests and otherwise investigate the Property to determine the acceptability thereof to Purchaser, in its sole discretion, including Purchaser's determination of his ability to conduct a retail coffee and bakery business within the Property which will be regarded as an eating and drinking establishment under the Seattle Municipal Code. If Purchaser intends to disapprove the Property as a result of its investigation during the Feasibility Period, it shall give Seller written notice of Purchaser's disapproval on or before the end of the Feasibility Period. If Purchaser gives a disapproval notice in accordance with this Section 7, then this Agreement will terminate and the Deposit will be returned to Purchaser. If Purchaser fails to give a disapproval notice by the end of the Feasibility Period, Purchaser will be deemed to have approved the Property, and this Agreement will remain in full force and effect.

8. Closing

(a) Closing. The closing of the transaction contemplated under this Agreement ("Closing") will occur in the offices of Chicago Title Insurance Company, Seattle,

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Washington ("Escrow Agent") on a date mutually agreed to by Seller and Purchaser but no later than December 23, 2004. Purchaser will be entitled to possession of the Property as of the date of Closing.

(b) Deposits into Escrow; Closing Costs. At Closing, Seller will deposit in escrow the Deed, a real estate excise tax affidavit and an affidavit of non-foreign status. At Closing, Purchaser shall deposit a real estate excise tax affidavit, the balance of the purchase price, less the Deposit, and its share of prorated items and closing costs. Purchaser shall pay the recording fee for the deed, the additional title premium for all owner's title coverage upgrades and special endorsements requested by it, and one-half of the escrow fee. Seller shall pay the real estate excise tax, the title insurance premium on the owner's standard title insurance coverage and one-half of the escrow fee.

(c) Prorations. Real property taxes, assessments for the current year (including condominium assessments), utilities, operating expenses and rents will be prorated as of Closing. The parties waive the Escrow Agent's duty to pay utilities at Closing.

(d) Adjustments. To the extent items are prorated or adjusted as of the date of Closing on the basis of estimates, or are not prorated or adjusted as of the date of Closing, pending actual receipt of funds or compilation of information upon which such prorations or adjustments are to be based, each of Seller and Purchaser will, upon a proper accounting, pay to the other party such amounts as may be required to assume accurate prorations. Seller and Purchaser shall use their best efforts to cause the final accounting to be completed within sixty (60) days after the Closing Date.

9. "AS-IS" Sale; Disclaimer. Purchaser acknowledges that it will have the opportunity under this Agreement to investigate the Real Property and the documents and plans with respect to the Property and determine the acceptability of same in its sole discretion. Purchaser agrees that in acquiring the Property in an "AS-IS" condition with all faults and waives all contrary rights and remedies available to it under state and federal law. Purchaser further acknowledges that, except as set forth in the deed and in this Agreement, neither Seller, nor any principal, agent, attorney, employee, broker or other representative of Seller has made any representations or warranties of any kind whatsoever regarding the Property, either express or implied, and that Purchaser is relying on its own investigation and review, and not on any warranty, representation or covenant, express or implied, with respect to the Property, except as set forth in the deed and in this Agreement. In particular, but without limitation, except as set forth in the deed and in this Agreement, Seller makes no representations or warranties with respect to the Property or its use or condition of any kind or nature, express or implied, including, without limitation, none as to the condition of the soils or groundwaters of the Property or the presence or absence of hazardous or toxic materials or substances on or under the Property. Purchaser represents that it is knowledgeable in real estate matters and that upon completion of the investigations and reviews contemplated or permitted by this Agreement, Purchaser will have made all of the investigations and reviews Purchaser deems necessary in connection with its purchase of the Property, and that approval by Purchaser of such investigations and reviews pursuant to this Agreement will be deemed approval by Purchaser without reservation of all aspects of this transaction, including, but not limited to, its use, title and the financial aspects of the operation of the Property.

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10. Use of the Property.

The Property will be used exclusively for a coffee house and bakery classified as an eating and drinking establishment under the Seattle Municipal Code. Purchaser acknowledges and agrees that the Condominium Declaration may contain restrictions specifying such use of the Property. As set forth in the Condominium Declaration, Purchaser shall have access to all parking spaces set aside for shared commercial use in Blakely Commons.

11. Remedies.

(a) Seller's Remedies. If the Seller is not in default and Purchaser fails, without a legal excuse, to complete the purchase of the Property, then Seller shall have the right to either (1) keep as liquidated damages, all of the Deposit as the sole and exclusive remedy available to Seller for such failure of the Purchaser, or (2) bring an action against the Purchaser for the Seller's actual damages suffered by reason of the Purchaser's failure to complete the purchase of the Property; provided, however, that in no event shall Purchaser be liable to Seller for consequential or incidental damages, including, but not limited to, lost profits.

(b) Purchaser's Remedies. If Purchaser is not in default, and Seller fails or refuses to consummate the sale of the Property, without legal excuse, Purchaser shall have the right to (1) the return of the Deposit; and (2) bring an action against the Seller for the Purchaser's reasonable due diligence costs actually incurred by Purchaser in performing its inspections under this Agreement. In no event shall Seller be liable to Purchaser for consequential or incidental damages, including, but not limited to, lost profits.

12. Casualty or Condemnation. In the event of loss or damage to the Property which occurs prior to closing, if the cost to repair such loss or damage is less than Fifty Thousand Dollars (\$50,000) or, in the event of loss or damage to the Property by reason of condemnation or eminent domain proceedings (or deed in lieu thereof), if no portion of the Real Property or the parking areas have been taken and no means of access to the Property has been permanently blocked or substantially impaired, the transaction contemplated hereby shall not be terminated, but the Seller shall assign to Purchaser all casualty insurance proceeds or condemnation awards, if any. In such event, Seller shall have no additional obligations if such insurance proceeds or condemnation awards are insufficient to repair such damages, except that Purchaser shall be responsible for paying to Seller the amount of any deductible under the applicable insurance policy.

In the event of loss or damage to the Property which occurs prior to Closing, if the cost to repair such damage or destruction exceeds Fifty Thousand Dollars (\$50,000), or if any part of the Real Property or the parking area has been taken by condemnation or eminent domain proceedings (or deed in lieu thereof), or if any means of access to the Property has been permanently blocked or substantially impaired by any such taking, Purchaser may, at its option, elect to terminate this Agreement, in which event Purchaser shall receive a full and immediate refund of the Deposit, or Purchaser may consummate the transaction and receive an assignment of all proceeds of casualty insurance or condemnation awards attributable to such damage. In such event, Seller shall have no additional obligation if such insurance proceeds or condemnation

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awards are insufficient to repair such damage, except that Seller shall be responsible for the payment to Purchaser of any deductible on the casualty insurance policy.

13. Notices. All notices provided for herein may be telecopied, sent by regular overnight courier, delivered or mailed by U.S. registered or certified mail, return receipt requested, and, if mailed, shall be considered delivered three (3) business days after deposit in such mail. The addresses to be used in connection with such correspondence and notices are the following, or such other address as a party shall from time to time direct:

Purchaser: Babcock and Berglund, LLC  
7014 Cascade Avenue S.E.  
Snoqualmie, Washington 98065  
Attn: Jeffrey W. Babcock  
Telecopy No.: 425 396 7334

With copies to:

Timothy L. Austin  
Betts Austin, pllc  
11120 N.E. 2<sup>nd</sup> Street, Suite 200  
Bellevue, Washington 98004

Sharley Lewis  
Windermere Real Estate  
5595 Harbor Avenue  
Post Office 96  
Fresland, Washington 98249

Seller: Blakeley Village LLC  
2505 Second Avenue, Suite 300  
Seattle, Washington 98121  
Attn: Frank Anderson  
Telecopy No.: (206) 728-4595

with a copy to: Thomas A. Barkewitz  
Alston, Courtnage & Basseri LLP  
1000 Second Avenue, Suite 3900  
Seattle, Washington 98104-1045  
Telecopy No.: (206) 623-1752

14. Costs and Expenses. Except as otherwise expressly provided herein, each party hereto will bear its own costs and expenses in connection with the negotiation, preparation and execution of this Agreement and other documentation related hereto and in the performance of its duties hereunder.

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15. Miscellaneous

(a) Further Documentation. Each of the parties agrees to execute, acknowledge, and deliver upon reasonable request by the other party any document which the requesting party reasonably deems necessary to evidence or effectuate the rights herein conferred or to implement or consummate the purposes and intents hereof, so long as such imposes no different or greater burden upon such party than is otherwise imposed under this Agreement.

(b) Headings. The headings in this Agreement are for convenience only and do not in any way limit or affect the terms and provisions hereof.

(c) Calculation of Time Periods. Unless otherwise specified, in computing any period of time described in this Agreement, the day of the act or event after which the designated period of time begins to run is not to be included and the last day of the period so computed is to be included, unless such last day is a Saturday, Sunday or legal holiday. The final day of any such period shall be deemed to end at 5 p.m., local Seattle time.

(d) Time of Essence. Time is of the essence of this Agreement.

(e) Unenforceability. If any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect the remainder of such provision or any other provisions hereof.

(f) Gender. Wherever appropriate in this Agreement, the singular shall be deemed to refer to the plural and the plural to the singular, and pronouns of certain genders shall be deemed to include either or both of the other genders.

(g) Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but which when taken together shall constitute one and the same instrument.

(h) Amendment Modifications. This Agreement may not be altered, amended, changed, waived, terminated or modified in any respect or particular unless the same shall be in writing and signed by or on behalf of the party to be charged therewith.

16. Attorneys' Fees. If any lawsuit or arbitration arises in connection with this Agreement, the substantially prevailing party therein shall be entitled to receive from the losing party the substantially prevailing party's costs and expenses, including reasonable attorneys' fees, incurred in connection therewith, in preparation therefor and on appeal therefrom and in any bankruptcy proceeding related thereto, which amounts shall be included in any judgment entered therein.

17. Waiver. Either party may, at any time, at its election, waive any of the conditions to its obligations hereunder, but any such waiver shall be effective only if contained in a writing signed by such party. No waiver shall reduce the rights and remedies of such party by reason of any breach of any other party. No waiver by any party of any breach hereunder shall be deemed a waiver of any other or subsequent breach.

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18. Governing Law/Venue. This Agreement shall be construed and enforced in accordance with the laws of the State of Washington. Venue for any action brought under this Agreement shall be in King County, Washington.

19. Facsimile Signatures. Each party (i) has agreed to permit the use, from time to time and where appropriate, of telecopied signatures in order to expedite the transaction contemplated by this Agreement, (ii) intends to be bound by its respective telecopied signature, (iii) is aware that the other will rely on the telecopied signature, and (iv) acknowledges such reliance and waives any defenses to the enforcement of the documents effecting the transaction contemplated by this Agreement based on the fact that a signature was sent by telecopy.

20. Transfer. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their heirs and permitted successors and assigns. Purchaser may not assign its rights or obligations hereunder without Seller's prior written consent, which may be withheld in Seller's sole and absolute discretion, and then only after at least ten (10) days prior written notice.

21. Brokers' Fees. Peter Argentes of Ewing & Clark represents Seller in this transaction. Sharley Lewis of Windermere Real Estate represents Purchaser in this transaction. At Closing, Seller will pay the real estate commission to such brokers in the total amount of five percent (5%) of the purchase price, which commission will be shared equally by the brokers. Purchaser represents and warrants to Seller that Purchaser has not engaged any other real estate brokers or agents, and Purchaser will indemnify, defend and hold Seller harmless with respect to any commissions or finder's fees claimed by any broker or agent, other than Windermere Real Estate, arising out of agreements entered into by Purchaser.

22. Termination. This Agreement shall terminate unless signed by Purchaser and returned to Seller before 5:00 p.m. on November 3, 2004.

23. Entire Agreement. This Agreement and the exhibits hereto constitute the entire agreement among the parties with respect to the subject matter hereof and supersedes all prior agreements, oral or written, express or implied, and all negotiations or discussions of the parties, whether oral or written, and there are no warranties, representations or agreements among the parties in connection with the subject matter hereof except as set forth herein. This Agreement shall not be binding upon either party until it is signed by both parties.

24. Non-Residential Condominium Unit. Purchaser acknowledges that the Property consists of a condominium unit which is restricted to non-residential use.

25. Like Kind Exchange. If either Purchaser or Seller notifies the other that it wishes to involve this transaction in a like kind exchange of real estate under Section 1031 of the Internal Revenue Code, then the other party agrees to cooperate in the exchange so long as its participation in the exchange will not create any increased expense or liability for such party and so long as the exchange does not result in any delay in closing this transaction.

26. Signage. Purchaser shall not paint, display, inscribe, place or affix any sign on any part of the outside of the Property or visible from the outside of the Property, except in full

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compliance with the Condominium Declaration and all statutes, ordinances, rules and regulations applicable to the Property. This Section 26 will survive the Closing.

(Signatures appear on following page)

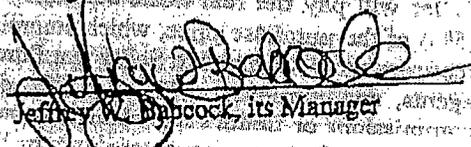
**SELLER:**

*Nelson*  
Dated: October 3, 2004  
**BLAKELEY VILLAGE LLC, a**  
**Washington limited liability company,**

By:   
**Frank Anderson, Authorized Signer**

**PURCHASER:**

*Nelson*  
Dated: October 3, 2004  
**BABCOCK AND BERGLUND, LLC, a**  
**Washington limited liability company,**

By:   
**Jeffrey W. Babcock, its Manager**

*[Faint, mostly illegible text, likely a standard deed or contract form]*

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EXHIBIT A  
Legal Description

Legal Description

Commercial Unit IA, West Building, Blakeley Commons, a Condominium, Survey Map and Plans recorded in Volume 184 of Condominiums, Pages 95 through 101, inclusive, and amendments thereto recorded under Recording Nos. 20030108002218 and 20030326002468;

Condominium Declaration recorded under Recording No. 20020919001584, and amendments thereto recorded under Recording Nos. 20030108002219 and 20030326002468, in King County, Washington;

Together with Parking Space No. 59 (Limited Common Element).

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Intracorp  
c/o Peter Argers  
Ewing & Clark  
2110 Western Avenue  
Seattle, WA 98121

Sherley Lewis

*Handwritten:* Mr. Peter Argers  
Blakeley VMA LLC

Re: Letter of Intent - Blakeley Commons

Dear Peter:

The purpose of this revised letter of intent (the "Letter") is to set forth certain understandings between Babcock and Berglund, LLC ("Bayer") and Intracorp ("Seller") relative to the acquisition of the ground floor retail condominium unit located at Phase I Blakeley Commons Condominiums (the "Unit 1A").

The parties recognize that the proposed acquisition of the Unit will require additional documentation and approvals, including the negotiation, preparation, and approval of a definitive purchase and sale agreement containing representations, warranties, covenants, and conditions satisfactory to each of Buyer and Seller (the "Purchase and Sale Agreement"). Accordingly, this letter is not a legally binding contract. Rather, this letter is intended to evidence the intention of the parties to proceed in mutual good faith to carry out the transaction in the manner outlined below.

The following numbered paragraphs reflect our understanding with respect to the matters described therein, but are not intended to constitute a complete statement of, or a legally binding or enforceable agreement on the part of the parties with respect to the matters described therein:

- Property:** The property to be purchased will be the ground floor retail condominium Unit 1A, at 2901 N.E. Blakeley St., Seattle, Washington.
- Square Feet:** The total square footage is 4,388 sq. ft. *Handwritten: 1,309*
- Purchase Price:** The purchase price shall be \$285,000 less an allowance of up to \$15,000 to bring the HVAC system in Unit 1B up to adequate capacity. *Handwritten: \$285,000 less an allowance of up to \$15,000*
- Improvements:** The Unit shall be delivered in its present condition with the following modifications which shall be at the expense of the Seller:
  - ~~400 amp electrical service with both 110 and 208 volt capability will be available at the Unit;~~ *Handwritten: AS-IS*

Windermere Real Estate/Washington, Inc.  
2110 Western Avenue • P.O. Box 51 • Fremont, WA 98149 • 360/831-5005 • Fax 360/831-7282 • Email: shirley@windermere.com

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From: 1800817282

To: EWING & CLARK

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Received 04-Sep-12 01:11PM

From: 1800817282

To: EWING & CLARK

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w/o Peter Argente  
Page 2

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8/21/14

- ~~b. Plumbing, electrical and telecommunication shall be brought to and carried out in the Unit consistent with plans to be furnished by Buyer, which may involve several additional floor penetrations;~~
- ~~c. HVAC to be consistent with plans to be furnished by Buyer and shall be of adequate capacity as determined in the sole discretion of the Buyer;~~
- ~~d. Sprinkler system will be modified consistent with the Unit's size as an eating and drinking establishment;~~
- ~~e. One window designated by Buyer shall be operable;~~
- ~~f. Extra soundproofing noise insulation shall be installed between the Unit and any residential units;~~
- ~~g. All duct work shall be brought to the Unit;~~
- ~~h. Such other improvements as may be negotiated between Seller and Buyer;~~
- ~~i. Seller shall remove existing improvements as directed by Buyer.~~

5. Parking: The purchase price includes parking spaces #99 and #100, together with access to all parking spaces set aside for shared commercial use, see attached Addendum 1 (3)

6. Noncompetition: The Seller agrees to include and/or continue appropriate restrictive covenants in the condominium declaration, purchase and sale agreements and/or deeds which would preclude sale or rental of a retail condominium unit, in any other phase of the project, to a business competitive to that of Buyer for so long as Buyer's Unit is being used as a coffee house/bakery.

Signage: Permitted type, sign and location of signage to be acceptable to Buyer.

8. Condominium Fees: Seller shall pay Buyer's monthly condominium fees until a certificate of occupancy has been issued for the remodeled space. (3)

9. Use: The property shall be used as a coffee house/bakery which is classified as an eating and drinking establishment under the Seattle Municipal Code. see attached Addendum 1 (3)

10. Contingencies: The Buyer shall have ninety (90) days from execution of the Purchase and Sale Agreement to determine feasibility. In any event, the Buyer's obligation to purchase shall be contingent upon Buyer's obtaining financing for the acquisition and improvements. Permit approval as an "eating and drinking establishment" shall be a condition of closing. Seller shall participate with Buyer in the permitting process prior to closing. see attached addendum 1 (3)

11. Earnest Money: The Earnest Money shall be in an amount set forth in and shall be paid in accordance with the terms of the Purchase and Sale Agreement, to closing agent, UNITED TRUST, with a SIM of account in escrow at Unit's Lot.

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Received 04-Aug-24 04:16pm From: 10008817252 To: EWING & CLARK Page 08

Received 04-Sep-12 01:11PM From: 10008817252 To: EWING & CLARK Page 08

c/o Peter Berger  
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See Attached  
8/31/04

~~12. Closing. Closing shall be no later than February 1, 2005.~~ See Attached Addendum 1

Please sign and date this Letter on or before August 24, 2004, in the space provided below in order to confirm our mutual understandings and agreements and then please return a signed copy to me.

Very truly yours,  
BARCOCK and BERGLUND, LLC

By: [Signature]  
Jeff Berglund  
is Managing Member

Accepted and agreed to  
this 24th day of August, 2004

SELLER

By: [Signature]  
is [Signature]

Note: 1. Additional parking spaces are currently available for purchase, and can be purchased on a stand-by basis.

See attached Addendum 1

Rec'd/Yad 04-Aug-24 09:17:40 From: 1900331725Z

To: EWING & CLARK Page 04

Received: 04-Sep-12 01:11:00 From: 1900331725Z

To: EWING & CLARK Page 04



Shirley Lewis

Addendum 1 to Letter of Intent - Blakeley Commons:

*all addendum #2*

- 3. Purchase Price: \$310,000.
- 5. Parking: The purchase price includes parking space Nos. 59 and 64 pursuant to the CC&R's, together with access to all parking spaces set aside for shared commercial use.
- 10. Contingencies: The Buyer shall have 60 days from execution of the Purchase and Sale Agreement to determine feasibility. In any event, the Buyer's obligation to purchase shall be contingent upon Buyer's obtaining financing for the acquisition and improvements. Permit approval as an "eating and drinking establishment" shall be a condition of closing. Seller shall participate with Buyer in the permitting process prior to closing.
- 11. Earnest Money: The Earnest Money shall be \$5,000 and shall be deposited in the Windermere Real Estate/WA Inc. Trust Account within 5 days of mutual acceptance of this LOI.
- 12. Closing Date: Subject to No. 10 above, closing shall December 1, 2004.

Very truly yours,

BABCOCK and BERGLUND, LLC

By   
Joey Babcock  
its Managing Partner

Accepted and agreed to  
This \_\_\_\_\_ day of September, 2004

SELLER

By: \_\_\_\_\_

Windermere Real Estate/Washington, Inc.  
Highway 525 & Harbor Avenue • P.O. Box 90 • Freeland, WA 98149 • 360/337-6006 • Fax 360/337-7262 • Email shirley@windermere.com

# Windermere COMMERCIAL

Intracorp  
c/o Peter Argres  
Ewing & Clark  
2110 Western Avenue  
Seattle, WA 98121

Sharley Lewis

*8/31/14*

Re: Letter of Intent - Blakeley Commons

Blakeley Village LLC.

Dear Peter:

The purpose of this revised letter of intent (the "Letter") is to set forth certain understandings between Babcock and Berglund, LLC ("Buyer") and Intracorp ("Seller") relative to the acquisition of the ground floor retail condominium unit located at Phase I Blakeley Commons Condominiums (the "Unit 1A").

The parties recognize that the proposed acquisition of the Unit will require additional documentation and approvals, including the negotiation, preparation, and approval of a definitive purchase and sale agreement containing representations, warranties, covenants, and conditions satisfactory to each of Buyer and Seller (the "Purchase and Sale Agreement"). Accordingly, this letter is not a legally binding contract. Rather, this letter is intended to evidence the intention of the parties to proceed in mutual good faith to carry out the transaction in the manner outlined below.

The following numbered paragraphs reflect our understanding with respect to the matters described therein, but are not intended to constitute a complete statement of, or a legally binding or enforceable agreement on the part of the parties with respect to the matters described therein:

1. Property: The property to be purchased will be the ground floor retail condominium Unit 1A, at 2901 N.E. Blakeley St., Seattle, Washington.
2. Square Feet: The total square footage is <sup>1,309</sup> 4,385 sq. ft.
3. Purchase Price: The purchase price shall be <sup>\$320,000</sup> \$299,000 less an allowance of up to \$15,000 to bring the HVAC system in Unit 1B up to adequate capacity.
4. Improvements: The Unit shall be delivered <sup>AS-IS</sup> in its present condition with the following modifications which shall be at the expense of the Seller:
  - a. ~~400 amp electrical service with both 110 and 220 volt capability will be available at the Unit;~~

*8/31/14*

Windermere Real Estate/Washington, Inc.  
Highway 520 & Harbor Avenue • PO. Box 96 • Puyallup, WA 910249 • 360/331-6006 • Fax 360/331-7282 • E-mail sharley@windermere.com

c/o Peter Argeres  
Page 2

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- ~~b. Plumbing, electrical and telecommunication shall be brought to and stubbed out in the Unit consistent with plans to be furnished by Buyer, which may involve several additional floor penetrations;~~
- ~~c. HVAC to be consistent with plans to be furnished by Buyer and shall be of adequate capacity as determined in the sole discretion of the Buyer;~~
- ~~d. Sprinkler system will be modified consistent with the Unit's use as an eating and drinking establishment;~~
- ~~e. One window designated by Buyer shall be operable;~~
- ~~f. Extra soundproofing noise insulation shall be installed between the Unit and any residential units;~~
- ~~g. All duct work shall be brought to the Unit.~~
- ~~h. Such other improvements as may be negotiated between Seller and Buyer.~~
- ~~i. Seller shall remove existing improvements as directed by Buyer.~~

5. Parking: The purchase price includes parking spaces #59 and #60, together with access to all parking spaces set aside for shared commercial use.

~~6. Noncompetition: The Seller agrees to include and/or continue appropriate restrictive covenants in the condominium declaration, purchase and sale agreements and/or deeds which would preclude sale or rental of a retail condominium unit, in any other phase of the project, to a business competitive to that of Buyer for so long as Buyer's Unit is being used as a coffee house/bakery.~~

Signage: Permitted type, sign and location of signage to be acceptable to Buyer.

~~8. Condominium Fees: Seller shall pay Buyer's monthly condominium fees until a certificate of occupancy has been issued for the remodeled space.~~

9. Use: The property shall be used as a coffee house/bakery which is classified as an eating and drinking establishment under the Seattle Municipal Code.

10. Contingencies: The Buyer shall have ninety (90) days from execution of the Purchase and Sale Agreement to determine feasibility. In any event, the Buyer's obligation to purchase shall be contingent upon Buyer's obtaining financing for the acquisition and improvements. Permit approval as an "eating and drinking establishment" shall be a condition of closing. Seller shall participate with Buyer in the permitting process prior to closing.

11. Earnest Money: The Earnest Money shall be ~~in an amount set forth in and shall be paid in accordance with the terms of the Purchase and Sale Agreement.~~

\$15,000 and shall be delivered to closing agent, URSALIS TRUST, with a 51M of Mutual Bill of Sale of URSALIS LOI.

fm 8/2/04

w/o Peter Argares  
Page 3

8/31/04

November 19, 2004.

12. Closing: Closing shall be no sooner than February 1, 2005

Please sign and date this Letter on or before August 24, 2004, in the space provided below in order to confirm our mutual understandings and agreements and then please return a signed copy to me.

Very truly yours,

**SABCOCK and BERGLUND, LLC**

By

[Signature]  
Jeff Sabcock  
its Managing Member

Accepted and agreed to  
this 24th day of August, 2004

**SELLER**

By:

[Signature]  
Anthony Argares



Shirley Lewis

Ernesto  
c/o Peter Argento  
Erving & Clark  
2110 Western Avenue  
Seattle, WA 98121

Re: Letter of Intent - Blackley Commons

Dear Peter:

The purpose of this revised letter of intent (the "Letter") is to set forth certain understandings between Babcock and Berglund, LLC ("Buyer") and Blackley Village, LLC ("Seller") relative to the acquisition of the ground floor retail condominium unit located at Phase I Blackley Commons Condominiums (the "Unit 1A").

The parties recognize that the proposed acquisition of the Unit will require additional documentation and approvals, including the negotiation, preparation, and approval of a definitive purchase and sale agreement containing representations, warranties, covenants, and conditions satisfactory to each of Buyer and Seller (the "Purchase and Sale Agreement"). Accordingly, this letter is not a legally binding contract. Rather, this letter is intended to evidence the intention of the parties to proceed in mutual good faith to carry out the transaction in the manner outlined below.

The following numbered paragraphs reflect our understanding with respect to the matters described therein, but are not intended to constitute a complete statement of, or a legally binding or enforceable agreement on the part of the parties with respect to the matters described therein.

- Property:** The property to be purchased will be the ground floor retail condominium Unit 1A, at 2901 N.E. Blackley St., Seattle, Washington.
- Square Feet:** The total square footage is 1,309 sq. ft.
- Purchase Price:** The purchase price shall be \$310,000. *\$330,000* *10/22/04*
- Improvements:** The Unit shall be delivered as is.
- Parking:** The purchase price includes parking space #59, together with access to all parking spaces not usable for shared commercial use.
- Signage:** Permitted type, sign and location of signage to be acceptable to Buyer.
- Use:** The property shall be used as a coffee house/bakery which is classified as an eating and drinking establishment under the Seattle Municipal Code.

Windermere Real Estate/Windermere, Inc.  
1900 1st Ave, Seattle, WA 98101 - 206/451-4200 - Fax 206/451-7222 - Email: shirley@windermere.com

RECEIVED 04-Oct-22 10:02am From: 310 211 7011 To: ERING & CLARK Page: 02

RECEIVED 04-Oct-22 01:50pm From: 2067264597 To: ERING & CLARK Page: 03

Introductory  
of Power Address  
Page 2

until 12/1/04  
10/10/04  
10/10/04

- 8. ~~Contractor~~ The Buyer shall have 60 days from the date of the closing to complete the work and shall be responsible for the cost of the work. The Buyer shall be responsible for the cost of the work. The Buyer shall be responsible for the cost of the work.
- 9. ~~OWNER~~ THE OWNER hereby shall be deemed to have accepted the work and shall be responsible for the cost of the work. The Buyer shall be responsible for the cost of the work. The Buyer shall be responsible for the cost of the work.
- 10. ~~Contract~~ Subject to 8 above, contract shall be in effect on or before January 1, 2005. 12/03/04

Very truly yours,

BARCOCK and MORGENTHAU, LLC

By: *[Signature]*  
Member

Accepted and agreed to  
on 10/10/04 day of October, 2004

BLAKELY VILLAGE, LLC

By: *[Signature]*  
Authorized Signer

Received 04-Oct-22 10:22:59 From: 13503317213  
Received 04-Oct-22 01:00:00 From: 2067244593  
Page 03  
Page 04



Sharley Lewis

Intracorp  
 c/o Peter Argeres  
 Ewing & Clark  
 2110 Western Avenue  
 Seattle, WA 98121

Re: Letter of Intent - Blakeley Commons

Dear Peter:

The purpose of this revised letter of intent (the "Letter") is to set forth certain understandings between Babcock and Berghund, LLC ("Buyer") and Blakeley Village, LLC ("Seller") relative to the acquisition of the ground floor retail condominium unit located at Phase I Blakeley Commons Condominiums (the "Unit 1A").

The parties recognize that the proposed acquisition of the Unit will require additional documentation and approvals, including the negotiation, preparation, and approval of a definitive purchase and sale agreement containing representations, warranties, covenants, and conditions satisfactory to each of Buyer and Seller (the "Purchase and Sale Agreement"). Accordingly, this letter is not a legally binding contract. Rather, this letter is intended to evidence the intention of the parties to proceed in mutual good faith to carry out the transaction in the manner outlined below.

The following numbered paragraphs reflect our understanding with respect to the matters described therein, but are not intended to constitute a complete statement of, or a legally binding or enforceable agreement on the part of the parties with respect to the matters described therein:

1. Property: The property to be purchased will be the ground floor retail condominium Unit 1A at 2901 N.E. Blakeley St., Seattle, Washington.
2. Square Feet: The total square footage is 1,309 sq. ft.
3. Purchase Price: The purchase price shall be ~~\$310,000~~ **\$320,000** 10/22/04
4. Improvements: The Unit shall be delivered as is.
5. Parking: The purchase price includes parking space #59, together with access to all parking spaces set aside for shared commercial use.
6. Signage: Permitted type, sign and location of signage to be acceptable to Buyer.
7. Use: The property shall be used as a coffee house/bakery which is classified as an eating and drinking establishment under the Seattle Municipal Code.

Windermere Real Estate/Washington, Inc.

Highway 99, Harbor Avenue • P.O. Box 96 • Freeland, WA 98249 • 360/331-6006 • Fax 360/331-7232 • E-mail sharley@windermere.com

Received 04-Oct-20 10:02am

From-360 331 7213

To-EWING & CLARK

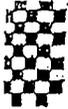
Page 02

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08-20 2004 0150RM

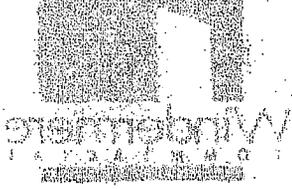
HP LASEKJEL PAK 9253967334

TO: 13623347252

P.10



Intracorp  
c/o Peter Argeres  
Page 2



10/22/04

until 12/1/04

8. Contingencies: The Buyer shall have sixty (60) days from execution of the Purchase and Sale Agreement to determine feasibility. In any event, the Buyer's obligation to purchase shall be contingent upon Buyer's obtaining financing for the acquisition and improvements. Permit approval of a "selling and drinking establishment" shall be a condition of closing. Seller shall participate with Buyer in the permitting process prior to closing.

\$15,000 - 10/22/04

9. Earnest Money: The Earnest Money shall be \$5,000 and shall be deposited in the Windermere Real Estate WA, Inc. Trust account within 5 days of mutual acceptance of this LOI.

10/22/04

10. Closing: Subject to 8 above, closing shall be on or before January 5, 2005.

12/23/04

Please sign and date this Letter on or before October 29, 2004, in the space provided below in order to confirm our mutual understandings and agreements and then please return a signed copy to me.

Very truly yours,

BARCOCK and BERGLUND, LLC

By:

Bob Barcock, Managing Member

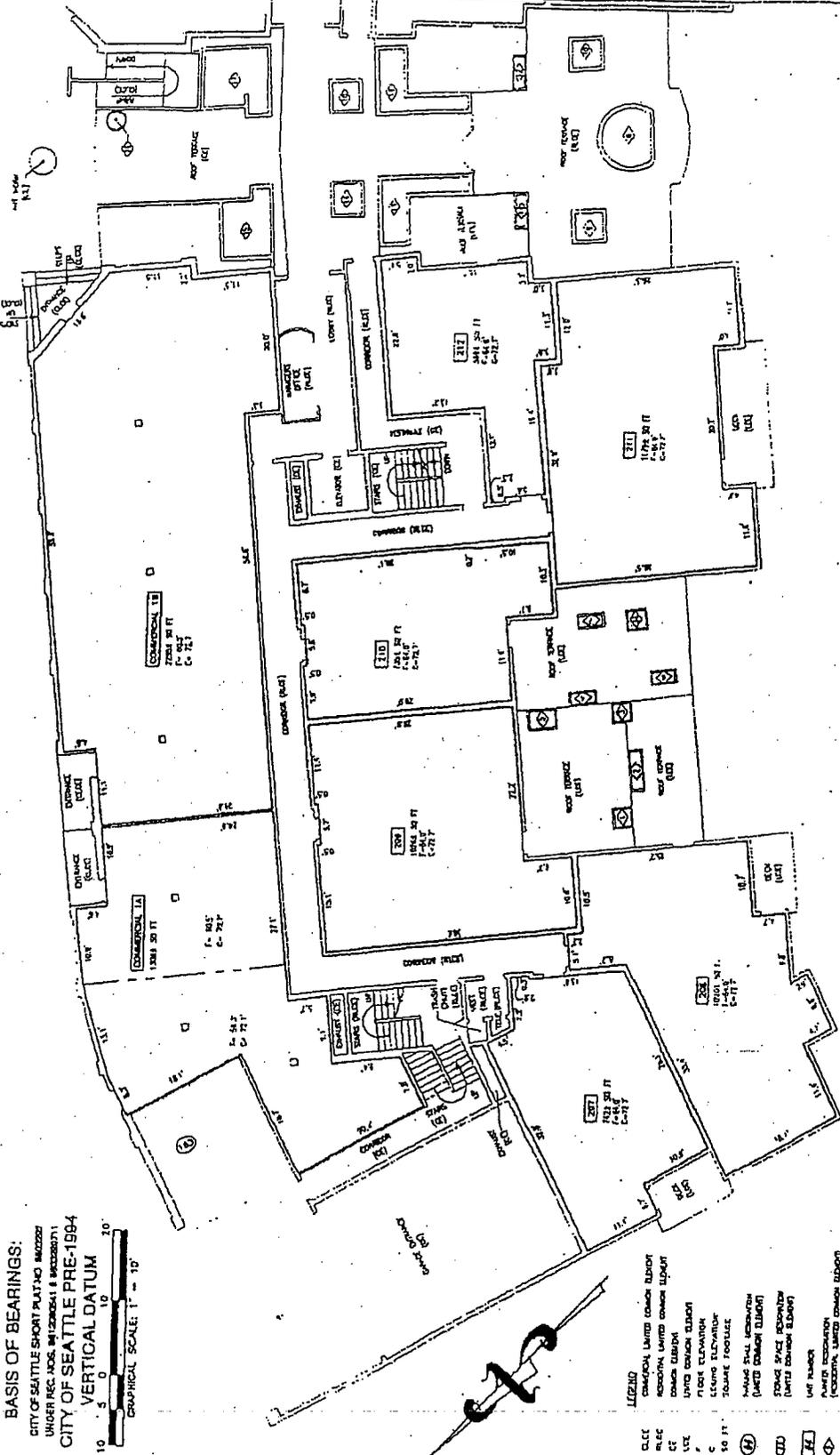
Accepted and agreed to this 20th day of October, 2004.

BLAKELEY VILLAGE, LLC

By:   
its authorized signer

**BLAKELEY COMMONS, A CONDOMINIUM**  
 NW 1/4, SE 1/4, SEC. 9, TWP. 25 N., RGE. 4 E., W.M., SEATTLE, KING COUNTY, WASHINGTON

BASIS OF BEARINGS:  
 CITY OF SEATTLE SHORT PLAT NO. 800002  
 UNDER REC. JOCS. 811220001 & 811220011  
 CITY OF SEATTLE PRE-1994  
 VERTICAL DATUM  
 10 5 0 10 20  
 GRAPHICAL SCALE: 1" = 10'



- LEGEND**
- CLCC COMMONS LIMITED COMMONS ELEMENT
  - PLCC PLAZA COMMONS ELEMENT
  - CCU COMMONS UNIT
  - VE VERTICAL ELEVATION
  - C 50 FT. COMMONS UNIT
  - ① UNIT ELEVATION
  - ② SQUARE FOOTAGE
  - ③ NAME SHALL INDENTIFY (UNIT COMMONS ELEMENT)
  - ④ FLOOR SPACE RESPONSE (UNIT COMMONS ELEMENT)
  - ⑤ UNIT NUMBER
  - ⑥ FLOOR INDICATOR
  - ⑦ COMMONS LIMITED COMMONS ELEMENT

**LEVEL 2 - WEST**



**CONDOMINIUM SURVEY COMPANY**  
 Specializing in  
**CONDOMINIUM SURVEYS ONLY**  
 5584 PERRY AVENUE SOUTH, SEATTLE, WASHINGTON 98108 (206) 743-3318

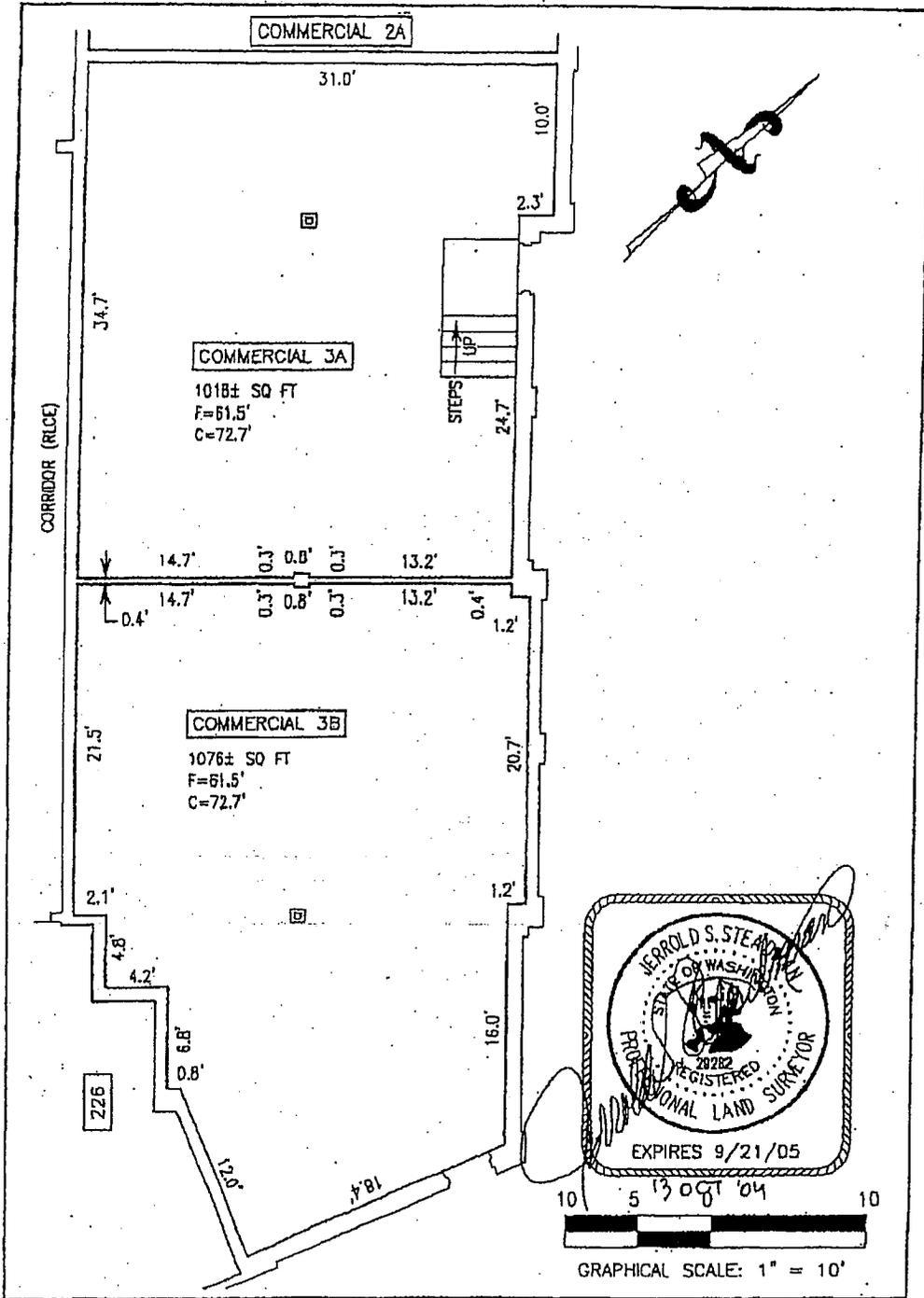
2001048.00  
 DATE: 31 MAY 2001  
 REVISION: 21 APRIL 2001  
 DRAWN BY: J.M.M.  
 CHECKED BY: M.M.W.  
 FINAL CHECK: J.S.S.  
 SHEET 4 OF 12

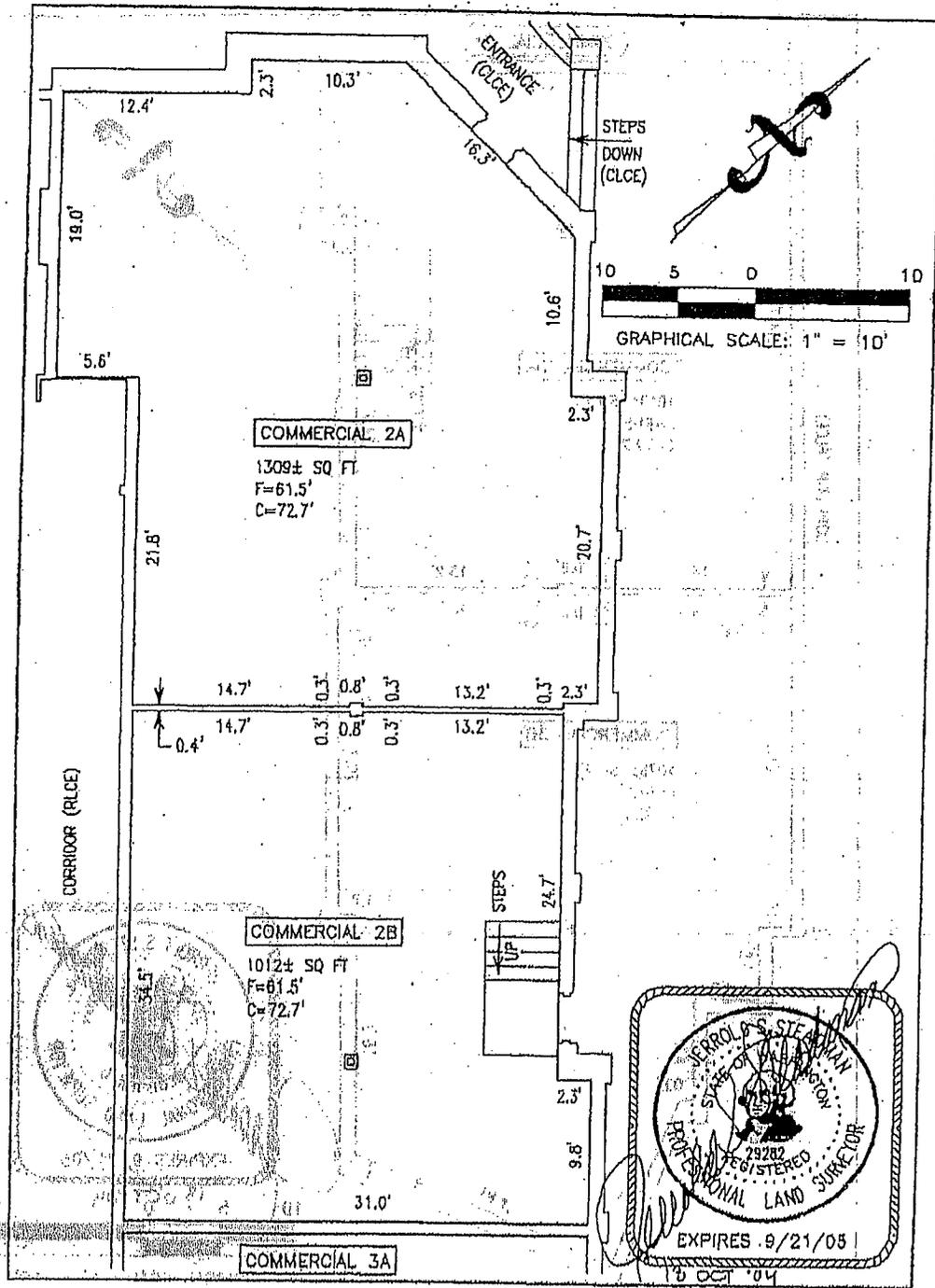
MAR 74, SEC. 4, SEC. 9,  
 TWP. 25 N., RGE. 4 E., W.M.  
 KING COUNTY, WASHINGTON 98142

**CONDOMINIUM SURVEY  
 MAP & PLANS**

INDEX







SCHEDULE O  
BLAKELEY COMMONS, A CONDOMINIUM  
Estimated Initial Monthly Assessments

Building	Unit	Phase I				Entire Project					
		CEL <sup>v</sup>	LCEL <sup>v</sup>	Common Assessments	Limited Common Assessments	Total Assessments	CEL <sup>v</sup>	LCEL <sup>v</sup>	Common Assessments	Limited Common Assessments	Total Assessments
West	1A	2,270		\$171		\$171	0.995		\$163		\$163
West	1B	3,975		\$299		\$299	1.740		\$285		\$285
West	101	1,790	1,915	\$135	\$104	\$239	0.780	0.830	\$128	\$91	\$219
West	102	1,430	1,530	\$108	\$83	\$191	0.625	0.665	\$102	\$73	\$175
West	103	1,645	1,755	\$124	\$95	\$219	0.720	0.770	\$118	\$84	\$202
West	104	1,040	1,110	\$78	\$60	\$138	0.455	0.485	\$75	\$53	\$128
West	105	1,695	1,810	\$128	\$98	\$226	0.740	0.790	\$121	\$86	\$207
West	207	1,745	1,865	\$131	\$101	\$232	0.760	0.815	\$125	\$89	\$214
West	208	2,505	2,675	\$189	\$145	\$334	1.090	1.165	\$179	\$127	\$306
West	209	2,435	2,600	\$183	\$141	\$324	1.065	1.135	\$175	\$124	\$299
West	210	1,865	1,985	\$140	\$107	\$247	0.815	0.865	\$134	\$95	\$229
West	211	2,840	3,035	\$214	\$164	\$378	1.240	1.320	\$203	\$144	\$347
West	212	1,370	1,460	\$103	\$79	\$182	0.595	0.635	\$98	\$69	\$167
West	300	2,625	2,800	\$198	\$151	\$349	1.150	1.220	\$188	\$133	\$321
West	301	1,480	1,580	\$111	\$85	\$196	0.650	0.695	\$107	\$76	\$183
West	302	1,480	1,580	\$111	\$85	\$196	0.650	0.695	\$107	\$76	\$183
West	303	1,480	1,580	\$111	\$85	\$196	0.650	0.695	\$107	\$76	\$183
West	304	1,820	1,945	\$137	\$105	\$242	0.800	0.850	\$131	\$93	\$224
West	305	2,650	2,825	\$200	\$153	\$353	1.155	1.230	\$189	\$135	\$324
West	306	1,200	1,280	\$90	\$69	\$159	0.525	0.560	\$86	\$61	\$147
West	307	1,795	1,920	\$135	\$104	\$239	0.785	0.840	\$129	\$92	\$221
West	308	2,540	2,710	\$191	\$147	\$338	1.110	1.180	\$182	\$129	\$311
West	309	2,480	2,645	\$187	\$143	\$330	1.080	1.155	\$177	\$126	\$303
West	310	1,775	1,890	\$134	\$102	\$236	0.775	0.825	\$127	\$90	\$217
West	311	2,895	3,090	\$218	\$167	\$385	1.265	1.345	\$207	\$147	\$354
West	312	2,615	2,790	\$197	\$151	\$348	1.140	1.215	\$187	\$133	\$320
West	400	2,660	2,840	\$200	\$154	\$354	1.165	1.235	\$191	\$135	\$326
West	401	1,500	1,600	\$113	\$87	\$200	0.660	0.700	\$108	\$77	\$185
West	402	1,500	1,600	\$113	\$87	\$200	0.660	0.700	\$108	\$77	\$185
West	403	1,500	1,600	\$113	\$87	\$200	0.660	0.700	\$108	\$77	\$185
West	404	1,825	1,950	\$137	\$103	\$242	0.800	0.830	\$131	\$93	\$224
West	405	2,685	2,865	\$202	\$155	\$357	1.170	1.250	\$192	\$137	\$329
West	406	1,220	1,300	\$92	\$70	\$162	0.535	0.570	\$88	\$62	\$150
West	407	1,835	1,955	\$138	\$106	\$244	0.800	0.855	\$131	\$94	\$225
West	408	2,615	2,785	\$197	\$151	\$348	1.140	1.215	\$187	\$133	\$320
West	409	2,535	2,700	\$191	\$146	\$337	1.105	1.175	\$181	\$129	\$310
West	410	1,865	1,985	\$140	\$107	\$247	0.815	0.865	\$134	\$95	\$229
West	411	2,930	3,125	\$221	\$169	\$390	1.280	1.360	\$210	\$149	\$359

Building	Unit	Phase 1				Entire Project					
		CEL <sup>1</sup>	LCEL <sup>2</sup>	Common Assessments	Limited Common Assessments	Total Assessments	CEL <sup>1</sup>	LCEL <sup>2</sup>	Common Assessments	Limited Common Assessments	Total Assessments
West	41	2,650	1,825	\$208	\$153	\$353	1,160	1,230	\$190	\$135	\$325
West	500	2,735	1,915	\$206	\$158	\$364	1,195	1,270	\$196	\$139	\$335
West	501	1,860	1,980	\$140	\$107	\$247	0,810	0,865	\$133	\$95	\$228
West	502	1,775	1,365	\$36	\$74	\$110	0,555	0,595	\$91	\$65	\$156
West	503	2,080	2,215	\$157	\$120	\$277	0,905	0,965	\$148	\$106	\$254
West	505	3,470	3,690	\$261	\$200	\$461	1,510	1,605	\$247	\$176	\$423
West	509	2,590	2,760	\$195	\$149	\$344	1,130	1,200	\$185	\$131	\$316
West	510	1,885	2,010	\$142	\$109	\$251	0,820	0,875	\$134	\$96	\$230
West	512	3,345	3,560	\$232	\$193	\$445	1,455	1,545	\$238	\$169	\$407
Phase 1:		108,000	108,000	\$7,529	\$5,411	\$12,940					
East	2A						1,000		\$164		\$164
East	2B						0,775		\$127		\$127
East	3A						0,780		\$128		\$128
East	3B						0,820		\$134		\$134
East	128						1,115	1,190	\$183	\$130	\$313
East	129						0,780	0,835	\$128	\$91	\$219
East	130						0,855	0,910	\$140	\$100	\$240
East	131						0,730	0,775	\$120	\$85	\$205
East	132						0,725	0,770	\$119	\$84	\$203
East	133						0,730	0,775	\$120	\$85	\$205
East	134						0,745	0,795	\$122	\$87	\$209
East	226						0,705	0,750	\$116	\$82	\$198
East	227						0,770	0,820	\$126	\$90	\$216
East	228						1,155	1,230	\$189	\$135	\$324
East	230						0,910	2,035	\$313	\$223	\$536
East	231						0,805	0,855	\$132	\$94	\$226
East	232						0,745	0,795	\$122	\$87	\$209
East	233						0,805	0,855	\$132	\$94	\$226
East	234						1,285	1,370	\$211	\$150	\$361
East	235						0,615	0,655	\$101	\$72	\$173
East	320						0,660	0,700	\$108	\$77	\$185
East	321						0,660	0,700	\$108	\$77	\$185
East	322						0,660	0,700	\$108	\$77	\$185
East	323						0,660	0,700	\$108	\$77	\$185
East	324						0,660	0,700	\$108	\$77	\$185
East	325						0,660	0,700	\$108	\$77	\$185
East	326						0,790	0,840	\$129	\$92	\$221
East	327						0,710	0,760	\$116	\$83	\$199
East	328						0,780	0,830	\$128	\$91	\$219
East	329						1,170	1,250	\$192	\$137	\$329
East	330						0,815	0,865	\$134	\$95	\$229
East	331						1,075	1,145	\$176	\$125	\$301
East							0,795	0,845	\$130	\$92	\$222

Building	Unit	Phase 1				Entire Project				
		CEL <sup>1/</sup>	LCEL <sup>2/</sup>	Common Assessments	Limited Common Assessments	Total Assessments	CEL <sup>1/</sup>	LCEL <sup>2/</sup>	Common Assessments	Limited Common Assessments
East	332					0.735	0.790	\$120	\$86	\$206
East	333					0.805	0.855	\$132	\$94	\$226
East	334					1.285	1.370	\$211	\$150	\$361
East	335					1.165	1.235	\$191	\$135	\$326
East	420					1.175	1.255	\$193	\$137	\$330
East	421					0.665	0.710	\$109	\$78	\$187
East	422					0.665	0.710	\$109	\$78	\$187
East	423					0.665	0.710	\$109	\$78	\$187
East	424					0.665	0.710	\$109	\$78	\$187
East	425					0.665	0.710	\$109	\$78	\$187
East	426					0.805	0.855	\$132	\$94	\$226
East	427					0.725	0.775	\$119	\$85	\$204
East	428					0.795	0.845	\$130	\$92	\$222
East	429					1.190	1.270	\$195	\$139	\$334
East	430					0.835	0.890	\$137	\$97	\$234
East	431					1.100	1.170	\$180	\$128	\$308
East	432					0.820	0.870	\$134	\$95	\$229
East	433					0.755	0.805	\$124	\$88	\$212
East	434					0.820	0.870	\$134	\$95	\$229
East	435					1.320	1.400	\$216	\$153	\$369
East	520					1.170	1.245	\$192	\$136	\$328
East	521					1.190	1.270	\$195	\$139	\$334
East	522					0.675	0.725	\$111	\$79	\$190
East	523					0.675	0.725	\$111	\$79	\$190
East	524					0.675	0.725	\$111	\$79	\$190
East	525					0.675	0.725	\$111	\$79	\$190
East	526					0.815	0.870	\$134	\$95	\$229
East	531					1.765	1.885	\$289	\$206	\$495
East	532					0.835	0.890	\$137	\$97	\$234
East	533					0.770	0.820	\$126	\$90	\$216
East	535					0.815	0.890	\$137	\$97	\$234
Commercial:						1.460	1.545	\$239	\$169	\$408
Residential:						100.000			\$10,944	\$11,944
Entire Project:						100.000		\$16,392		\$17,336

<sup>1/</sup>Common Expense Liability (CEL) is determined in accordance with a weighted formula which is 50% relative areas of Units and 50% relative declared value of units, rounded to equal 100%

<sup>2/</sup>Limited Common Expense Liability (LCEL) of each Unit is determined by a weighted formula which is 50% relative area of Units of the same type (Residential or Commercial) and 50% relative declared value of Units of the same type; rounded to equal 100%

# EXHIBIT

#2

BLAKELEY COMMONS, A CONDOMINIUM  
WARRANTY ADDENDUM

Addendum No. \_\_\_\_\_ to Purchase and Sale Agreement dated \_\_\_\_\_

Unit No. \_\_\_\_\_  
Blakeley Commons, a condominium

Name of Purchaser(s): \_\_\_\_\_

The Seller and the Purchaser agree that the Seller's and the Declarant's warranties to the Purchaser and to the Purchaser's successors and transferees, for the Unit and all Common Elements in the Condominium identified above, are limited to the terms stated in this Warranty Addendum ("Warranty"). ~~The implied warranties of quality under the Washington Condominium Act, RCW Chapter 64.34, are modified by this Warranty, and all provisions of this Warranty apply to all warranties from the Seller to the Purchaser, including the implied warranties of quality under the Washington Condominium Act. The definitions of terms set forth in the Condominium Declaration apply in this Warranty. As used in this Warranty, the term "Common Elements" includes both the Common Elements and the Limited Common Elements of the Condominium.~~

1. Limited Warranty. The Unit in the Condominium identified above and the Common Elements are suitable for the ordinary uses of real estate of their type and, except as provided below, all parts of the Unit and the Common Elements constructed by or for the Declarant are free from defective materials and have been constructed in accordance with applicable law, in accordance with sound engineering and construction standards, and in a workmanlike manner.

2. Modifications and Exclusions.

a. Sound Transmission. The Purchaser realizes that the Unit is in a multi-family building in an urban environment; therefore, the Seller makes no warranty or representation as to vertical or horizontal sound transmission that may arise from activities or building systems in any Unit, the Common Elements or outside the Condominium. The Purchaser realizes that where condominium units are built above or below each other, or side by side, it is normal to experience some transmission of sounds between those units from loud music, heels on uncarpeted floors, water traveling in drains, doors closing and other causes. From time to time, noise from various building systems may be heard from the Unit, including, but not limited to, noise from garage doors, exhaust and supply fans, elevators, fluorescent lighting and the transformer vault.

b. View. Seller makes no representation or warranty that the view from the Unit, as of the date this Agreement is signed or as of closing, will not be obstructed or changed in whole or in part at any time in the future. Purchaser agrees that Seller is not obligated to investigate or disclose real estate developments in the area that are possible, planned, permitted or under construction, nor is Seller obligated to protect views. This means that even though Seller may know of, or may itself be developing, possible, planned, permitted or under-construction developments that could affect views, Purchaser is not relying on Seller to disclose such developments, and Purchaser is releasing Seller from any duty Seller may otherwise have to disclose any such developments. Real estate agents and sales people are generally not experts on future real estate developments, and therefore Purchaser agrees that Purchaser has not relied and will not rely on statements from real estate agents or sales people about future developments or their impact or lack of impact on views.

c. Appliances and Equipment. The Seller makes no warranties or representations with respect to the appliances and equipment installed in the Unit or the Common Elements, including without limitation the stove, oven and/or range, refrigerator, microwave oven, dishwasher, garbage disposal, washer and dryer, spa or whirlpool, water heater, fireplace, garage doors and heating/ventilation/air conditioning.

The Seller makes no warranty or representations with respect to equipment provided in Association for use in operation or maintenance of the Common Elements. With respect to all such appliances and equipment, the Seller's sole obligation is to assign to Purchaser all warranties and guarantees furnished to the Seller from the suppliers or manufacturers of the items.

**d Damage Caused by Purchaser and Others.** This Warranty excludes all defects and damage to the extent caused or made worse by: (i) negligence, failure to inspect, lack of maintenance, improper maintenance, improper operation or other action by anyone other than the Seller or its agents or contractors; (ii) failure of the Purchaser or the Association to comply with the warranty requirements of manufacturers or suppliers of appliances, fixtures or equipment; (iii) abnormal loading (including waterbeds) on floors, decks or other surfaces by the Purchaser, that exceeds design loads that meet building codes; (iv) making of installation of holes, penetrations, windows or skylights in the Unit or Common Elements by anyone other than the Seller or its employees, agents or contractors; (v) failure of the Purchaser or the Association to mitigate damages; or (vi) changes made to the Unit or Common Elements by anyone other than the Seller or its employees, agents or contractors after closing.

**e Personal Injury and Consequential Damages.** This Warranty excludes bodily injury, illness and death; damage to or theft of personal property; costs of shelter, transportation, food, moving, storage or other incidental expenses relating to relocation during repairs; and consequential, exemplary and punitive damages.

**f Defined Standards and Tolerances.** This Warranty excludes all defects and faults that either (a) are of the same kind, but not the same extent or due to the same causes, as those listed as "Covered" or (b) are listed as "Not Covered" in Attachment A to this Warranty ("Defined Standards and Tolerances").

**g Warranty at Time of Purchase.** This Warranty applies only to the construction and condition of the Unit and Common Elements at the time of Seller's sale of the Unit to the Purchaser. This Warranty does not extend to future performance or duration of any improvement or component of the Condominium, and the Seller makes no such warranty.

**h Other Limitations and Exclusions.** This Warranty excludes any loss or damage (i) due to normal wear and tear or normal deterioration; (ii) caused by accidents, riot, fire, explosion, smoke, water escape, falling objects, aircraft, vehicles, acts of God, lightning, windstorm, hail, flood, mud slide, earthquake, volcanic eruption or changes in underground water table not reasonably foreseeable; (iii) caused by soil movement; (iv) caused by insects; (v) caused to or by any items supplied by the Purchaser or which are not part of the Unit at the time of closing; (vi) relating to cooking odors or other odors from other Units or elsewhere; or (vii) consisting of or relating to temporary ponding or pooling of water on roofs, decks, walkways, drive ways or other parts of the Condominium, provided such ponding or pooling does not cause damage to the Unit or Common Elements.

**i Apparent Unit Defects.** The Purchaser has had or will have at the time of possession the opportunity to make a detailed walk-through inspection of the Unit with a representative of the Seller ("Initial Inspection") and to notify the Seller in writing of any defects, in appearance or color or damage to, the surfaces and fixtures in the Unit ("Apparent Unit Defects"). The Seller shall with reasonable promptness correct any Apparent Unit Defects which exist (in accordance with Attachment A hereto, "Defined Standards and Tolerances") and of which the Purchaser notifies the Seller in writing at the time of the Initial Inspection. The Purchaser waives all claims for any Apparent Unit Defects of which the Seller is not notified in writing at the time of the Initial Inspection, and this Warranty shall not extend to any Apparent Unit Defects of which the Seller is not notified in writing at the time of the Initial Inspection. "Apparent Unit Defects" include but are not limited to defects, inconsistencies, non-conformity and pre-existing damage in and to: paint, wall coverings, ceilings, hardwood and other floor materials, carpets, tile or ceramic surfaces, electrical and

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plumbing/cooling/ventilation fixtures, bathroom fixtures and hardware, door and window hardware, cabinets, countertops and other surfaces in the Units.

4. Apparent Common Element Defects The Purchaser and Seller agree that the Seller is entitled to receive timely notice of any construction defects in the Common Elements in order to verify that such defects have not been caused by subsequent damage and in order to allow the Seller the opportunity to correct such defects. Therefore, within sixty days after the termination of the period of declarant control provided in RCW 64.34.308(4), the Association shall notify the Seller in writing of any defects in the Common Elements which are visible or of which the Association has knowledge ("Apparent Common Element Defects"). The Seller shall with reasonable promptness correct any Apparent Common Element Defects which exist (in accordance with Attachment A hereto, "Defined Standards and Tolerances") and of which the Association timely notifies the Seller in writing. The Purchaser and the Association waive all claims for any Apparent Common Element Defects of which the Seller is not timely notified in writing, and this Warranty shall exclude any Apparent Common Element Defects of which the Seller is not timely notified in writing. "Apparent Common Element Defects" include but are not limited to visible or apparent defects, inconsistencies, non-conformity and pre-existing damage in and to: decks, walkways, siding, exterior surfaces, roof, gutters and drainage pipes, landscaping, retaining walls, foundations, garages, paved surfaces, paint, wall coverings, ceilings, hardwood and other floor materials, carpets, tiling or ceramic surfaces, electrical, plumbing and heating/cooling/ventilation fixtures, and door and window hardware.

5. Claims Procedure.

a. Limitation of Time to Give Notice of Claim. If the Purchaser or the Association has a claim against the Seller arising out of any alleged defect in the Unit or any Common Element or any alleged breach of this Warranty or any other claimed warranties, express or implied, the Purchaser must give written notice of such claim to the Seller within one year after: (a) as to claims relating to the condition of a Unit, the date when the Purchaser entered into possession of the Unit if a possessory interest was conveyed, or the date of acceptance of the instrument of conveyance if a nonpossessory interest was conveyed; and (b) as to claims relating to the condition of any Common Element, the latest of (i) the date the first unit in the Condominium was conveyed to a bona fide purchaser, (ii) the date the Common Element was completed, (iii) the date the Common Element was added to the Condominium; or (iv) the end of the period of declarant control, if any, under RCW 64.34.308(4). FAILURE TO GIVE WRITTEN NOTICE OF CLAIM WITHIN THE ONE-YEAR PERIOD AND IN THE MANNER DESCRIBED IN THIS WARRANTY SHALL CONSTITUTE AN ABSOLUTE AND UNCONDITIONAL WAIVER, RELEASE AND BAR OF SUCH CLAIM. Oral notice shall not satisfy the requirements of this Paragraph. The requirements of this Paragraph shall not be modified or waived except by a writing signed by an officer of the Seller expressly referring to this Paragraph and expressly modifying or waiving the requirements of this Paragraph. The foregoing shall not be deemed to reduce or lengthen any period of limitation of time to bring legal action provided by the Washington Condominium Act or other applicable law; however, the Purchaser or Association shall not bring any legal action on any claim with respect to which the Purchaser or Association has not complied with the provisions of this Paragraph.

b. Notice of Claim and Cure. Each claim under this Warranty which is made by the Purchaser with respect to the Unit, or by the Association with respect to a Common Element, shall first be made in writing, entitled "Notice of Claim," and shall contain a detailed description of the claimed defect. Each claim shall be mailed, postage paid, to:

Blakeley Village LLC  
2505 Second Avenue, Suite 300  
Seattle, WA 98121-1473

or to such other address as the Seller shall provide to the Purchaser. The Purchaser shall provide the Seller access and entry to the Unit and Common Elements during normal business hours to inspect and/or repair the

claimed defect, within 48 hours after any written or spoken request by Seller for such access, or immediately if reasonably necessary to prevent further damage. The Seller shall respond in writing to such claim no later than 30 days after the Seller's receipt of the claim. The Seller shall have the right to cure the defective construction described in the claim to conform with this Warranty within 60 days after responding to the claim or within such longer period as may reasonably be required. The Seller may at its option repair or replace, or pay the reasonable cost of repairing or replacing, such defective construction. The Seller shall not be responsible for exact color, price matching, texture or finish matches nor for unavailability of materials or components matching materials or equipment originally used. If either party is dissatisfied with the resolution of the claim following the Seller's written response and effort to cure the defective condition, then the parties shall meet within 14 days in an effort to resolve the claim to the parties' mutual satisfaction. All work done by Seller or its contractors on items not covered by this Warranty shall be at Purchaser's sole cost unless otherwise agreed in writing. Purchaser shall pay all costs incurred by Seller in inspecting items not covered by this Warranty based upon prevailing rates for Seller's employees or contractors.

**Legal Action Time Limitation.** Any legal action asserting a claim under this Warranty or any other claimed warranty relating to the Unit or Common Elements must be commenced within four years after the cause of action accrues. A cause of action accrues, regardless of the Purchaser's lack of knowledge of the breach: (a) as to the Unit, the date Purchaser is first entitled to possession of the Unit; and (b) as to each Common Element, at the latest of (i) the date the first Unit in the Condominium was conveyed to a bona fide purchaser, (ii) the date the Common Element was completed, or (iii) the date the Common Element was added to the Condominium.

**Seller's Right to Arbitration.** At the option of Seller, Seller may require that any claim asserted by Purchaser or by the Association under this Warranty or any other claimed warranty relating to the Unit or Common Elements must be decided by arbitration in King County, Washington, under the Construction Arbitration Rules of the American Arbitration Association (AAA) in effect on the date hereof, as modified by this Warranty. There shall be one arbitrator selected by the parties within seven days of the arbitration demand or if not then pursuant to the AAA Rules, who shall be an attorney with at least five years condominium or construction law experience. Any issue about whether a dispute or claim must be arbitrated pursuant to this Warranty shall be determined by the arbitrator. At the request of either party, made not later than 75 days after the arbitration demand, the parties agree to submit the dispute or unresolved claim to nonbinding mediation which shall not delay the arbitration hearing date. There shall be no substantive motions or discovery, except the arbitrator shall authorize such discovery as may be necessary to ensure a fair hearing, which shall be held within 120 days of the demand and concluded within two days. These time limits are not jurisdictional. The arbitrator shall apply substantive law and may award injunctive relief or any other remedy available from a judge including attorney fees and costs to the prevailing party, but the arbitrator shall not have the power to award punitive damages. The decision rendered by the arbitrator shall be final and binding without appeal or review and may be enforced in any court of competent jurisdiction.

**Seller's Right to Inspect.** The Seller shall be entitled (but shall not be obligated) to inspect any Common Elements at any time without notice to the Purchaser or the Association. The Seller shall be entitled (but shall not be obligated) to inspect the Unit at any time until four years after Purchaser takes possession of the Unit, or at any time if there is a pending action relating to the condition of any part of the Condominium, upon at least five days' written notice to the Purchaser or such shorter time as may be provided by court order.

9. **Defects Encountered in Construction Process.** The Purchaser acknowledges that defects and construction problems may occur during the construction process and be corrected by the builder and subcontractors during the course of or after the construction process, and the Purchaser agrees that if defects or construction problems have occurred during the construction process, this is not of itself a matter requiring disclosure to the Purchaser.

10. Subsequent Purchasers. If the Purchaser sells the Unit at any time within four years after closing of the sale of the Unit from Seller to Purchaser, or Purchaser's taking possession of the Unit, whichever is later, Purchaser shall notify Seller of the sale in writing and shall include in the signed purchase and sale agreement providing for such sale a provision that the person(s) purchasing the Unit agree that any warranty rights of such person(s) relating to the Unit or Common Elements are limited to the Purchaser's rights under this Warranty at the time of such sale. If Purchaser fails to comply with this Paragraph, Purchaser shall indemnify, defend and hold harmless Seller from and against all damages, costs, attorney fees and expenses caused by such failure.

11. No Other Warranties. The Seller and the Purchaser agree that there are no express or implied warranties concerning the design, construction or condition of the Unit or Common Elements arising from Seller's sale of the Unit to the Purchaser, other than those stated in this Warranty.

12. Survival and Savings. This Warranty shall survive the conveyance of title, delivery of possession of the Unit, or other final settlement between the Seller and the Purchaser, and shall be binding upon the Seller and the Purchaser notwithstanding any provision to the contrary contained in the contract of purchase or other writing executed by the Purchaser or Seller. If any part of this Warranty is held invalid or unenforceable, such invalidity or unenforceability shall not affect the remainder hereof.

The Seller and Purchaser have executed this Warranty Addendum this \_\_\_\_\_ day of \_\_\_\_\_

PURCHASER:

\_\_\_\_\_  
\_\_\_\_\_

SELLER:

BLAKELEY VILLAGE LLC, a Washington limited liability company

By: \_\_\_\_\_  
his \_\_\_\_\_

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# EXHIBIT #C

*Blakeley Commons Condominium Assoc. v. Blakeley Village, LLC, et al.*  
King County Cause No.: 06-2-03941-6 SEA

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SUPERIOR COURT OF WASHINGTON FOR KING COUNTY

BLAKELEY COMMONS CONDOMINIUM ASSOCIATION, a Washington non-profit corporation,

Plaintiff,

vs.

BLAKELEY VILLAGE LLC, a Washington Corporation; INTRACORP REAL ESTATE, LLC, a Washington Corporation; JOHN AND JANE DOES 1 through 20, individuals; CONTRACTOR DOES 21 through 35, entities conducting business in Washington;

Defendants.

NO. 06-2-03941-6SEA

DECLARATION OF JOAN DANOFF IN SUPPORT OF PLAINTIFF'S MOTION TO SET A TRIAL DATE

I, JOAN DANOFF, declare under the penalty of perjury and in accordance with the laws of the State of Washington, I am over 18 years old, competent to testify, and make this declaration based on personal knowledge:

1. I am an original purchaser of Unit No. 307 at the Blakeley Commons Condominium project in Seattle, Washington.
2. Attached hereto as Exhibit #1 is a true and correct copy of my Purchase and Sale Agreement for Unit No. 307 at the Blakeley Commons Condominiums.

DECLARATION OF JOAN DANOFF  
IN SUPPORT OF PLAINTIFF'S MOTION  
TO SET A TRIAL DATE - 1

CASEY & SKOGLUND PLLC  
114 West McGraw Street  
Seattle, Washington 98119

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DECLARATION OF PLAINTIFF

3. I have reviewed Exhibit No. 2, attached hereto, entitled "BLAKELEY COMMONS, A CONDOMINIUM WARRANTY ADDENDUM" (hereinafter "Warranty Addendum") and to the best of my knowledge, I never signed a warranty addendum nor was I asked to sign a warranty addendum.

4. At no time did I understand by entering a Purchase and Sale Agreement with Blakely Village, LLC, I was giving up my right to a jury trial for any breach of contract, breach of the Consumer Protection Act, breach of implied warranty, breach of fiduciary duty, and/or any other similar claim, which I would normally have as a result of such transaction. It was never my understanding or my intent to give up my right to assert one of the foregoing claims by entering into the Purchase and Sale Agreement with Blakeley Village, LLC.

I SWEAR UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF WASHINGTON THAT THE FOREGOING IS TRUE AND CORRECT.

EXECUTED at Seattle, Washington this \_\_\_\_\_ day of June, 2008.

  
Joan Danoff

DECLARATION OF JOAN DANOFF  
IN SUPPORT OF PLAINTIFF'S MOTION  
TO SET A TRIAL DATE - 2

CASEY & SKOGLUND PLLC  
114 West McGraw Street  
Seattle, Washington 98119

# EXHIBIT

#1

CONDOMINIUM PURCHASE AND SALE AGREEMENT  
SPECIFIC TERMS  
©Copyright 2003  
M. & M. Multiple Listing Service  
ALL RIGHTS RESERVED

1. DATE: May 6, 2003 MLE No.: 23025991  
2. Buyer: Stuart Danoff  
3. Seller: Wakely Village LLC  
4. Property: Tax Parcel No.: \_\_\_\_\_ ( KING ) County: \_\_\_\_\_  
Unit No.: 307 Residential Condominium: Wakely Commons  
Address: 2901 NE Wakely St Washington 98105  
Recording No. of Survey Map and Plans: \_\_\_\_\_  
 Condominium Declaration Recording Number: \_\_\_\_\_  
 Declaration Recording Number Not Available, attach WAKELY FORMER BOOK 000 A  
Parking Space No.: ONE INCLUDED Storage Space No.: ONE INCLUDED  
Included items:  stove/range  refrigerator  washer  dryer  dishwasher  security system  satellite dish  
 wood deck  fireplace/heater  hot tub  other: \_\_\_\_\_  
5. Purchase Price: 238,000 FOUR TWO HUNDRED THIRTY EIGHT THOUSAND DOLLARS  
6. Earnest Money: (To be held by  Seller/Broker  Closing Agent) WAKELY FORMER BOOK 000 A  
Personal Check: \$20,000 \$238,000  
Name: \_\_\_\_\_  
Other: \_\_\_\_\_  
7. Default: (check only one)  Forfeiture of Earnest Money  Seller's Election of Remedies  
8. Title Insurance Company: Chicago Title Insurance Co.  
9. Closing Agent:  is qualified closing agent of Buyer's choice  Phoenix Escrow Martha Hoyd 425-454-2572  
10. Closing Date: See Addendum A p. 3  
11. Possession Date:  on Closing  calendar days after Closing \_\_\_\_\_  
12. Other Escrow/Deposit Date: \_\_\_\_\_  
13. Contingency/Expiration Date: \_\_\_\_\_  
14. Address: A, B, 34

15. Inspection Addressed:  NWMLS 05A  NWMLS 05B  Other  none  
16. Agency Disclosure: Selling License represents  Buyer  Seller  both parties  neither party  
Listing right represents  Buyer  both parties  
17. Services of Closing Agent for Payment of LIES:  Requested (Attach NWMLS Form 220)  Waived  
18. New Construction or Conversion:  is (attach NWMLS Form 220)  is not  
19. Funds for Closing:  received  deliver to Buyer 12 days after mutual acceptance  
20. Escrow Certificate:  received  deliver to Buyer \_\_\_\_\_ days after mutual acceptance  
21. Contingency Assessed: \$134.00 per month and Deposit equal to 2 months' assessment at Closing  
Buyer's Signature: Stuart J. Danoff Date: 5/7/03  
Seller's Signature: T. M. Date: 5/7/03  
Buyer's Address: 1088 Rockingham Rd  
City, State, Zip: Stamford CT 06903  
Phone: (203) 272-8997 (E) Fax: \_\_\_\_\_  
Buyer's E-mail Address: WREHART@AOL.COM  
Listing Broker: WREHART INC MLE Office No.: 6393  
Buyer's E-mail Address: NANCY ORMOS  
Listing Broker: WINDERMERE REALTY INC MLE Office No.: 6393  
Phone: 206-235-1232 Fax: 425-557-0781  
Seller's E-mail Address: RANDY KOOVES  
Listing Broker: WINDERMERE REALTY INC MLE Office No.: 6393  
Phone: \_\_\_\_\_ Fax: 425-327-3400

REALTOR Form 20  
Condominium Purchase & Sale  
Revised 08/08  
Page 2 of 4

CONDOMINIUM PURCHASE AND SALE AGREEMENT  
STANDARD TERMS  
(Addendum)

Copyright 2008  
Northwest Multiple Listing Service  
ALL RIGHTS RESERVED

- 1. **Purchase Price.** Buyer agrees to pay to Seller the PURCHASE PRICE, including the Earnest Money, in cash at Closing. Unless otherwise specified in this Agreement, Buyer represents that Buyer has sufficient funds to close this sale in accordance with this Agreement and is not relying on any contingent source of funds or gifts, except in the amount otherwise specified in this Agreement.
- 2. **Earnest Money.** Buyer agrees to deliver the Earnest Money within 2 days after mutual acceptance of this Agreement to Selling Licensee who will deposit any check to be held by Selling Broker, or deliver any Earnest Money to be held by Closing Agent, within 2 days of receipt or mutual acceptance, whichever occurs later. If the Earnest Money is held by Selling Broker and is over \$10,000.00 it will be deposited into an interest bearing trust account in Selling Broker's name provided that Buyer completes an IRS Form 754, interest, if any, after deduction of bank charges and fees, will be paid to Buyer. Buyer agrees to reimburse Selling Broker for bank charges and fees in excess of the interest earned, if any. If the Earnest Money held by Selling Broker is over \$10,000.00 Buyer has the option to require Selling Broker to deposit the Earnest Money into the Housing Trust Fund Account with the interest paid to the state Treasurer, if both Seller and Buyer so agree in writing. If the Buyer does not complete an IRS Form 754 unless Selling Broker must deposit the Earnest Money of the Earnest Money is \$10,000.00 or less, the Earnest Money shall be deposited into the Housing Trust Fund Account. Selling Broker may transfer the Earnest Money to Closing Agent at Closing. If all or part of the Earnest Money is to be refunded to Buyer and any such case remains unpaid, the Selling Broker or Closing Agent may deduct and pay them therefrom. The parties instruct Closing Agent to: (1) provide written verification of receipt of the Earnest Money and notice of disbursement of any check to the parties and law firm at the address and/or fax numbers provided herein; and (2) commence an interpleader action in the Superior Court for the county in which the property is located within 30 days of a party's demand for the Earnest Money (and deduct up to \$200.00 of the costs thereof) unless the parties agree otherwise in writing.
- 3. **Included Items.** Any of the following items located in or on the Property are included in the sale; built-in appliances; wall-to-wall carpeting; curtains; drapes and all other window treatments; window and door screens; awnings; storm doors and windows; installed television antennas; ventilation, air conditioning and heating systems; trash compactor; fireplace doors, gas logs and gas log inserts; kitchen cabinet sliding garage door opener; water heaters; installed electrical fixtures; lighting fixtures; shutters, plants and trees planted in the ground, and all outbuildings and other fixtures. However, items identified in Specific Term No. 4 are included only if the corresponding box is checked. If any of the above included items are located or unlocated, Seller agrees to acquire and clear title at or before Closing.
- 4. **Condition of Title.** Buyer and Seller authorize Selling Licensee, Listing Agent or Closing Agent to inspect, check or contact the Legal Description of the Property. The Property includes an undivided interest in the common and limited common elements, areas and facilities described in the Condominium Declaration. Unless otherwise specified in this Agreement, title to the Property shall be marketable at Closing. The following shall not cause the title to be unmarketable: rights, reservations, covenants, conditions and restrictions, presence of record and pending in the tract; easements and encroachments, not materially affecting the value of or unduly interfering with Buyer's reasonable use of the Property; and reserved or unperfected mining rights. Monetary encumbrances not assumed by Buyer shall be paid by Seller on or before Closing. Title shall be conveyed by a Statutory Warranty Deed. If this Agreement is for conveyance of a Buyer's interest in a Real Estate Contract, the Statutory Warranty Deed shall include a buyers' acknowledgment of the contract sufficient to convey after assumed title.
- 5. **Title Insurance.** Seller authorizes Buyer's lender or Closing Agent, at Seller's expense, to apply for a standard form owner's policy of title insurance, with insuror's additional protection and location protection endorsements if available at no additional cost, from the Title Insurance Company. The Title Insurance Company is to issue a copy of the preliminary commitment to both Listing Agent and Selling Licensee. The preliminary commitment, and the Deed policy to be issued, shall contain no exceptions other than the General Exclusions and Exceptions in said standard form and Special Exceptions consistent with the Conditions of Title herein provided. If the contract be made so insurable prior to the Closing Date, then as Buyer's sole and exclusive remedy, the Earnest Money shall, unless Buyer agrees to waive such defects or encumbrances, be refunded to the Buyer, less any unpaid costs described in this Agreement, and this Agreement shall thereupon be terminated. Buyer shall have no right to specific performance or damages as a consequence of Seller's inability to provide insurable title.
- 6. **Closing.** This sale shall be closed by the Closing Agent on the Closing Date. If the Closing Date falls on a Saturday, Sunday, or legal holiday as defined in RCW 1.18.050, the Closing Agent shall close the transaction on the next day that is not a Saturday, Sunday, or legal holiday. "Closing" means the date on which all documents are recorded and the sale proceeds are available to Seller. Seller shall deliver keys to Buyer on the Closing Date or on the Possession Date, whichever occurs first.
- 7. **Possession.** Buyer shall be entitled to possession at 9:00 a.m. on the Possession Date. Seller agrees to maintain the Property in its present condition, subject to wear and tear excepted, until the Buyer is entitled to possession.

BUYER: [Signature] DATE: 5/7/08 SELLER: [Signature] DATE: 5/7/08  
 BUYER: \_\_\_\_\_ DATE: \_\_\_\_\_ SELLER: \_\_\_\_\_ DATE: \_\_\_\_\_





BLAKELLY COMMONS, A CONDOMINIUM  
ADDENDUM TO  
CONDOMINIUM PURCHASE AND SALE AGREEMENT

THIS ADDENDUM between Smart (Donoff) ("Buyer") and Blackley Village, LLC, a Washington limited liability company ("Seller"), is a part of and is an addendum to a Condominium Real Estate Purchase and Sale Agreement dated 5/6/03 between Buyer and Seller (together with all addenda, amendments and attachments, the "Agreement") relating to Unit 307, in Phase 1, (the "Unit") in Blackley Commons, a condominium (the "Condominium") to be created by Seller in phases on property located at 2901 NE Blackley Street, Seattle, Washington, which is more particularly described as follows:

Lot B, C, D and E, City of Seattle Street File Number 8003276, recorded under Recording Number 0612297341 (corrected by affidavit recorded under Recording Number 0903220711, in King County, Washington (the "Property").

1. **FINANCING.** Buyer's obligation to purchase the Unit pursuant to the Agreement is not conditioned on Buyer's obtaining financing for a portion of the Purchase Price. The following provision applies to the Agreement (check applicable provision):

*Handwritten:* SELLER TO PAY BUYER'S CLOSING COSTS

If the Agreement is conditioned on financing, Buyer shall apply for financing within three (3) days after actual execution of the Agreement. Buyer shall have until 60 days (fourteen (14) days after mutual execution of the Agreement if not filled in) to provide Seller with written notice that Buyer's financing contingency has been satisfied or waived along with a copy of the approval of financing from Buyer's lender. Buyer understands and agrees to inform Buyer's lender that a FNMA Form 1025 (which certifies that FNMA's standard pre-qualification has been met) may not be available by the time of closing and that the approval of financing from Buyer's lender may not provide that the closing of Buyer's loan on the Closing Date will be conditioned on the submission of a FNMA Form 1025 or achievement of any particular pre-qualification. If Buyer has not provided Seller with such notice within that time period, the Agreement shall automatically terminate, and, without any further notice to Buyer, Buyer's Earnest Money Deposits shall be returned to the Buyer, without deduction, and the Agreement shall be null and void.

If the Agreement is not conditioned on financing because Buyer has been prequalified or approved for financing and it is stated that Buyer will be able to obtain any financing required to purchase the Unit, Buyer has furnished Seller with evidence of prequalification or approval and Buyer waives any financing condition to the Agreement.

If the Agreement is not conditioned on financing because Buyer does not require financing to purchase the Unit, Buyer represents to Seller that Buyer has sufficient funds to close the purchase of the Unit without financing and Buyer shall provide Seller with evidence satisfactory to Seller (credit report and financial statement) by three days (three days after mutual execution of the Agreement if not filled in) that Buyer has sufficient funds to close the purchase of the Unit. If Buyer fails to provide evidence satisfactory to Seller by that date, the Agreement shall terminate automatically upon Seller's sending notice to Buyer and Escrow Agent. If Seller is not satisfied with the evidence provided, Seller shall have ten (10) days after receipt of such evidence within which to terminate the Agreement by sending notice to Seller and Escrow Agent. In the event the Agreement terminates under this paragraph, Buyer's Earnest Money Deposits shall be returned to the Buyer without deduction and the Agreement shall be null and void.

With respect to any financing required or obtained by Buyer, Buyer shall be solely responsible for maintaining any approval for financing in full force until this sale is completed. Buyer shall pay all costs associated with financing, including, but not limited to, application, processing, and closing costs thereof. Buyer shall not be entitled to terminate the Agreement or hold Seller responsible in the event the lender increases the interest rate, loan fees or otherwise changes the terms of Buyer's loan or if Lender withdraws or conditions its loan approval for any reason, including, without limitation, a delay in construction of the Unit or in closing this sale.

**2. BUYER'S PRE-CLOSING ACCESS AND INSPECTION.** Prior to closing, Seller or Seller's agent must accompany Buyer whenever Buyer or any agent or contractor inspects or visits the Unit or the interior of the building in which the Unit is located. For insurance, safety and other reasons Seller may deny Buyer and its agents and contractors access to the Unit or the building until the Unit is substantially completed. (As used in this Agreement, the term "substantial completion" or "substantially complete" means the completion of all work in substantial accordance with the Unit plans and specifications described in Section 4 below, to a level sufficient to obtain a Certificate of Occupancy for the Unit from the City of Seattle). Only employees and contractors of Seller are authorized to work on the Unit prior to closing. Any unauthorized work by Buyer or its agents or contractors on the Unit prior to closing shall constitute a material breach of this Agreement by Buyer.

Upon five (5) days notice (either oral or written) from Seller that the Unit is at or nearing substantial completion, Buyer will inspect the Unit with a designated agent of Seller and they will together create a list of Buyer's concerns ("List") with the construction of the Unit. Seller shall proceed in good faith to correct and complete all List items before closing, subject to availability of labor and materials and Seller's agreement that the items are required.

**3. CLOSING DATE.** The sale contemplated by the Agreement shall close on 6/26/03 or earlier by agreement of the parties. Buyer agrees to close on the date specified or otherwise agreed or extended by Seller even though some items on the "List" have not yet been corrected.

**4. COMPLETION, SCOPE AND VIEW WARRANTIES.** The floor plans of the Unit and specifications for appliances and finishes in the Unit are attached to this Addendum. Seller shall construct the Unit substantially in accordance with that floor plan and those specifications, provided that Seller reserves the right to make changes to the plans and specifications for appliances and finishes to accommodate Seller's changes made during the design and construction process, or to substitute materials or other items, so long as the Unit constructed does not substantially differ from those described on the attached floor plan, and the appliances and finish specifications do not differ in terms of their overall size, function and appearance. Minor deviations and variations involving fixtures, appliances, finishes and other decoration and finish work shall not be considered substantial deviations from the floor plan and the specifications for appliances and finishes. Subject to the inspection and List procedure described in Section 2 above, and except for any warranties specifically made in Seller's Warranty Addendum, or other warranties separately provided by law not waived herein, Buyer agrees to accept the Unit "AS IS." Seller does not represent or warrant to Buyer that any materials, fixtures, equipment, appliances, finishes, design or other aspects of any Model Unit viewed by Buyer shall be identical to the construction of the Unit, and Buyer may only rely on those items set out in that floor plan and the specifications for appliances and finishes (as they may be amended by Seller from time to time) with respect to the Unit. Furthermore, Buyer acknowledges that the artist's rendering of the Condominium on any promotional materials for the Condominium and any architectural elevations, drawings and should



NWMLS Form 34  
Addendum/Amendment to P & S  
Rev. 5/98  
Page 1 of 1

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ALL RIGHTS RESERVED

**ADDENDUM/AMENDMENT TO PURCHASE AND SALE AGREEMENT**

The following is part of the Purchase and Sale Agreement dated 5/7/2003 1  
between Danoff ("Buyer") 2  
and Blakeley Village LLC ("Seller") 3  
concerning # 307 Blakeley Commons ("the Property") 4

IT IS AGREED BETWEEN THE SELLER AND BUYER AS FOLLOWS: 5

1. Seller to pay buyer \$6000 at closing. Purchase price to be \$239,990. 6
2. The Buyer to sign this addendum no later June 12th, 2003. 7

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

AGENT (COMPANY) WRE EAST INC 42

BY: Agency (Signature) 43

Initials: BUYER: \_\_\_\_\_ DATE: \_\_\_\_\_ SELLER: [Signature] DATE: 5/07/03 44  
BUYER: \_\_\_\_\_ DATE: \_\_\_\_\_ SELLER: \_\_\_\_\_ DATE: \_\_\_\_\_ 45

**BLAKELEY COMMONS, A CONDOMINIUM  
PUBLIC OFFERING STATEMENT ACKNOWLEDGMENT**

In connection with the purchase of a Unit in Blakeley Commons, a condominium, the undersigned Purchaser hereby acknowledges receipt, and the undersigned Selling Agent hereby certifies delivery, of a Public Offering Statement dated September 20, 2002, together with copies of all of the documents referred to therein (the "POS").

Purchaser and Selling Agent further acknowledge that Selling Agent does not have the authority to make, and has not made, any representation or promise on behalf of Seller, and that Seller is liable only for representations and promises contained either in the POS or other written document signed by Seller.

PURCHASER: UNIT #:  
Dated: 6/6/03 Jean B. Danoff 307

Dated: \_\_\_\_\_

SELLING AGENT:  
Dated: 6/9/03 By WEE EAST INC  
Its [Signature]

**INSTRUCTIONS TO SELLING AGENT**

Upon delivery of the POS to the Purchaser, the above acknowledgment must be signed by the Purchaser and Selling Agent, and returned to the Listing Agent. Purchase and Sale Agreements will not be accepted by Seller unless accompanied by the Purchaser's written acknowledgment of receipt of the foregoing documents.

09/15/03 2:50 PM  
34660971

# EXHIBIT

#2

BLAKELEY COMMONS, A CONDOMINIUM  
WARRANTY ADDENDUM

Addendum No. \_\_\_\_\_ to Purchase and Sale Agreement dated \_\_\_\_\_

Unit No. \_\_\_\_\_ Name of Purchaser(s): \_\_\_\_\_  
Blakeley Commons, a condominium

The Seller and the Purchaser agree that the Seller's and the Declarant's warranties to the Purchaser and to the Purchaser's successors and transferees, for the Unit and all Common Elements in the Condominium identified above, are limited to the terms stated in this Warranty Addendum ("Warranty"). ~~The implied warranties of quality under the Washington Condominium Act, RCW Chapter 64.34, are modified by this Warranty, and all provisions of this Warranty apply to all warranties from the Seller to the Purchaser, including the implied warranties of quality under the Washington Condominium Act. The definitions of terms set forth in the Condominium Declaration apply in this Warranty. As used in this Warranty, the term "Common Elements" includes both the Common Elements and the Limited Common Elements of the Condominium.~~

1. Limited Warranty. The Unit in the Condominium identified above and the Common Elements are suitable for the ordinary uses of real estate of their type and, except as provided below, all parts of the Unit and the Common Elements constructed by or for the Declarant are free from defective materials and have been constructed in accordance with applicable law, in accordance with sound engineering and construction standards, and in a workmanlike manner.

2. Modifications and Exclusions.

a. Sound Transmission. The Purchaser realizes that the Unit is in a multi-family building in an urban environment; therefore, the Seller makes no warranty or representation as to vertical or horizontal sound transmission that may arise from activities or building systems in any Unit, the Common Elements or outside the Condominium. The Purchaser realizes that where condominium units are built above or below each other, or side by side, it is normal to experience some transmission of sounds between those units from loud music, heels on uncarpeted floors, water traveling in drains, doors closing and other causes. From time to time, noise from various building systems may be heard from the Unit, including, but not limited to, noise from garage doors, exhaust and supply fans, elevators, fluorescent lighting and the transformer vault.

b. View. Seller makes no representation or warranty that the view from the Unit, as of the date this Agreement is signed or as of closing, will not be obstructed or changed in whole or in part at any time in the future. Purchaser agrees that Seller is not obligated to investigate or disclose real estate developments in the area that are possible, planned, permitted or under construction, nor is Seller obligated to protect views. This means that even though Seller may know of, or may itself be developing, possible, planned, permitted or under-construction developments that could affect views, Purchaser is not relying on Seller to disclose such developments, and Purchaser is releasing Seller from any duty Seller may otherwise have to disclose any such developments. Real estate agents and sales people are generally not experts on future real estate developments, and therefore Purchaser agrees that Purchaser has not relied and will not rely on statements from real estate agents or sales people about future developments or their impact or lack of impact on views.

c. Appliances and Equipment. The Seller makes no warranties or representations with respect to the appliances and equipment installed in the Unit or the Common Elements, including without limitation the stove, oven and/or range, refrigerator, microwave oven, dishwasher, garbage disposal, washer and dryer, spa or whirlpool, water heater, fireplace, garage doors and heating/ventilation/air conditioning.

equipment. The Seller makes no warranties or representations with respect to equipment provided to Association for use in operation or maintenance of the Common Elements. With respect to all such appliances and equipment, the Seller's sole obligation is to assign to Purchaser all warranties and guarantees furnished to the Seller from the supplier or manufacturers of the items.

d. Damage Caused by Purchaser and Others. This Warranty excludes all defects and damage to the extent caused or made worse by (i) negligence, failure to inspect, lack of maintenance, improper maintenance, improper operation or other action by anyone other than the Seller or its agents or contractors; (ii) failure of the Purchaser or the Association to comply with the warranty requirements of manufacturers or suppliers of appliances, fixtures or equipment; (iii) abnormal loading (including waterbeds) on floors, decks or other surfaces by the Purchaser that exceeds design loads that meet building codes; (iv) making or installation of holes, penetrations, windows or skylights in the Unit or Common Elements by anyone other than the Seller or its employees, agents or contractors; (v) failure of the Purchaser or the Association to mitigate damages; or (vi) changes made to the Unit or Common Elements by anyone other than the Seller or its employees, agents or contractors after closing.

e. Personal Injury and Consequential Damages. This Warranty excludes bodily injury, illness and death; damage to or theft of personal property; costs of shelter, transportation, food, moving, storage or other incidental expenses relating to relocation during repairs; and consequential, exemplary and punitive damages.

f. Defined Standards and Tolerances. This Warranty excludes all defects and faults that either (a) are of the same kind, but not the same extent or due to the same causes, as those listed as "Covered" or (b) are listed as "Not Covered" in Attachment A to this Warranty ("Defined Standards and Tolerances").

g. Warranty at Time of Purchase. This Warranty applies only to the construction and condition of the Unit and Common Elements at the time of Seller's sale of the Unit to the Purchaser. This Warranty does not extend to future performance or duration of any improvement or component of the Condominium, and the Seller makes no such warranty.

h. Other Limitations and Exclusions. This Warranty excludes any loss or damage (i) due to normal wear and tear or normal deterioration; (ii) caused by accidents, riot, fire, explosion, smoke, water escape, falling objects, aircraft, vehicles, acts of God, lightning, windstorm, hail, flood, mud slide, earthquake, volcanic eruption or changes in underground water table not reasonably foreseeable; (iii) caused by soil movement; (iv) caused by insects; (v) caused to or by any items supplied by the Purchaser or which are not part of the Unit at the time of closing; (vi) relating to cooking odors or other odors from other Units or elsewhere; or (vii) consisting of or relating to temporary ponding or pooling of water on roofs, decks, walkways, driveways or other parts of the Condominium, provided such ponding or pooling does not cause damage to the Unit or Common Elements.

3. Apparent Unit Defects. The Purchaser has had or will have at the time of possession the opportunity to make a detailed walk-through inspection of the Unit with a representative of the Seller ("Initial Inspection") and to notify the Seller in writing of any defects in appearance or color of, or damage to, the surfaces and fixtures in the Unit ("Apparent Unit Defects"). The Seller shall with reasonable promptness correct any Apparent Unit Defects which exist (in accordance with Attachment A hereto, "Defined Standards and Tolerances") and of which the Purchaser notifies the Seller in writing at the time of the Initial Inspection. The Purchaser waives all claims for any Apparent Unit Defects of which the Seller is not notified in writing at the time of the Initial Inspection, and this Warranty shall not extend to any Apparent Unit Defects of which the Seller is not notified in writing at the time of the Initial Inspection. "Apparent Unit Defects" include but are not limited to defects, inconsistencies, non-conformity and pre-existing damage in and to: paint, wall coverings, ceilings, hardwood and other floor materials, carpets, tile or ceramic surfaces, electrical and

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heating/cooling/ventilation fixtures and hardware, door and window hardware, cabinets, countertops and other surfaces in the Units.

4. Apparent Common Element Defects The Purchaser and Seller agree that the Seller is entitled to receive timely notice of any construction defects in the Common Elements in order to verify that such defects have not been caused by subsequent damage and in order to allow the Seller the opportunity to correct such defects. Therefore, within sixty days after the termination of the period of declarant control provided in RCW 64.34.308(4), the Association shall notify the Seller in writing of any defects in the Common Elements which are visible or of which the Association has knowledge ("Apparent Common Element Defects"). The Seller shall with reasonable promptness correct any Apparent Common Element Defects which exist (in accordance with Attachment A hereto, "Defined Standards and Tolerances") and of which the Association timely notifies the Seller in writing. The Purchaser and the Association waive all claims for any Apparent Common Element Defects of which the Seller is not timely notified in writing, and this Warranty shall exclude any Apparent Common Element Defects of which the Seller is not timely notified in writing. "Apparent Common Element Defects" include but are not limited to visible or apparent defects, inconsistencies, non-conformity and pre-existing damage in and to: decks, walkways, siding, exterior surfaces, roofs, gutters and drainage pipes, landscaping, retaining walls, foundations, garages, paved surfaces, paint, wall coverings, ceilings, hardwood and other floor materials, carpets, tiling or ceramic surfaces, electrical, plumbing and heating/cooling/ventilation fixtures, and door and window hardware.

5. Claims Procedure

a. Limitation of Time to Give Notice of Claim. If the Purchaser or the Association has a claim against the Seller arising out of any alleged defect in the Unit or any Common Element or any alleged breach of this Warranty or any other claimed warranties, express or implied, the Purchaser must give written notice of such claim to the Seller within one year after: (a) as to claims relating to the condition of a Unit, the date when the Purchaser entered into possession of the Unit if a possessory interest was conveyed, or the date of acceptance of the instrument of conveyance if a nonpossessory interest was conveyed; and (b) as to claims relating to the condition of any Common Element, the latest of (i) the date the first unit in the Condominium was conveyed to a bona fide purchaser, (ii) the date the Common Element was completed, (iii) the date the Common Element was added to the Condominium; or (iv) the end of the period of declarant control, if any, under RCW 64.34.308(4). FAILURE TO GIVE WRITTEN NOTICE OF CLAIM WITHIN THE ONE-YEAR PERIOD AND IN THE MANNER DESCRIBED IN THIS WARRANTY SHALL CONSTITUTE AN ABSOLUTE AND UNCONDITIONAL WAIVER, RELEASE AND BAR OF SUCH CLAIM. Oral notice shall not satisfy the requirements of this Paragraph. The requirements of this Paragraph shall not be modified or waived except by a writing signed by an officer of the Seller expressly referring to this Paragraph and expressly modifying or waiving the requirements of this Paragraph. The foregoing shall not be deemed to reduce or lengthen any period of limitation of time to bring legal action provided by the Washington Condominium Act or other applicable law, however, the Purchaser or Association shall not bring any legal action on any claim with respect to which the Purchaser or Association has not complied with the provisions of this Paragraph.

b. Notice of Claim and Cure. Each claim under this Warranty which is made by the Purchaser with respect to the Unit or by the Association with respect to a Common Element shall first be made in writing, entitled "Notice of Claim," and shall contain a detailed description of the claimed defect. Each claim shall be mailed, postage paid, to:

Blakely V. Dage LLC  
2505 Second Avenue, Suite 300  
Seattle, WA 98121-1473

or to such other address as the Seller shall provide to the Purchaser. The Purchaser shall provide the Seller access and entry to the Unit and Common Elements during normal business hours to inspect and/or repair the

claimed defect within 48 hours after any written or spoken request by Seller for such access, or immediately if reasonably necessary to prevent further damage. The Seller shall respond in writing to such claim no later than 30 days after the Seller's receipt of the claim. The Seller shall have the right to cure the defective construction described in the claim to conform with this Warranty within 90 days after responding to the claim or within such longer period as may reasonably be required. The Seller may at its option repair or replace, or pay the reasonable cost of repairing or replacing, such defective construction. The Seller shall not be responsible for exact color, paint matching, texture or finish matches nor for unavailability of materials or components matching materials or equipment originally used. If either party is dissatisfied with the resolution of the claim following the Seller's written response and effort to cure the defective condition, then the parties shall meet within 14 days in an effort to resolve the claim to the parties' mutual satisfaction. All work done by Seller or its contractors on items not covered by this Warranty shall be at Purchaser's sole cost unless otherwise agreed in writing. Purchaser shall pay all costs incurred by Seller in inspecting items not covered by this Warranty based upon prevailing rates for Seller's employees or contractors.

6. Legal Action: Time Limitation. Any legal action asserting a claim under this Warranty or any other claimed warranty relating to the Unit or Common Elements must be commenced within four years after the cause of action accrues. A cause of action accrues, regardless of the Purchaser's lack of knowledge of the breach, (a) as to the Unit, the date Purchaser is first entitled to possession of the Unit; and (b) as to each Common Element, at the latest of (i) the date the first Unit in the Condominium was conveyed to a bona fide purchaser, (ii) the date the Common Element was completed, or (iii) the date the Common Element was added to the Condominium.

7. Seller's Right to Arbitration. At the option of Seller, Seller may require that any claim asserted by Purchaser or by the Association under this Warranty or any other claimed warranty relating to the Unit or Common Elements must be decided by arbitration, in King County, Washington, under the Construction Arbitration Rules of the American Arbitration Association (AAA) in effect on the date hereof, as modified by this Warranty. There shall be one arbitrator selected by the parties within seven days of the arbitration demand or if not, then pursuant to the AAA Rules, who shall be an attorney with at least five years condominium or construction law experience. Any issue about whether a dispute or claim must be arbitrated pursuant to this Warranty shall be determined by the arbitrator. At the request of either party made not later than 75 days after the arbitration demand, the parties agree to submit the dispute or unresolved claim to nonbinding mediation which shall not delay the arbitration hearing date. There shall be no substantive motions or discovery, except the arbitrator shall authorize such discovery as may be necessary to ensure a fair hearing, which shall be held within 120 days of the demand and concluded within two days. These time limits are not jurisdictional. The arbitrator shall apply substantive law and may award injunctive relief or any other remedy available from a judge including attorney fees and costs to the prevailing party, but the arbitrator shall not have the power to award punitive damages. The decision rendered by the arbitrator shall be final and binding without appeal or review and may be enforced in any court of competent jurisdiction.

8. Seller's Right to Inspect. The Seller shall be entitled (but shall not be obligated) to inspect any Common Elements at any time without notice to the Purchaser or the Association. The Seller shall be entitled (but shall not be obligated) to inspect the Unit at any time until four years after Purchaser takes possession of the Unit, or at any time if there is a pending action relating to the condition of any part of the Condominium, upon at least five days' written notice to the Purchaser or such shorter time as may be provided by court order.

9. Defects Encountered in Construction Process. The Purchaser acknowledges that defects and construction problems may occur during the construction process and be corrected by the builder and subcontractors during the course of or after the construction process, and the Purchaser agrees that if defects or construction problems have occurred during the construction process, this is not of itself a matter requiring disclosure to the Purchaser.

10. Subsequent Purchasers. If the Purchaser sells the Unit at any time within four years after closing of the sale of the Unit from Seller to Purchaser, or Purchaser's taking possession of the Unit, whichever is later, Purchaser shall notify Seller of the sale in writing and shall include in the signed purchase and sale agreement providing for such sale a provision that the person(s) purchasing the Unit agree that any warranty rights of such person(s) relating to the Unit or Common Elements are limited to the Purchaser's rights under this Warranty at the time of such sale. If Purchaser fails to comply with this Paragraph, Purchaser shall indemnify, defend and hold harmless Seller from and against all damages, costs, attorney fees and expenses caused by such failure.

11. No Other Warranties. The Seller and the Purchaser agree that there are no express or implied warranties concerning the design, construction or condition of the Unit or Common Elements arising from Seller's sale of the Unit to the Purchaser, other than those stated in this Warranty.

12. Survival and Savings. This Warranty shall survive the conveyance of title, delivery of possession of the Unit, or other final settlement between the Seller and the Purchaser, and shall be binding upon the Seller and the Purchaser notwithstanding any provision to the contrary contained in the contract of purchase or other writing executed by the Purchaser or Seller. If any part of this Warranty is held invalid or unenforceable, such invalidity or unenforceability shall not affect the remainder hereof.

The Seller and Purchaser have executed this Warranty Addendum this \_\_\_ day of

PLURCHASER:

SELLER:

BLAKELEY VILLAGE LLC, a Washington limited liability company

By:

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SUPERIOR COURT OF WASHINGTON FOR KING COUNTY

BLAKELEY COMMONS CONDOMINIUM ASSOCIATION, a Washington non-profit corporation,

Plaintiff,

vs.

BLAKELEY VILLAGE LLC, a Washington Corporation; INTRACORP REAL ESTATE, LLC, a Washington Corporation; JOHN AND JANE DOES 1 through 20, individuals; CONTRACTOR DOES 21 through 35, entities conducting business in Washington;

Defendants.

NO. 06-2-03941-6SEA

NOTICE OF FILING ELECTRONIC SIGNED DECLARATION

I, SARAH NOBLE, state and declare as follows:

1. I am a paralegal at the law firm of Casey & Skoglund, PLLC; and make this declaration pursuant to GR 17(a)(2), and based upon my personal knowledge and review of this firm's records and files.

NOTICE OF FILING ELECTRONIC SIGNED DECLARATION - I

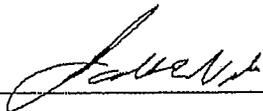
CASEY & SKOGLUND PLLC  
114 West McGraw Street  
Seattle Washington 98119  
Phone (206) 284-8165 Fax (206) 770-6427

1           2.     On July 16<sup>th</sup> Casey & Skoglund, PLLC sent via email to Joan Danoff the  
2 attached Declaration of Joan Danoff and received on July 17<sup>th</sup> her signature to said document  
3 by fax.

4           3.     I have examined the attached signature of Joan Danoff and state that the  
5 signature pursuant to my records on file is a complete, legible, and is a true and correct  
6 signature of Joan Danoff.

7           I declare under penalty of perjury under the laws of the State of Washington that the  
8 foregoing is true and correct to the best of my knowledge.

9  
10           DATED this 17<sup>th</sup> day of July, 2008, at Seattle, Washington.

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13 SARAH NOBLE

# EXHIBIT #D

*Blakeley Commons Condominium Assoc. v. Blakeley Village, LLC, et al.*  
King County Cause No.: 06-2-03941-6 SEA

**SCHEDULE O**  
**BLAKELEY COMMONS, A CONDOMINIUM**  
 Estimated Initial Monthly Assessments

Building	Unit	Phase I				Entire Project					
		CEL <sup>v</sup>	LCEL <sup>v</sup>	Common Assessments	Limited Common Assessments	Total Assessments	CEL <sup>v</sup>	LCEL <sup>v</sup>	Common Assessments	Limited Common Assessments	Total Assessments
West	1A	2,270		\$171		\$171	0.995		\$163		\$163
West	1B	3,975		\$299		\$299	1.740		\$285		\$285
West	101	1,790	1,915	\$135	\$104	\$239	0.780	0.830	\$128	\$91	\$219
West	102	1,430	1,530	\$108	\$83	\$191	0.625	0.665	\$102	\$73	\$175
West	103	1,645	1,755	\$124	\$93	\$219	0.720	0.770	\$118	\$84	\$202
West	104	1,640	1,110	\$78	\$60	\$138	0.455	0.485	\$75	\$53	\$128
West	105	1,695	1,810	\$128	\$98	\$226	0.740	0.790	\$121	\$86	\$207
West	207	1,745	1,865	\$131	\$101	\$232	0.760	0.815	\$125	\$89	\$214
West	208	2,505	2,675	\$189	\$145	\$334	1.090	1.165	\$179	\$127	\$306
West	209	2,435	2,600	\$183	\$141	\$324	1.065	1.135	\$175	\$124	\$299
West	210	1,865	1,985	\$140	\$107	\$247	0.815	0.865	\$134	\$95	\$229
West	211	2,840	3,035	\$214	\$164	\$378	1.240	1.320	\$203	\$144	\$347
West	212	1,370	1,460	\$103	\$79	\$182	0.595	0.635	\$98	\$69	\$167
West	300	2,625	2,800	\$198	\$151	\$349	1.150	1.220	\$188	\$133	\$321
West	301	1,480	1,580	\$111	\$85	\$196	0.650	0.695	\$107	\$76	\$183
West	302	1,480	1,580	\$111	\$85	\$196	0.650	0.695	\$107	\$76	\$183
West	303	1,480	1,580	\$111	\$85	\$196	0.650	0.695	\$107	\$76	\$183
West	304	1,820	1,945	\$137	\$105	\$242	0.800	0.850	\$131	\$93	\$224
West	305	2,650	2,825	\$200	\$153	\$353	1.155	1.230	\$189	\$135	\$324
West	306	1,200	1,280	\$90	\$69	\$159	0.525	0.560	\$86	\$61	\$147
West	307	1,795	1,920	\$135	\$104	\$239	0.785	0.840	\$129	\$92	\$221
West	308	2,540	2,710	\$191	\$147	\$338	1.110	1.180	\$182	\$129	\$311
West	309	2,480	2,645	\$187	\$143	\$330	1.080	1.155	\$177	\$126	\$303
West	310	1,775	1,890	\$134	\$102	\$236	0.775	0.825	\$127	\$90	\$217
West	311	2,895	3,090	\$218	\$167	\$385	1.265	1.345	\$207	\$147	\$354
West	312	2,615	2,790	\$197	\$151	\$348	1.140	1.215	\$187	\$133	\$320
West	400	2,660	2,840	\$200	\$154	\$354	1.165	1.235	\$191	\$135	\$326
West	401	1,500	1,600	\$113	\$87	\$200	0.660	0.700	\$108	\$77	\$185
West	402	1,500	1,600	\$113	\$87	\$200	0.660	0.700	\$108	\$77	\$185
West	403	1,500	1,600	\$113	\$87	\$200	0.660	0.700	\$108	\$77	\$185
West	404	1,825	1,950	\$137	\$105	\$242	0.800	0.850	\$131	\$93	\$224
West	405	2,685	2,865	\$202	\$155	\$357	1.170	1.250	\$192	\$137	\$329
West	406	1,220	1,300	\$92	\$70	\$162	0.535	0.570	\$88	\$62	\$150
West	407	1,835	1,955	\$138	\$106	\$244	0.800	0.855	\$131	\$94	\$225
West	408	2,615	2,785	\$197	\$151	\$348	1.140	1.215	\$187	\$133	\$320
West	409	2,535	2,700	\$191	\$146	\$337	1.105	1.175	\$181	\$129	\$310
West	410	1,865	1,985	\$140	\$107	\$247	0.815	0.865	\$134	\$95	\$229
West	411	2,930	3,125	\$221	\$169	\$390	1.280	1.360	\$210	\$149	\$359

Building	Unit	Phase I				Entire Project					
		CEL <sup>1</sup>	LCEL <sup>2</sup>	Common Assessments	Limited Common Assessments	Total Assessments	CEL <sup>1</sup>	LCEL <sup>2</sup>	Common Assessments	Limited Common Assessments	Total Assessments
West	412	2,650	2,825	\$200	\$153	\$353	1,160	1,230	\$190	\$135	\$325
West	509	2,735	2,915	\$200	\$158	\$358	1,195	1,270	\$196	\$139	\$335
West	501	1,860	1,980	\$140	\$107	\$247	0,810	0,865	\$133	\$95	\$228
West	502	1,275	1,365	\$96	\$74	\$170	0,555	0,595	\$91	\$65	\$156
West	503	2,080	2,215	\$157	\$120	\$277	0,905	0,965	\$148	\$106	\$254
West	505	3,470	3,690	\$261	\$200	\$461	1,510	1,605	\$247	\$176	\$423
West	509	2,590	2,760	\$195	\$149	\$344	1,130	1,200	\$185	\$131	\$316
West	510	1,885	2,010	\$142	\$109	\$251	0,820	0,875	\$134	\$96	\$230
West	512	3,945	3,560	\$252	\$193	\$445	1,455	1,545	\$238	\$169	\$407
Phase I:		100,000	100,000	\$7,529	\$5,411	\$12,940					
East	2A						1,000		\$164		\$164
East	2B						0,775		\$127		\$127
East	3A						0,780		\$128		\$128
East	3B						0,820		\$134		\$134
East	128						1,115	1,190	\$183	\$130	\$313
East	129						0,780	0,835	\$128	\$91	\$219
East	130						0,855	0,910	\$140	\$100	\$240
East	131						0,730	0,775	\$120	\$85	\$205
East	132						0,725	0,770	\$119	\$84	\$203
East	133						0,745	0,795	\$122	\$85	\$207
East	134						0,705	0,750	\$116	\$82	\$198
East	226						0,770	0,820	\$126	\$90	\$216
East	228						1,155	1,230	\$189	\$135	\$324
East	230						0,805	0,855	\$132	\$96	\$228
East	231						0,745	0,795	\$122	\$87	\$209
East	232						0,805	0,855	\$132	\$94	\$226
East	233						1,285	1,370	\$211	\$150	\$361
East	234						0,615	0,655	\$101	\$72	\$173
East	320						1,160	1,235	\$190	\$135	\$325
East	321						0,660	0,700	\$108	\$77	\$185
East	322						0,660	0,700	\$108	\$77	\$185
East	323						0,660	0,700	\$108	\$77	\$185
East	324						0,660	0,700	\$108	\$77	\$185
East	325						0,660	0,700	\$108	\$77	\$185
East	326						0,790	0,840	\$129	\$92	\$221
East	327						0,710	0,760	\$116	\$83	\$199
East	328						0,780	0,830	\$128	\$91	\$219
East	329						1,170	1,250	\$192	\$137	\$329
East	330						0,815	0,865	\$134	\$95	\$229
East	331						1,075	1,145	\$176	\$125	\$301
East	332						0,795	0,845	\$130	\$92	\$222

Building	Unit	Phase I						Total Assessments
		CEL <sup>1</sup>	UCEL <sup>2</sup>	Common Assessments	Limited Common Assessments	Entire Project Common Assessments	Entire Project Limited Common Assessments	
East	332			0.735	0.790	\$120	\$86	\$206
East	333			0.805	0.855	\$132	\$94	\$226
East	334			1.285	1.370	\$211	\$150	\$361
East	335			1.165	1.235	\$191	\$135	\$326
East	421			1.175	1.255	\$193	\$137	\$330
East	422			0.665	0.710	\$109	\$78	\$187
East	423			0.665	0.710	\$109	\$78	\$187
East	424			0.665	0.710	\$109	\$78	\$187
East	425			0.665	0.710	\$109	\$78	\$187
East	426			0.805	0.855	\$132	\$94	\$226
East	427			0.795	0.775	\$119	\$85	\$204
East	428			0.795	0.845	\$130	\$92	\$222
East	429			1.190	1.270	\$195	\$139	\$334
East	430			0.835	0.890	\$137	\$97	\$234
East	431			1.100	1.170	\$180	\$128	\$308
East	432			0.820	0.870	\$134	\$95	\$229
East	433			0.735	0.805	\$124	\$88	\$212
East	434			0.820	0.870	\$134	\$95	\$229
East	435			1.320	1.400	\$216	\$153	\$369
East	520			1.170	1.245	\$192	\$136	\$328
East	521			1.190	1.270	\$195	\$139	\$334
East	522			0.625	0.725	\$111	\$79	\$190
East	523			0.675	0.725	\$111	\$79	\$190
East	524			0.675	0.725	\$111	\$79	\$190
East	525			0.675	0.725	\$111	\$79	\$190
East	526			0.675	0.725	\$111	\$79	\$190
East	531			0.815	0.870	\$134	\$95	\$229
East	532			1.265	1.385	\$206	\$150	\$356
East	533			0.835	0.890	\$137	\$97	\$234
East	534			0.770	0.820	\$126	\$90	\$216
East	535			0.835	0.890	\$137	\$97	\$234
Commercial				1.460	1.545	\$239	\$169	\$408
Residential								
Entire Project:				100.000	100.000	\$16,392	\$10,944	\$27,336

<sup>1</sup>Common Expense Liability (CEL) is determined in accordance with a weighted formula which is 50% relative areas of Units and 50% relative declared value of units rounded to equal 100%.

<sup>2</sup>Limited Common Expense Liability (UCEL) of each Unit is determined by a weighted formula which is 50% relative area of Units of the same type (Residential or Commercial) and 50% relative declared value of Units of the same type rounded to equal 100%.

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JUL 17 2008

SALMI & GILLASPY, PLLC

SUPERIOR COURT OF WASHINGTON FOR KING COUNTY

BLAKELEY COMMONS CONDOMINIUM  
ASSOCIATION, a Washington non-profit  
corporation,

Plaintiff,

vs.

BLAKELEY VILLAGE LLC, a Washington  
Corporation; INTRACORP REAL ESTATE,  
LLC, a Washington Corporation; JOHN  
AND JANE DOES 1 through 20, individuals;  
CONTRACTOR DOES 21 through  
35, entities conducting business in  
Washington;

Defendants.

NO. 06-2-03941-6SEA

REPLY TO DEFENDANT'S  
OPPOSITION TO PLAINTIFF'S  
MOTION TO SET TRIAL DATE

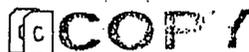
I. Motion for Trial Date

Defendant's attempt to paint Plaintiff's Motion for a Trial Date as one for reconsideration is knowingly false and is, rather, a tacit acknowledgement it simply has no grounds for opposing the Motion.

On August 3, 2007 the Court ordered, without qualification, as follows:

REPLY IN SUPPORT OF PLAINTIFF'S MOTION TO  
SET TRIAL DATE - 1

CASEY & SKOGLUND PLLC  
114 West McGraw Street  
Seattle, Washington 98119  
Phone (206) 284-8165

 COPY

1 The parties shall agree upon a new trial date. The Court will issue amended case  
2 schedule upon receipt of a new stipulated order setting a new trial date.<sup>1</sup>

3 The parties were unable to agree on a trial date and the Association is only undertaking  
4 action the Court correctly authorized. The Defendant's continued attempt to hamper  
5 resolution of this matter should be rejected. The Defendant's continued obstructive tactics  
6 and actions forcing delay of any substantive repairs to the project should be likewise rejected.

7 **II. Rule of Appellate Procedure 7.2 (1)**

8 The Defendant relies upon RAP 7.2 (1) to support its assertion that the Association's  
9 Motion for a Trial Date should be denied. The Homeowners actually agree with the  
10 Defendant as to the applicability of RAP 7.2 (1). However, the Homeowners request the  
11 Defendant acknowledge its obligation to read and apply the Rule in its entirety and as a  
12 whole, *i.e.* the Defendant is not free to merely cherry pick those aspects of any given law or  
13 Rule that support its positions.

14 RAP 7.2 (1) specifically provides the Court authority over the individual  
15 Homeowners' claims where it is established the owner did not sign the Defendant's one sided  
16 Warrant Addendum. More specifically, RAP 7.2 (1) states:

17 (1) Multiple parties, claims, or counts. If the trial court has entered a judgment that  
18 may be appealed under 2.2(d) in a case involving multiple parties, claims, or  
19 counts, the trial court retains full authority to act in the portion of the case that is  
not being reviewed by the appellate Court.

20 The Supreme Court is not reviewing whether Blakely's Village LLC is authorized to force  
21 Jeff Babcock, Joan Danoff, Kim Fuchs, Jessica Haselby, Sand y Kaplan and/or Theresa  
22 Verretto into binding arbitration.<sup>2</sup> These individuals did not sign any arbitration agreement.  
23 Without a signed arbitration agreement there are no factual or legal grounds for forcing these

24  
25 <sup>1</sup> See Declaration of Todd Skoglund, Paragraph 2 Exhibit A  
<sup>2</sup> See Declaration of Jeff Babcock & Joan Danoff, Attached as Exhibit B and Exhibit C to Dec. of Skoglund.

1 owners to give up their right to a jury trial; as it's attempting to do with the remaining  
2 owners. Therefore, there is nothing for the Supreme Court to review or decide in regards to  
3 these individuals.

### 4 III. The Court Should Set a Trial Date

5 Defendant is unable to establish each owner signed its one-sided Addendum:

6 The Declaration of Lis Saldano does not meet Defendant's burden of proof. The  
7 Plaintiff establishes beyond doubt Defendant's claim that every homeowner signed its one  
8 sided Warranty Addendum is false.

9 In an attempt to defeat the Association's prior motions and the current Motion, the  
10 Defendant refers to the Declaration of Lis Saldano. Ms. Saldano's Declaration does not state,  
11 nor could it that the individuals identified above signed a Warranty Addendum. In fact, she  
12 couldn't make such a statement. Any such statement is perjury.

13 For the record, Ms. Saldano incorrectly identifies the number of units involved. There  
14 are 110 units at the project, not 106.<sup>3</sup>

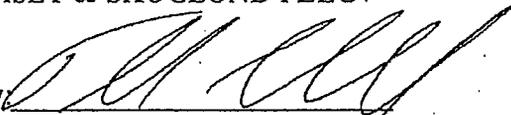
### 15 IV. Conclusion

16 For the foregoing reasons, the Association respectfully requests that the Court schedule  
17 this matter for trial in April or May 2009.

18 A Proposed Order is attached.

19 DATED this 17 day of July 2008.

20 CASEY & SKOGLUND PLLC.

21 By:   
22 Todd K. Skoglund, WSBA #30403  
23 Adil A. Siddiki, WSBA #37492  
Attorneys for Plaintiff

24  
25 <sup>3</sup> See Declaration of Todd Skoglund, Exhibit D.

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AUG 21 2008

CASEY & SKOGLUND PLLC

IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON

IN AND FOR THE COUNTY OF KING

BLAKELEY COMMONS  
CONDOMINIUM  
ASSOCIATION, a Washington no-profit  
corporation,  
Plaintiff,

Case No. 06-2-03941-6 SEA  
ORDER DENYING PLAINTIFF'S MOTION  
TO SET TRIAL DATE

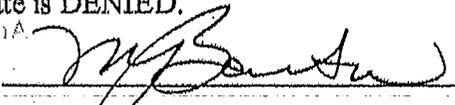
vs.

BLAKELEY VILLAGE LLC, INTRACORP  
REAL ESTATE LLC JOHN AND JANE  
DOES 1 through 20, CONTRACTOR DOES  
21  
Defendant.

The Court having considered the Defendant's Motion to Set Trial date, this motion is DENIED. Defendants have argued that RAP 7.2(1) divests this court of jurisdiction while the case is pending appellate review. The Court agrees. To ignore the rules and proceed to trial based upon the factual distinction between those parties who signed the warranty addendum and those who did not only creates confusion by effectively creating sub-groups of Plaintiffs.

Accordingly, Plaintiff's Motion to Set Trial Date is DENIED.

Dated on August 18, 2008.

  
Monica J. Benton  
King County Superior Court Judge

Mon: Monica J. Benton  
King County Superior Court  
513 Third Ave. Rm W355  
Seattle, WA 98104  
206-296-9242

Order on Motion To Set Trial Date