

NWMLS Form 21
Residential Purchase & Sale Agreement
Revised 6/06
Page 1 of 4

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RESIDENTIAL REAL ESTATE PURCHASE AND SALE AGREEMENT SPECIFIC TERMS

- Date:** June 12th, 2007 **MLS No.:** N/A
- Buyer:** Issaquah School District #411, a municipal corporation
- Seller:** James W. Behnke, a single person
- Property:** Tax Parcel Nos.: 722970-0275, 722970-0276 (King County)
Street Address: 13204 168th Ave SE, Renton Washington 98059
Included Items: stove/range refrigerator washer dryer dishwasher hot tub fireplace insert
 wood stove satellite dish security system other _____
Legal Description:
Blk 6, Lot 1 Renton Suburban Trs, WLY 142 FT - See attached Chicago Title Preliminary Title Report for full legal description
- Purchase Price:** \$ \$650,000.00
- Earnest Money:** (To be held by Selling Broker Closing Agent)
Personal Check: \$ _____
Note: \$ \$25,000.00
Other (_____): \$ _____
- Default:** (check only one) Forfeiture of Earnest Money Seller's Election of Remedies
- Title Insurance Company:** Chicago Title
- Closing Agent:** a qualified closing agent of Buyer's choice Chicago Title/Escrow
- Closing Date:** _____
- Possession Date:** on Closing Other _____
- Offer Expiration Date:** _____
- Counteroffer Expiration Date:** _____
- Addenda:** NWMLS 21, 22GA, 22J, 22T, 22U, 35, 68, 89, CBB AP, Addendum, Chicago Title Preliminary Report

- Agency Disclosure:** Selling Licensee represents Buyer Seller both parties neither party
Listing Agent represents Seller both parties

- Services of Closing Agent for Payment of Utilities:** Requested (Attach NWMLS Form 22K) Waived

[Signature] 4/15/07
Buyer's Signature Date

James W Behnke 7-18-07
Seller's Signature Date

Buyer's Signature Date

Seller's Signature Date

565 N.W. Holly Street
Buyer's Address

13204 168th Ave SE
Seller's Address

Issaquah, WA. 98027
City, State, Zip

Renton, WA. 98059
City, State, Zip

425-837-7000
Phone

425-255-6011
Phone

425-837-7000
Phone

tel
-Fax

crawfords@issaquah.wednet.edu
Buyer's E-mail Address

Seller's E-mail Address

Coldwell Banker Bain 5080
Selling Broker MLS Office No.

Selling Broker MLS Office No.

Peter C. Hayes
Selling Licensee (Print)

Listing Agent (Print)

206-790-5263 425-455-9659
Phone Fax

Phone Fax

206-790-5263 425-455-9659
Phone Fax

Phone Fax

Peter C. Hayes
Selling Licensee (Print)

Listing Agent (Print)

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RESIDENTIAL REAL ESTATE PURCHASE AND SALE AGREEMENT
GENERAL TERMS
(continued)

- a. **Purchase Price.** Buyer agrees to pay to Seller the Purchase Price, including the Earnest Money, in cash at Closing, unless otherwise specified in this Agreement. Buyer represents that Buyer has sufficient funds to close this sale in accordance with this Agreement and is not relying on any contingent source of funds or gifts, except to the extent otherwise specified in this Agreement. 1-4
- b. **Earnest Money.** Buyer agrees to deliver the Earnest Money within 2 days after mutual acceptance of this Agreement to Selling Licensee who will deposit any check to be held by Selling Broker, or deliver any Earnest Money to be held by Closing Agent, within 3 days of receipt or mutual acceptance, whichever occurs later. If the Earnest Money is held by Selling Broker and is over \$10,000.00 it shall be deposited into an interest bearing trust account in Selling Broker's name provided that Buyer completes an IRS Form W-9. Interest, if any, after deduction of bank charges and fees, will be paid to Buyer. Buyer agrees to reimburse Selling Broker for bank charges and fees in excess of the interest earned, if any. If the Earnest Money held by Selling Broker is over \$10,000.00 Buyer has the option to require Selling Broker to deposit the Earnest Money into the Housing Trust Fund Account, with the interest paid to the State Treasurer, if both Seller and Buyer so agree in writing. If the Buyer does not complete an IRS Form W-9 before Selling Broker must deposit the Earnest Money or the Earnest Money is \$10,000.00 or less, the Earnest Money shall be deposited into the Housing Trust Fund Account. Selling Broker may transfer the Earnest Money to Closing Agent at Closing. If all or part of the Earnest Money is to be refunded to Buyer and any such costs remain unpaid, the Selling Broker or Closing Agent may deduct and pay them therefrom. The parties instruct Closing Agent to: (1) provide written verification of receipt of the Earnest Money and notice of dishonor of any check to the parties and licensees at the addresses and/or fax numbers provided herein; and (2) commence an interpleader action in the 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 \$250.00 of the costs thereof) unless the parties agree otherwise in writing. 5-21
- c. **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; ventilating, air conditioning and heating fixtures; trash compactor; fireplace doors, gas logs and gas log lighters; irrigation fixtures; electric garage door openers; water heaters; installed electrical fixtures; lighting fixtures; shrubs, plants and trees planted in the ground; and all bathroom 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 leased or encumbered, Seller agrees to acquire and clear title at or before Closing. 22-28
- d. **Condition of Title.** Unless otherwise specified in this Agreement, title to the Property shall be marketable at Closing. The following shall not cause the title to be unmarketable: rights, reservations, covenants, conditions and restrictions, presently of record and general to the area; easements and encroachments, not materially affecting the value of or unduly interfering with Buyer's reasonable use of the Property; and reserved oil and/or mining rights. Monetary encumbrances 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 buyer's assignment of the contract sufficient to convey after acquired title. 29-35
- e. **Title Insurance.** Seller authorizes Buyer's lender or Closing Agent, at Seller's expense, to apply for an Homeowner's Policy of Title Insurance for One-to-Four Family Residence (ALTA 1998), from the Title Insurance Company. If the Title Insurance Company selected by the parties will not issue a Homeowner's Policy for the Property, the parties agree that the Title Insurance Company shall instead issue a standard form Owner's Policy (ALTA 1992). The Title Insurance Company is to send a copy of the preliminary commitment to both Listing Agent and Selling Licensee. The preliminary commitment, and the title policy to be issued, shall contain no exceptions other than the General Exclusions and Exceptions in the Policy and Special Exceptions consistent with the Condition of Title herein provided. If title cannot be made so insurable prior to the Closing Date, then as Buyer's sole and exclusive remedy, the Earnest Money shall, unless Buyer elects to waive such defects or encumbrances, be refunded to the Buyer, less any unpaid costs described in this Agreement, and this Agreement shall thereupon be terminated. Buyer shall have no right to specific performance or damages as a consequence of Seller's inability to provide insurable title. 36-46
- f. **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 1.16.050, 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. 47-51

Initials: BUYER: DATE: 7/19/07 SELLER: JNB DATE: 7-18-07
 BUYER: DATE: SELLER: DATE:



**RESIDENTIAL REAL ESTATE PURCHASE AND SALE AGREEMENT
GENERAL TERMS**

(continued)

- g. **Possession.** Buyer shall be entitled to possession at 9:00 p.m. on the Possession Date. Seller agrees to maintain the Property in its present condition, normal wear and tear excepted, until the Buyer is entitled to possession. 54
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- h. **Closing Costs and Prorations.** Seller and Buyer shall each pay one-half of the escrow fee unless this sale is FHA or VA financed, in which case it shall be paid according to FHA or VA regulations. Taxes for the current year, rent, interest, and lienable homeowner's association dues shall be prorated as of Closing. Buyer agrees to pay Buyer's loan costs, including credit report, appraisal charge and lender's title insurance, unless provided otherwise in this Agreement. If any payments are delinquent on encumbrances which will remain after Closing, Closing Agent is instructed to pay them at Closing from money due, or to be paid by, Seller. Buyer agrees to pay for remaining fuel in the fuel tank if, prior to Closing, Seller obtains a written statement as to the quantity and current price from the supplier. Seller agrees to pay all utility charges, including unbilled charges. Unless waived in Specific Term No. 16, Seller and Buyer request the services of Closing Agent in disbursing funds necessary to satisfy unpaid utility charges in accordance with RCW 60.80 and Seller agrees to provide the names and addresses of all utilities providing service to the Property and having lien rights (attach NWMLS Form 22K Identification of Utilities or equivalent). 56
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- i. **Sale Information.** The Listing Agent or Selling Licensee is authorized to report this Agreement (including price and all terms) to the Multiple Listing Service that published it and to its members, financing institutions, appraisers, and anyone else related to this sale. Buyer and Seller expressly authorize all Closing Agents, appraisers, title insurance companies, and others related to this Sale, to furnish the Listing Agent and/or Selling Licensee, on request, any and all information and copies of documents concerning this sale. 67
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- j. **FIRPTA - Tax Withholding at Closing.** The Closing Agent is instructed to prepare a certification (NWMLS Form 22E or equivalent) that Seller is not a "foreign person" within the meaning of the Foreign Investment in Real Property Tax Act. Seller agrees to sign this certification. If Seller is a foreign person, and this transaction is not otherwise exempt from FIRPTA, Closing Agent is instructed to withhold and pay the required amount to the Internal Revenue Service. 72
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- k. **Notices.** In consideration of the license to use this and NWMLS's companion forms and for the benefit of the Listing Agent and the Selling Licensee as well as the orderly administration of the offer, counteroffer or this Agreement, the parties irrevocably agree that unless otherwise specified in this Agreement, any notice required or permitted in, or related to, this Agreement (including revocations of offers or counteroffers) must be in writing. Notices to Seller must be signed by at least one Buyer and shall be deemed given only when the notice is received by Seller, by Listing Agent or at the licensed office of Listing Agent. Notices to Buyer must be signed by at least one Seller and shall be deemed given only when the notice is received by Buyer, by Selling Licensee or at the licensed office of Selling Licensee. Receipt by Selling Licensee of a Seller Disclosure Statement, Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards, Public Offering Statement or Resale Certificate, or a preliminary commitment for title insurance provided pursuant to NWMLS Form 22T shall be deemed receipt by Buyer. Selling Licensee and Listing Agent have no responsibility to advise of receipt of a notice beyond either phoning the party or causing a copy of the notice to be delivered to the party's address shown on this Agreement. Buyer and Seller must keep Selling Licensee and Listing Agent advised of their whereabouts in order to receive prompt notification of receipt of a notice. 76
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- l. **Computation of Time.** Unless otherwise specified in this Agreement, any period of time measured in days and stated in this Agreement shall start on the day following the event commencing the period and shall expire at 9:00 p.m. of the last calendar day of the specified period of time. Except for the Possession Date, if the last day is a Saturday, Sunday or legal holiday as defined in RCW 1.16.050, the specified period of time shall expire on the next day that is not a Saturday, Sunday or legal holiday. Any specified period of 5 days or less shall not include Saturdays, Sundays or legal holidays. If the parties agree that an event will occur on a specific calendar date, the event shall occur on that date, except for the Closing Date, which, if it falls on a Saturday, Sunday or legal holiday as defined in RCW 1.16.050, shall occur on the next day that is not a Saturday, Sunday, or legal holiday. Time is of the essence of this Agreement. 89
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- m. **Facsimile and E-mail Transmission.** Facsimile transmission of any signed original document, and retransmission of any signed facsimile transmission, shall be the same as delivery of an original. At the request of either party, or the Closing Agent, the parties will confirm facsimile transmitted signatures by signing an original document. E-mail transmission of any document or notice shall not be effective unless the parties to this Agreement otherwise agree in writing. 97
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- n. **Integration.** This Agreement constitutes the entire understanding between the parties and supersedes all prior or contemporaneous understandings and representations. No modification of this Agreement shall be effective unless agreed in writing and signed by Buyer and Seller. 101
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Initials: BUYER: bc DATE: 6/15/07 SELLER: JTB DATE: 7-18-07 104
 BUYER: _____ DATE: _____ SELLER: _____ DATE: _____ 105



RESIDENTIAL REAL ESTATE PURCHASE AND SALE AGREEMENT
GENERAL TERMS
(continued)

- o. **Assignment.** Buyer may not assign this Agreement, or Buyer's rights hereunder, without Seller's prior written consent, unless the parties indicate that assignment is permitted by the addition of "and/or assigns" on the line identifying the Buyer on the first page of this Agreement. 106-108
- 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: 109-110
 - 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. 111-112
 - II. **Seller's Election of Remedies.** Seller may, at Seller's option, (a) keep the Earnest Money as liquidated damages as the sole and exclusive remedy available to Seller for such failure, (b) bring suit against Buyer for Seller's actual damages, (c) bring suit to specifically enforce this Agreement and recover any incidental damages, or (d) pursue any other rights or remedies available at law or equity. 113-116
- 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. 117-118
- 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. 119-122
- 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 that counteroffer, unless sooner withdrawn. Acceptance shall not be effective until a signed copy is actually received by Seller, by Listing Agent or at the licensed office of Listing Agent. If the counteroffer is not so accepted, it shall lapse and any Earnest Money shall be refunded to Buyer. If no expiration date is specified for a counteroffer, the counteroffer shall expire at 9:00 p.m. 2 days after the counteroffer is delivered by the last party making the counteroffer, unless sooner withdrawn. 123-129
- 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." 130-136
- 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 hereby consent to Listing Broker or Selling Broker receiving compensation from more than one party. Seller and Buyer hereby assign to Listing Broker and Selling Broker, as 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. 137-143
- v. **Cancellation Rights/Lead-Based Paint.** If a residential dwelling was built on the Property prior to 1978, and Buyer receives a Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards (NWMLS Form 22J) after mutual acceptance, Buyer may rescind this Agreement at any time up to 3 days thereafter. 144-146
- w. **Property Condition Disclaimer.** Real estate brokers and salespersons do not guarantee the value, quality or condition of the Property. Some properties may contain building materials, including siding, roofing, ceiling, insulation, electrical, and plumbing materials, that have been the subject of lawsuits and/or governmental inquiry because of possible defects or health hazards. In addition, some properties may have other defects arising after construction, such as drainage, leakage, pest, rot and mold problems. Real estate licensees do not have the expertise to identify or assess defective products, materials, or conditions. Buyer is urged to retain Inspectors qualified to identify the presence of defective materials and evaluate the condition of the Property. 147-153

Initials: BUYER: DATE: 6/15/07 SELLER: JTB DATE: 7-18-'07 154 ←

BUYER: _____ DATE: _____ SELLER: _____ DATE: _____ 155

CBB FORM NO. 22GA
COLDWELL BANKER BAIN
GENERAL ADDENDUM/AMENDMENT
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GENERAL ADDENDUM/AMENDMENT TO PURCHASE AND SALE AGREEMENT

The following is a part of the Purchase and Sale Agreement dated June 12th, 2007,
between Issaquah School District, a municipal corporation ("Buyer")
and James W. Behnke, a single person ("Seller")
concerning: 13204 168th Ave SE, Renton Wa 98059 & Vacant parcel 722970-0276 ("Property").

- Buyer and Seller acknowledge that they have not received or relied on any statements or representations by agent regarding the tax or legal consequences of this Agreement. Buyer and Seller are advised to seek independent legal or financial counsel regarding this Agreement.
- Sellers are required by law (under most circumstances) to provide a Buyer a Seller Disclosure Statement (NWMLS Form 17).
- The Buyer is **strongly urged** to conduct a Neighborhood Review and an Inspection at Buyer's expense as Buyer deems necessary to ascertain the true condition of the property and the neighborhood. Buyer should not solely rely upon the Seller Real Property Disclosure Statement (NWMLS Form 17) as a substitute for an Inspection or Neighborhood Review. Buyer's inspector should pay particular attention to moisture-related problems. Buyers concerned about moisture-related problems should refer to the new EPA mold guide <http://www.epa.gov/iaq/molds/moldguide.html>.

IT IS AGREED BETWEEN THE SELLER AND BUYER AS FOLLOWS:

Please note: (1) Paragraphs leading with are applicable only if checked.
(2) ⇨ indicates where action is required.

1. **EARNEST MONEY.** The earnest money referred to in the Purchase and Sale Agreement shall be deposited by receiving Broker no later than the first banking day following mutual acceptance.

2. **NEIGHBORHOOD REVIEW.** Buyer's inspection includes Buyer's subjective satisfaction that the conditions of the neighborhood in which the Property is located are consistent with Buyer's intended use of the Property (the "Neighborhood Review"). The Neighborhood Review may include Buyer's investigation of the schools, proximity to bus lines, availability of shopping, traffic patterns, noise, views and view corridors, parking and investigation of other neighborhood, environmental and safety conditions the Buyer may determine to be relevant in deciding to purchase the Property.
If Buyer does not give notice of disapproval of the Neighborhood Review within _____ days (3 days if not filed in) of mutual acceptance of the Agreement, then this Neighborhood Review condition shall conclusively be deemed satisfied (waived). If Buyer gives a timely notice of disapproval, then this Agreement shall terminate and the Earnest Money shall be refunded to Buyer.
⇨ Buyer chooses declines to conduct a Neighborhood Review.

3. **HOMEOWNER'S WARRANTY.** Coldwell Banker Bain has advised the Buyer and Seller that there are commercially available homeowner's warranties that insure many structural and mechanical components of the residence.
Buyers have elected to (choose one)
⇨ obtain an AON Home Warranty.
 obtain a _____ home warranty.
 not obtain a home warranty.
⇨ The home warranty, if requested, shall be paid as a Buyer expense Seller expense.

4. **EXTENDED COVERAGE TITLE INSURANCE.** Extended Title Insurance may be beneficial by providing coverage for title defects and other issues not covered in other policies. Notwithstanding the "Title Insurance" clause in this Agreement, Seller shall apply for an Extended Coverage Policy of Title Insurance. Buyer shall pay the excess premium over that charged for a Form 10-03 policy. If the Title Insurance Company selected by the parties will not issue an Extended Policy of Title Insurance for the Property, the parties agree that the Title Insurance Company shall issue a Homeowner's Policy Form 10-03 instead.
The Title Insurance Company may provide extended coverage without requiring a survey. In the event the Title Insurance Company does not require a survey in order to issue this policy, Buyer may request and pay for such survey.

INITIALS: Buyer: Date: 6/15/07 Seller: JWB Date: 7-18-07 ←
Buyer: Date: Seller: Date:

CBB FORM NO. 220A
COLDWELL BANKER BAIN
GENERAL ADDENDUM/AMENDMENT
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12. MAINTENANCE OF PROPERTY AND RE-INSPECTION.

Property and grounds shall be maintained by the Seller, up to the time of transfer of possession, in substantially the same condition as when viewed by Buyer. All plumbing, heating, electrical systems and included appliances shall be in the same condition at time of transfer as when initially inspected by Buyer. Should an appliance or system break down or malfunction prior to closing, Seller shall either repair or replace with an appliance of comparable quality. Buyer reserves the right to walk through the Property within three (3) days prior to closing or transfer of possession, whichever occurs first, to verify the condition of Property. Seller agrees to clean the interiors of any structures and remove all trash, debris and appliances not included in the sale prior to Buyer taking possession.

13. LOT SIZE, SQUARE FOOTAGE, BOUNDARIES AND EASEMENTS. Coldwell Banker Bain Associates and its agents make no representation as to the accuracy of lot size or the square footage of the Property, including the improvements therein, and whether or not there are any encroachments, easements or protected areas on the Property. If this parcel has not been surveyed, then all measurements and square footage are based solely on the County Assessors Records, which are not guaranteed to be either correct or accurate. Buyer is advised to verify correct lot size, square footage of all structural improvements, boundaries, encroachments, wetlands or easements to their own satisfaction during Buyer's inspection or feasibility period.

14. 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.

15. SERVICE PROVIDERS/DISCLOSURE. If agent or CBBA furnishes Buyer or Seller referrals to vendors or service providers, including those named in paragraph 16, agent and broker do not warrant the provider's performance. Agent referrals are based upon agent's prior satisfaction with vendor's performance.


16. BUSINESS RELATIONSHIP DISCLOSURE. Coldwell Banker Bain Associates has a preferred vendor relationship with AON Warranty and other business service providers. Coldwell Banker Bain Associates has a financial interest or shares common ownership in Escrow Professionals of Washington, Landover Mortgage and Rainier Title & Escrow Agency of Washington (Affiliated Business Arrangement Disclosure Statement attached).

17. SELLING BROKER'S COMMISSION. If there is no written listing agreement, ^{BUYER} Seller agrees to pay Selling Broker a commission of 4 % of sales price or \$ _____. If the Earnest Money is retained as liquidated damages, any costs advanced or committed by Listing Agent or Selling Licensee shall be reimbursed or paid therefrom, and the balance shall be divided equally between Seller and Selling Broker.

18. NOTICE TO BUYER. INFORMATION REGARDING REGISTERED SEX OFFENDERS MAY BE OBTAINED FROM LOCAL LAW ENFORCEMENT AGENCIES. THIS NOTICE IS INTENDED ONLY TO INFORM YOU OF WHERE TO OBTAIN THIS INFORMATION AND IS NOT AN INDICATION OF THE PRESENCE OF REGISTERED SEX OFFENDERS. This notice regarding sex offenders does not create any legal duty on the part of the Seller, or on the part of any Real Estate Licensee or Broker, to investigate or to provide the Buyer with information regarding the actual presence, or lack thereof, of registered sex offenders in the area of any property you may be interested in purchasing or renting.

19. OTHER:

ALL OTHER TERMS AND CONDITIONS of said Purchase and Sale Agreement remain unchanged.



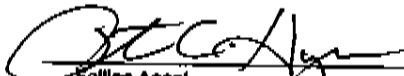
Buyer
4/15/07
Date



Seller
7-18-07
Date

Buyer
Date

Seller
Date



Selling Agent
6-12-07
Date

Listing Agent
Date

CBB FORM NO. 220A
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GENERAL ADDENDUM/AMENDMENT
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5. **POST-CLOSING POSSESSION.** This Agreement provides for Seller's possession of the Property after closing. CBB Form 66 is attached hereto and incorporated herein by this reference. If Buyer accepts deposit for damages, NWMLS Form 66A is included as part of this Agreement. Note, where applicable, **RCW 59.18.060 compliance:** Tenant is hereby notified to review the following websites regarding mold issues as per RCW 59.18.060: Washington State Department of Health (DOH) web page www.doh.wa.gov/ehp/ts/IAQ/Got_Mold.html and/or EPA document www.epa.gov/iaq/molds/moldguide.html.

6. **COUNTY/CITY REQUIREMENTS.**

- KING COUNTY:** The Property is within King County and is not served by a public sewer system, attached NWMLS Form 22L – King County Addendum.
- SNOHOMISH COUNTY:** The Property is within Snohomish County, the following forms are attached hereto as required by Snohomish County:
 - NWMLS Form 22G – Right to Farm
 - NWMLS Form 22H – Right to Practice Forestry
 - NWMLS Form 22I – Designated Mineral Land Disclosure Statement
 - NWMLS Form 22Z – Smoke Detector Certification
- PIERCE COUNTY:** The Property is within Pierce County and is not served by a public sewer system, attached NWMLS Form 22WW – Pierce County Septic Addendum..
- OTHER:** The Property is within _____ County/City; the following forms are attached hereto as required by named County/City:

7. **ITEMS LEFT BY SELLER.** Any personal property, fixtures or other items remaining on the Property when possession is transferred to Buyer shall thereupon become the property of the Buyer, and may be retained or disposed of as Buyer determines; however, nothing within paragraph 7 diminishes the provisions of paragraph 12. In addition to all items listed in the Purchase and Sale Agreement, the following items have no significant value to the Seller and shall remain at the time of closing as a convenience to the Seller:

8. **UTILITIES.** Buyer and Seller understand that none of the parties has expertise concerning wells and septic systems. To the best of the Seller's knowledge, Seller represents that the Property is connected to a: public water main well (attached NWMLS Form 22R) public sewer main septic tank (attached NWMLS Form 22S) none of the foregoing.

- 9. **SANITARY SEWER CAPACITY.** Sanitary Sewer capacity charges, if any, shall be assumed by Buyer at closing.
- 10. **TITLE INSURANCE.** The "standard" Title Policy is an ALTA Homeowner's Expanded Policy of Title Insurance (Form 10-03).
- 11. **CONDOMINIUM/COOPERATIVE/P.U.D/HOMEOWNER'S ASSOCIATION/PRIVATE MAINTENANCE ASSOCIATIONS MEETING MINUTES/ FINANCIAL STATEMENTS.** If this Agreement is for the purchase of a condominium / cooperative / planned unit development and/or the Property is subject to a homeowner's association or a private maintenance association, then Seller shall provide Buyer notice with a copy of the following documents (if available from the Association):
 1. The minutes of the prior two (2) years meetings of the Association;
 2. The minutes of the prior six (6) months meetings of the Association Board of Directors;
 3. Last two (2) years annual financial statements.
 These documents shall be provided with the Condominium Resale Certificate or within five (5) days of mutual acceptance if property is not subject to a Resale Certificate. Buyer shall have the right to disapprove these documents by providing notice of disapproval within five (5) days of receipt. Should Buyer disapprove the documents within the specified time, then this agreement shall terminate and the earnest money deposit shall be returned immediately to the Buyer. If Buyer does not issue a notice of disapproval within the specified time period, then these documents shall be deemed approved.

| | | | | |
|-----------|------------------|----------------------|--------------------|------------------------|
| INITIALS: | Buyer: <u>SK</u> | Date: <u>6/15/07</u> | Seller: <u>JWB</u> | Date: <u>7-18-07</u> ← |
| | Buyer: _____ | Date: _____ | Seller: _____ | Date: _____ |

NWMLS Form 22J
W.A.R. Form No. A-11
Disclosure Lead Based Paint and Hazards
Rev. 03/03
Page 1 of 2

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**DISCLOSURE OF INFORMATION ON LEAD-BASED PAINT
AND LEAD-BASED PAINT HAZARDS**
Addendum to Purchase & Sale or Lease Agreement

The following is part of the Purchase & Sale Agreement dated June 12th, 2007 1
between Issaquah School District, a municipal corporation ("Buyer" and/or "Lessee") 2
and James W. Behnke, a single person ("Seller" and/or "Lessor") 3
concerning 13204 168th Ave SE, Renton Wa 98059 & Vacant parcel 722970-0276 (the "Property") 4

Purchase & Sale Agreement Lead Warning Statement 5

Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 6
is notified that such property may present exposure to lead from lead-based paint that may place young children 7
at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological 8
damage, including learning disabilities, reduced intelligence quotient, behavioral problems and impaired memory. 9
Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real 10
property is required to provide the buyer with any information on lead-based paint hazards from risk assessments 11
or inspections in the seller's possession and notify the buyer of any known lead-based paint hazards. A risk 12
assessment or inspection for possible lead-based paint hazards is recommended prior to purchase. 13

Lease Agreement Lead Warning Statement 14

Housing built before 1978 may contain lead-based paint. Lead from paint, paint chips, and dust can pose health 15
hazards if not taken care of properly. Lead exposure is especially harmful to young children and pregnant women. 16
Before renting pre-1978 housing, landlords must disclose the presence of known lead-based paint and lead-based 17
paint hazards in the dwelling. Tenants must also receive a Federally approved pamphlet on lead poisoning 18
prevention. 19

Cancellation Rights 20

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

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

Seller's/Lessor's Disclosure 24

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

- Known lead-based paint and/or lead-based paint hazards are present in the housing (explain). 26
 Seller/Lessor has no knowledge of lead-based paint and/or lead-based paint hazards in the housing. 27

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

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

- Seller/Lessor has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in 31
the housing. 32
33
34

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

James W Behnke 7-18-07
Seller/Lessor Date Seller/Lessor Date 37

Initials: BUYER/LESSEE: ml DATE: 6/15/07 SELLER/LESSOR: JWB DATE: 7-18-07 38
BUYER/LESSEE: _____ DATE: _____ SELLER/LESSOR: _____ DATE: _____ 39

NWMLS Form 22J
W.A.R. Form No. A-11
Disclosure Lead Based Paint and Hazards
Rev. 03/03
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**DISCLOSURE OF INFORMATION ON LEAD-BASED PAINT
AND LEAD-BASED PAINT HAZARDS**

Addendum to Purchase & Sale or Lease Agreement
(Continued)

Buyer's/Lessee's Acknowledgment

- (c) Buyer/Lessee has received copies of all information listed above. 40
- (d) Buyer/Lessee has received the pamphlet "Protect Your Family from Lead In Your Home." 41
- (e) Buyer has (check one below only if Purchase and Sale Agreement): 42

Valued the opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards. 43

Accepted an opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards on the following terms and conditions: 44

This Agreement is conditioned upon a risk assessment or inspection of the Property for the presence of lead-based paint and/or lead-based paint hazards, to be performed by a risk assessor or inspector at the Buyer's expense. (Intact lead-based paint that is in good condition is not necessarily a hazard. See the EPA pamphlet "Protect Your Family From Lead in Your Home" for more information.) 45

This contingency SHALL CONCLUSIVELY BE DEEMED SATISFIED (WAIVED) unless Buyer gives written notice of disapproval of the risk assessment or inspection to the Seller within _____ (10 days if not filled in) after receiving this Disclosure. Buyer's notice must identify the specific existing deficiencies and corrections needed and must include a copy of the inspection and/or risk assessment report. 46

The Seller may, at the Seller's option, within 30 days (3 days if not filled in) after Seller's receipt of Buyer's disapproval notice, give written notice that Seller will correct the conditions identified by Buyer. If Seller agrees to correct the conditions identified by Buyer, then it shall be accomplished at Seller's expense prior to the closing date, and Seller shall provide Buyer with certification from a risk assessor or inspector demonstrating that the condition(s) has been remedied prior to the closing date. In lieu of correction, the parties may agree on any other remedy for the disapproved condition(s), including but not limited to cash payments from Seller to Buyer or adjustments in the purchase price. If such an agreement on non-repair remedies is secured in writing before the expiration of the time period set forth in this subparagraph, then this contingency will be deemed satisfied. 47

If the Seller does not give notice that the Seller will correct the conditions identified in Buyer's risk assessment or inspection, or if the parties cannot reach an agreement on alternative remedies, then Buyer may elect to give notice of termination of this Agreement within 10 days (3 days if not filled in) after expiration of the time limit in the preceding subparagraph or delivery of the Seller's notice pursuant to the preceding subparagraph, whichever first occurs. The earnest money shall then be returned to the Buyer and the parties shall have no further obligations to each other. Buyer's failure to give a written notice of termination means that the Buyer will be required to purchase the Property without the Seller having corrected the conditions identified in Buyer's risk assessment or inspection and without any alternative remedy for those conditions. 48

Buyer waives the right to receive an amended Real Property Transfer Disclosure Statement (NWMLS Form No. 17 or equivalent) pursuant to RCW 64.06 based on any conditions identified in inspection and/or risk assessment report(s). 49

Buyer has reviewed the information above and certifies, to the best of Buyer's knowledge, that the statements made by Buyer are true and accurate. 50

Buyer/Lessee Date 6/15/07 Buyer/Lessee Date _____ 51

Licenses' Acknowledgment 52

Licenses have informed the Seller/Lessor of the Seller's/Lessor's obligations under 42 U.S.C. 4852(d) and are aware of their responsibility to ensure compliance. 53

[Signature] 6-12-07
Selling Licensee Date Listing Agent Date 54

Initials: BUYER/LESSEE: HL DATE: 6/15/07 SELLER/LESSOR: JWB DATE: 7-18-07 55
BUYER/LESSEE: _____ DATE: _____ SELLER/LESSOR: _____ DATE: _____ 56

NWMLS FORM 22L
King County Addendum
Rev. 04/01
Page 1 of 1

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KING COUNTY ADDENDUM TO PURCHASE AND SALE AGREEMENT

The following is part of the Purchase and Sale Agreement dated June 12th, 2007 1
between Issaquah School District, a municipal corporation ("Buyer") 2
and James W. Behnke, a single person ("Seller") 3
concerning 13204 168th Ave SE, Renton, WA. 98059 (the "Property"). 4

1. **Percolation Test Disclosure.** If the Property (a) is not served by an approved public or private sewer system and (b) is to be improved for residential or business use, Seller agrees to deliver to Buyer the Percolation Test Disclosure required by King County. 5
6
7

2. **On-Site Sewage System Operation and Maintenance Requirements.** If the Property is served by an on-site sewage system that is not connected to a public sewer system, Seller agrees to deliver to Buyer a Seller's Notice of On-site Sewage System Operation and Maintenance Requirements, as required by King County, which shall be recorded on or before Closing. In addition, Buyer hereby agrees to deliver to Seller on or before closing a Buyer's Declaration of Receipt of Copy of Notice of On-Site Sewage System Operation and Maintenance Requirements, as required by King County. 8
9
10
11
12
13
14

Initials: BUYER: GL DATE: 6/15/07 SELLER: JWB DATE: 7-16-07 15
BUYER: _____ DATE: _____ SELLER: _____ DATE: _____ 16



NWMLS Form 22T
Title Contingency Addendum
Rev. 6/06
Page 1 of 1

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TITLE CONTINGENCY ADDENDUM TO PURCHASE & SALE AGREEMENT

The following is part of the Purchase and Sale Agreement dated June 12th, 2007
between Issaquah School District, a municipal corporation ("Buyer")
and James W. Behnke, a single person ("Seller")
concerning 13204 168th Ave SE, Renton Wa 98059 & Vacant parcel 722970-0276 ("the Property")

1. **Title Contingency.** This Agreement is subject to Buyer's review of a preliminary commitment for title insurance, together with easements, covenants, conditions and restrictions of record, which are to be obtained by Buyer, to determine that they are consistent with Buyer's intended use of the Property. Buyer shall have 30 days (5 days if not filled in) from mutual acceptance of this Agreement or from the date of Buyer's receipt of the preliminary commitment for title insurance (from mutual acceptance, if neither box checked) to give written notice of Buyer's disapproval and the reasons therefore. Buyer may only disapprove exceptions that are contained in the preliminary commitment and may not object to matters not contained therein.

Seller shall have _____ days (5 days if not filled in) after receipt of Buyer's notice of disapproval to give Buyer written notice that Seller will clear all disapproved exceptions. Seller shall have until the Closing Date to cure all disapproved exceptions. If Seller does not give timely notice that Seller will clear all disapproved exceptions, Buyer may terminate this Agreement within 3 days after the deadline for Seller's notice. In the event Buyer elects to terminate the Agreement, the Earnest Money shall be returned to Buyer, less any unpaid costs described in the Agreement. Buyer shall have no right to specific performance or damages as a consequence of Seller's inability to provide insurable title. If Buyer does not terminate the Agreement, Buyer shall be deemed to have waived all objections to title, which Seller did not agree to clear.

2. **Supplemental Title Reports.** If Buyer receives supplemental title reports that disclose new exception(s) to the title commitment, then the time periods and procedures for notice, correction, and termination above shall apply to the date of Buyer's receipt of the supplemental title report.

3. **Marketable Title.** This Addendum does not relieve Seller of the obligation to provide marketable title at closing as provided in the Agreement.

Initials: BUYER: DATE: 6/19/07 SELLER: JWB DATE: 7-18-07
BUYER: DATE: SELLER: DATE:



RETURN ADDRESS

13204 168th Ave SE
Renton, WA 98059

Please print neatly or type information

Document Title:

King County Form--Seller's Notice of On-Site Sewage System Operation and Maintenance Requirements

Reference Number(s) of Related Documents:

_____ Additional Reference #s on page _____

Grantor(s) (Last, First, and Middle Initial)

_____ Additional Grantors on page _____

Grantee(s) (Last, First, and Middle Initial)

THE PUBLIC

Legal Description (abbreviated form: lot, block, plat or section, township, range, quarter/quarter)

Tax Parcel Nos: 722970-0275, ---¹/₈--- 722970-0276

_____ Additional legal is on page _____

Assessor's Property Tax Parcel/Account Number

_____ Additional parcel #s on page _____

The Auditor/Recorder will rely on the information provided on this form. The staff will not read the documents to verify the accuracy or completeness of the indexing information provided herein.

NWMLS Form 22U
Seller's Notice of OSS
Rev. 3/03
Page 2 of 3

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**KING COUNTY FORM -
SELLER'S NOTICE OF ON-SITE SEWAGE SYSTEM
OPERATION AND MAINTENANCE REQUIREMENTS**

Assessor's Tax Parcel ID#: 722970-0275 & 722970-0271

1. Seller is the owner of real property within King County, which is legally described as follows:
BLK 6, Lot 1, Renton Suburban Trs. WLY 142 Ft

2. The above-described real property is served by an on-site sewage system ("OSS").

3. The Code of the King County Board of Health, Section 13.60.005 establishes certain responsibilities of the OSS owner with respect to the operation and maintenance of an On-site Sewage System, as follows:

- A. The OSS owner is responsible for the continuous proper operation and maintenance of the OSS, and shall:
 - 1. Determine the level of solids and scum in the septic tank at least once every three (3) years for residential system with no garbage grinder and once every year if a garbage grinder is installed and, unless otherwise provided in writing by the health officer, once every year for commercial systems.
 - 2. Employ an approved pumper to remove the septage from the tank when the level of solids and scum indicates that removal is necessary.
 - 3. Cause preventive maintenance/system performance monitoring inspections to be conducted and any indicated service to be performed by an approved person at a minimum frequency in accordance with Table 13.60-1 unless otherwise established by the health officer or the sewage review committee.
 - 4. Operate and maintain all OSS in accordance with this title, with pertinent alternative system guidelines issued by the DOH [State of Washington Department of Health] and with the approved OSS owner's operating and maintenance instruction manual.
 - 5. Protect the OSS area including the reserve area from:
 - a. Cover by structures or impervious material;
 - b. Surface drainage;
 - c. Soil compaction, for example, by vehicular traffic or livestock; and
 - d. Damage by soil removal and grade alteration.
 - 6. Maintain the flow of sewage to the OSS at or below the approved design both in quantity and waste strength.
 - 7. Direct drains, such as footing of roof drains away from the area where the OSS is located.

ADDENDUM/AMENDMENT TO PURCHASE AND SALE AGREEMENT

The following is part of the Purchase and Sale Agreement dated June 12th, 2007, between Issaquah School District. A municipal corporation ("Buyer") and James W. Behnke, a single person ("Seller") concerning 13204 168TH Ave SE, Renton, WA. 98059 and a Vacant parcel, commonly known as King County tax parcels; [722970-0275 & 722970-0276]

IT IS AGREED BETWEEN THE SELLER AND BUYER AS FOLLOWS:

Bond Issuance Contingency. Buyer shall have until August 1 2007 (the "Bond Issuance Contingency") to obtain Bond Issuance Approval for its contemplated acquisition of the Property (the "Bond Issuance Contingency Period"). During the Bond Issuance Contingency Period, Buyer shall have the unrestricted right to terminate this Agreement upon written notice to Seller if Buyer is specifically not able, despite its best efforts, to gain the necessary public vote approval or if necessary, approval through other means, to obtain bond financing for its intended acquisition of the Property. If Buyer elects to terminate this Agreement, Escrow Agent shall return the Deposit to Buyer, deliver any Monthly Payments made to Escrow Agent to Seller and except as otherwise expressly provided herein, neither party shall have any further rights, duties and obligations under this Agreement.

Environmental Matters. To the best of Seller's knowledge, the Property is not in violation of any Environmental Laws. Except in the normal and customary use of the Property as a single family home and out-building used for Seller's construction business and maintenance of Seller's vehicles, Seller has not caused or allowed the use, generation, treatment, manufacture, production, storage, discharge or disposal of Hazardous Substances on the Property or caused or allowed the Release of Hazardous Substances in, onto, at or near the Property nor to the best of Seller's knowledge has any Hazardous Substances been used, generated, treated, manufactured, produced, stored, Released, discharged or disposed of on, under or about the Property (or off-site of the Property that might affect the Property). To the best of Seller's knowledge, the Property has not been used as a sanitary landfill, petroleum processing or storage plant, gas station, dump, industrial waste disposal area or other similar use, and no storage tanks are located on the Property except for a septic tank and single family oil tank used for the heating of the single family residence. No other underground storage tank is presently located on or has been removed from the Property. Neither Seller nor any member of Seller has received notice of any proceedings, claims or lawsuits arising from the Release or potential Release of Hazardous Substances or other violation or alleged violation of Environmental Laws affecting the Property.

Seller hereby agrees to defend, protect, indemnify and hold Buyer harmless from any and all loss, damage, liability or expense, including attorneys' fees and costs, Buyer may suffer as a result of any breach of or any material inaccuracy in the foregoing representations and warranties.

Buyer's Representations and Warranties. In order to induce Seller to enter into this Agreement and the transactions contemplated hereby, Buyer makes the following representations and warranties to Seller as of the date of this Agreement and again as of the Closing Date:

(a) Buyer is authorized and empowered to enter into this Agreement and perform all of its obligations under this Agreement without any qualification whatsoever.

(b) Buyer is a municipal corporation validly existing and in good standing under the laws of the State of Washington, and is qualified to do business in the State of Washington. Buyer has obtained all approvals necessary to enter into this Agreement. This includes any approvals needed under its articles of incorporation, charter or other governing documents, and any approvals. Buyer is authorized and empowered to enter into this Agreement and perform all of its obligations under this Agreement without any qualification whatsoever.

(c) There is no litigation, investigation or proceeding pending, or, to the knowledge of Buyer, contemplated or threatened against Buyer which would impair or adversely affect Buyer's ability to perform its obligations under this Agreement.

(d) As a municipal corporation Buyer, and the sale of the property to Buyer as contemplated in this Agreement is exempt from the real estate excise tax imposed under RCW 82.45 et. seq.

Buyer hereby agrees to defend, protect, indemnify and hold Seller harmless from any and all loss, damage, liability or expense, including attorneys' fees and costs, Seller may suffer as a result of any breach of or any material inaccuracy in the foregoing representations and warranties.

Agency Disclosure. At the signing of this Agreement the Seller was not represented by a real estate agent. Peter C. Hayes of Coldwell Banker Bain represented the Buyer. Each party signing this document confirms that prior oral and/or written disclosure of agency was provided to such party in this Agreement. WAC 308-1240-04.

Brokers and Finders. Each party represents to the other that no broker has been involved in this transaction except Peter C. Hayes of Coldwell Banker Bain, whose brokerage commission, in the amount of four percent (4%) of the Purchase Price, shall be paid by Buyer upon Closing. In the event of a claim for broker's fee, finder's fee, commission or other similar compensation in connection herewith other than as set forth above, Buyer, if such claim is based upon any agreement alleged to have been made by Buyer, hereby agrees to indemnify Seller against and hold Seller harmless from any and all damages, liabilities, costs, expenses and losses (including, without limitation, reasonable attorneys' fees and costs) which Seller may sustain or incur by reason of such claim, and Seller, if such claim is based upon any agreement alleged to have been made by Seller, hereby agrees to indemnify Buyer against and hold Buyer harmless from any and all damages, liabilities, costs, expenses and losses (including, without limitation, reasonable attorneys' fees and costs)

which Buyer may sustain or incur by reason of such claim. The provisions of this Section 12.3 shall survive the termination of this Agreement or the Closing.

ALL OTHER TERMS AND CONDITIONS of said Agreement remain unchanged.

Initials: BUYER: K DATE: 6/15/07 SELLER: JNB DATE: 7-18-07
BUYER: _____ DATE: _____ SELLER: _____ DATE: _____



NWMLS Form 35
Inspection Addendum
Rev. 6/06
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INSPECTION ADDENDUM TO PURCHASE & SALE AGREEMENT

The following is part of the Purchase and Sale Agreement dated June 12th, 2007 1
between Issaquah School District, a municipal corporation ("Buyer") 2
and James W. Behnke, a single person ("Seller") 3
concerning 13204 168th Ave SE, Renton Wa 98059 & Vacant parcel 722970-0276 ("the Property"). 4

1. **a. INSPECTION CONTINGENCY.** This Agreement is conditioned on Buyer's subjective satisfaction with inspections 5
of the Property and the improvements on the Property. Buyer's inspections may include, at Buyer's option and with- 6
out limitation, the structural, mechanical and general condition of the improvements to the Property, compliance with 7
building and zoning codes, an inspection of the Property for hazardous materials, a pest inspection, and a soils/ 8
stability inspection. 9

Buyer's Obligations. All inspections are to be (a) ordered by Buyer, (b) performed by inspectors of Buyer's choice, 10
and (c) completed at Buyer's expense. Buyer shall not alter the Property or any improvements on the Property with- 11
out first obtaining Seller's permission. Buyer is solely responsible for interviewing and selecting all inspectors. Buyer 12
shall restore the Property and all improvements on the Property to the same condition they were in prior to the 13
inspection. Buyer shall be responsible for all damages resulting from any inspection of the Property performed on 14
Buyer's behalf. 15

BUYER'S NOTICE. This inspection contingency SHALL CONCLUSIVELY BE DEEMED WAIVED unless within 30 16
days (10 days if not filled in) after mutual acceptance of this Agreement (the "Initial Inspection Period"), Buyer gives 17
notice (1) approving the inspection and waiving this contingency; (2) disapproving the inspection and terminating the 18
Agreement; (3) that Buyer will conduct additional inspections; or (4) proposing corrections or modifications to the 19
Agreement. If Buyer disapproves the inspection and terminates the Agreement, the Earnest Money shall be refunded 20
to Buyer. If Buyer proposes corrections or modifications to the Agreement, including adjustments to the purchase 21
price or credits for repairs to be performed after closing, the parties shall negotiate as set forth in paragraph 1.c. 22
below. The parties may use NWMLS Form 35R to give notices required by this Addendum. 23

ATTENTION BUYER: If Buyer fails to give timely notice, then this inspection contingency shall be deemed waived 24
and Seller shall not be obligated to make any corrections or modifications. 25

b. Additional Inspections. If an inspector recommends further evaluation of any item by a specialist, Buyer shall 26
have an additional 10 days (5 days if not filled in) to obtain the additional inspection by a specialist at Buyer's 27
option and expense. On or before the end of the Initial Inspection Period, Buyer shall provide a copy of the 28
inspector's recommendation and notice that Buyer will seek additional inspections by specialists as recommended 29
by the inspector. If Buyer gives timely notice of additional inspections, the Initial Inspection Period shall be 30
extended by the additional period specified above. The time for conducting additional inspections shall commence 31
on the day after Buyer gives notice under this paragraph, and shall be determined as set forth in the Computation 32
of Time paragraph of the Agreement. 33

c. Buyer's Requests for Corrections or Modifications. If Buyer requests corrections or modifications under 34
paragraph 1.a above, the parties shall negotiate as set forth in this paragraph. 35

(i) Seller's Response to Request for Corrections or Modifications. Seller shall have _____ days (3 days if 36
not filled in) after receipt of Buyer's request for corrections or modifications to give notice that Seller (a) agrees 37
to the corrections or modifications proposed by Buyer; (b) agrees to some of the corrections or modifications 38
proposed by Buyer; (c) rejects all corrections or modifications proposed by Buyer; or (d) offers different or 39
additional corrections or modifications. If Seller agrees to the terms of Buyer's request for corrections or 40
modifications, this contingency shall be satisfied and Buyer's Reply shall not be necessary. If Seller does not 41
agree to all of Buyer's corrections or modifications, Buyer shall have an opportunity to reply, as follows: 42

(ii) Buyer's Reply. If Seller does not agree to all of the corrections or modifications proposed by Buyer, Buyer 43
shall have _____ days (3 days if not filled in) from either the day Buyer receives Seller's response or, if Seller 44
fails to respond, the day Seller's response period ends, whichever is earlier, to (a) accept the Seller's response 45
at which time this contingency shall be satisfied; (b) agree with the Seller on other remedies; or (c) disapprove 46
the inspection and terminate the Agreement, in which event, the Earnest Money shall be refunded to Buyer. 47

Initials: BUYER: [Signature] DATE: 6/15/07 SELLER: JWB DATE: 7-18-07 48
BUYER: _____ DATE: _____ SELLER: _____ DATE: _____ 49



NWMLS Form 35
Inspection Addendum
Rev. 6/06
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INSPECTION ADDENDUM TO PURCHASE & SALE AGREEMENT
(continued)

ATTENTION BUYER: These time periods for negotiating corrections or modifications shall not repeat. The parties must either reach a written agreement or Buyer must terminate this Agreement by the Buyer's Reply deadline set forth in paragraph 1.c.ii. Buyer's inaction during Buyer's reply period shall result in waiver of this Inspection condition, in which case Seller shall not be obligated to make any corrections or modifications whatsoever AND THIS CONTINGENCY SHALL BE DEEMED WAIVED.

d. Corrections. If Seller agrees to make the corrections proposed by Buyer, then corrections shall be accomplished at Seller's expense in a commercially reasonable manner prior to the Closing Date. In the case of hazardous materials, "correction" means removal or treatment (including but not limited to removal or, at Seller's option, decommissioning of any oil storage tanks) of the hazardous material at Seller's expense as recommended by and under the direction of a licensed hazardous material engineer or other expert selected by Seller. Seller's corrections are subject to reinspection and approval, prior to Closing, by the inspector who recommended the correction, if Buyer elects to order and pay for such reinspection.

e. Oil Storage Tanks. Any inspection regarding oil storage tanks or contamination from such tanks shall be limited solely to determining the presence or non-presence of oil storage tanks on the Property, unless otherwise agreed in writing by Buyer and Seller.

f. Form 17. Buyer waives the right to receive an amended Seller Disclosure Statement (NWMLS Form 17) pursuant to RCW 64.06 based on conditions identified in any inspection or inspection report(s).

2. WAIVER OF INSPECTION. Buyer has been advised to obtain a building, hazardous substances, building and zoning code, pest or soils/stability inspection, and to condition the closing of this Agreement on the results of such inspections, but Buyer elects to waive the right and buy the Property in its present condition. Buyer acknowledges that the decision to waive Buyer's inspection options was based on Buyer's personal inspection and Buyer has not relied on representations by Seller, Listing Agent or Selling Licensee.

3. PREINSPECTION CONDUCTED. Buyer, prior to mutual acceptance of this Agreement, conducted a building, hazardous substances, building and zoning code, pest or soils/stability inspection of the Property, and closing of this Agreement is not conditioned on the results of such inspections. Buyer elects to buy the Property in its present condition and acknowledges that the decision to purchase the property was based on Buyer's prior inspection and that Buyer has not relied on representations by Seller, Listing Agent or Selling Licensee.

Initials: BUYER: DATE: 6/15/07 SELLER: J # B DATE: 7-18-'07 77
BUYER: DATE: SELLER: DATE: 78



NWMLS Form No. 68
Lease/Rental Agreement
Rev. 9/02
Page 1 of 4

LEASE / RENTAL AGREEMENT

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This Agreement dated _____ 1
is made and entered into between Issaquah School District, a municipal corporation ("Lessor"), 2
by and through his/her "Lessor's Broker" and James W. Behnke, a single person ("Tenant") 3
for the "Property" commonly known as 13204 168th Ave SE 4
in Renton _____, King _____ County, Washington. 5

If this Agreement is for a term of more than one (1) year, the legal description of the Property will be attached as Exhibit A. 6

1. SECURITY DEPOSIT. Lessor acknowledges receipt from Tenant of the sum of None, which is being 7
deposited in a trust account in _____ Bank, 8
_____ Branch, in _____, WA. Lessor or Lessor's 9
Broker will give written notice of any change in said depository. This deposit is security for performance of Tenant's obligations 10
pursuant to this Agreement, including but not limited to payment of rent, and to indemnify Lessor for damages to and cleaning 11
of the Property for which Tenant is responsible. 12
A written "Move In/Move Out Inspection Agreement" describing the condition and cleanliness of and any damage to the 13
Property and furnishings will be signed by Lessor or Lessor's Broker and Tenant upon commencement of tenancy and a 14
written copy given to Tenant. NO SECURITY DEPOSIT MAY BE COLLECTED UNLESS THIS CHECKLIST IS COMPLETED. 15
Within fourteen (14) days after termination of tenancy and vacation of premises (or abandonment of premises), Lessor will give 16
Tenant a full and specific statement of the basis of retaining any of the deposit and a refund of any portion due Tenant, 17
addressed as Tenant directs or in the absence thereof, to Tenant's last known address. If the deposit is insufficient to 18
reimburse Lessor for such damages and cleaning, Tenant agrees to pay any deficiency on demand. 19

2. POSSESSION. In the event Tenant fails to take possession on the date indicated below, Tenant agrees to pay rent for the 20
number of days the Property remains vacant. If, through no fault of Lessor or Lessor's Broker, Lessor cannot deliver 21
possession of the Property to Tenant on the date indicated below, Lessor shall not be liable to Tenant for damages. 22

3. TERM (Check one). 23

a. LEASE. This Agreement is for a term of _____ commencing on _____ 24
This Agreement shall end at midnight on _____ 25
Tenant must vacate the Property and surrender possession on the last day of the term. If Tenant holds over without 26
the prior written consent of Lessor, Tenant shall be liable for rent and all other damages sustained by Lessor because 27
of such holdover. If Tenant vacates prior to the expiration of the term, the security deposit shall be forfeited and Tenant 28
shall be obligated for the rental payments for the remainder of the term, or until the Property has been rented, 29
whichever is less. 30

b. MONTH-TO-MONTH. This Agreement is for a month-to-month tenancy commencing on date of closing. 31
Lessor or Tenant may terminate this Agreement only upon written notice received by the other at least 20 days prior 32
to the end of each monthly rental period. If any such notice of termination is not received at least 20 days in advance, 33
then it shall not be effective until the end of the next following monthly rental period. 34

4. RENT. The rent is 0 per month, payable in advance and due on or before the first day _____ day of each 35
month commencing on the first month of the term. Each monthly rental period shall begin on the day rent is due. Rent shall be 36
paid to Lessor's Broker at the address shown below to Lessor at the address shown below. Lessor acknowledges 37
receipt of _____ as the first and _____ month's rent. 38

5. UTILITIES. Tenant shall pay all utilities when due except: water sewer garbage none 39

6. OCCUPANCY/SUBLETTING. The Property is rented as a private residence only for the following named persons: 40
James W. Behnke 41
Tenant shall not assign this Agreement, sublet all or any portion of the Property, nor give accommodation to any roomers or 42
lodgers, without the prior written consent of Lessor or Lessor's Broker. 43

7. MAINTENANCE. Tenant will at all times maintain the Property, including any yard and lawn, in a neat and clean condition 44
and upon termination of this Agreement will leave the Property in as good condition as it is now, reasonable wear and tear 45
excepted. Tenant agrees not to make any alterations or improvements to the Property without Lessor's prior written approval. 46

INITIALS: TENANT JWB DATE 7-18-07 LESSOR _____ DATE _____ 47
TENANT _____ DATE _____ LESSOR _____ DATE _____ 48

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- 8. **INSPECTION/SALE.** It is agreed that Lessor may enter the Property to inspect it or make alterations or repairs at reasonable times and, except in emergencies, will give two days' notice to Tenant. If Lessor wishes to show the Property to actual or prospective purchasers or tenants, only one day's notice of intent to enter shall be required. 49
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- 9. **RENT LATE CHARGE/NSF CHECK.** If any rent is not paid on or before the due date, Tenant agrees to pay a late charge of N/A for each day that the same is delinquent, including the day of payment, up to a maximum of 10% of one month's rent, or Tenant agrees to pay a charge of _____ for each NSF check given by Tenant to Lessor. Lessor shall have no obligation to redeposit any check returned NSF. 52
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In addition to the foregoing, Lessor may elect to terminate this Agreement for nonpayment of rent. Lessor shall notify Tenant of late rent and NSF check charges and the same must be paid within 5 days. 57
58
- 10. **RULES.** The attached Rules on page 4 are a part of this Agreement and failure to abide by them will constitute default under this Agreement. 59
60
- 11. **ATTORNEYS' FEES.** In the event it is necessary for either party to employ an attorney to enforce any terms of this Agreement, the prevailing party is entitled to reasonable attorneys' fees as provided for by law. In the event of a trial, the amount shall be as fixed by the Court. 61
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63
- 12. **WAIVER OF SUBROGATION.** Lessor and Tenant hereby release and waive for the duration of this Agreement and any extension or renewal thereof their respective rights of recovery against each other for any loss resulting from perils of fire and/or extended coverage as defined in fire insurance policies issued to either Lessor or Tenant in effect at the time of the loss; provided that such waiver and release shall apply only in the event such agreement does not prejudice the insurance afforded by such policies. 64
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- 13. **NONREFUNDABLE FEE.** Tenant agrees to pay prior to occupancy, a nonrefundable fee of 0 . This nonrefundable fee shall not be returned under any conditions. 69
70
- 14. **PETS.** No dogs, cats or other animals will be permitted on the Property without the prior written consent of the Lessor or Lessor's Broker and without a fully executed Pet Agreement (NWMLS Form No. 68B). 71
72
- 15. **PERSONAL PROPERTY.** Tenant agrees that all personal property kept in or on the Property is at the risk of the Tenant. Tenant is specifically advised of the availability of and is encouraged to obtain insurance for such personal property. 73
74
- 16. **SMOKE DETECTOR.** Tenant acknowledges and Lessor certifies that the Property is equipped with a smoke detector(s) as required by RCW 48.48.140 and that the detector(s) has/have been tested and is/are operable. It is Tenant's responsibility to maintain the smoke detector(s) as specified by the manufacturer, including replacement of batteries, if required. In addition, if the Property is a multi-family building (more than one unit), Lessor makes the following disclosures: 75
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78
(a) The smoke detection device is hard-wired battery operated. 79
(b) The Building does does not have a fire sprinkler system. 80
(c) The Building does does not have a fire alarm system. 81
(d) The building has a smoking policy, as follows: 82
 None 83
84
 The building does not have a smoking policy. 85
(e) The building has an emergency notification plan for occupants, a copy of which is attached to this Agreement. 86
 The building does not have an emergency notification plan for occupants. 87
(f) The building has an emergency relocation plan for occupants, a copy of which is attached to this Agreement. 88
 The building does not have an emergency relocation plan for occupants. 89
(g) The building has an emergency evacuation plan for occupants, a copy of which is attached to this Agreement. 90
 The building does not have an emergency evacuation plan for occupants. 91
Tenant hereby acknowledges receipt of a copy of the building's emergency evacuation routes. 92
- 17. **AGENCY DISCLOSURE.** If real estate licensees are involved in this transaction, then at the signing of this Agreement, Lessor's Agent represents Lessor both Lessor and Tenant. The Tenant's Licensee represents Lessor Tenant both Lessor and Tenant neither Lessor nor Tenant. 93
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INITIALS: TENANT J.N.B. DATE 7-18-07 LESSOR _____ DATE _____ 96
 TENANT _____ DATE _____ LESSOR _____ DATE _____ 97

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Lessor's Broker represents the same party that Lessor's Agent represents. Tenant's Broker represents the same party that
Tenant's Licensee represents. If Tenant's Licensee and Lessor's Agent are different salespersons affiliated with the same
Broker, then both Tenant and Lessor confirm their consent to that Broker representing both parties as a dual agent. If Tenant's
Licensee and Lessor's Agent are the same salesperson representing both parties, then both Tenant and Lessor confirm their
consent to that salesperson and Broker representing both parties as dual agents. Tenant and Lessor confirm receipt of the
pamphlet entitled "The Law of Real Estate Agency."

18. **COMMISSION.** Lessor agrees to pay Lessor's Broker the sum of _____ for negotiating this Agreement. If Tenant
enters into an agreement or option to purchase the Property during Tenant's occupancy or within six (6) months thereafter,
Lessor agrees to pay Lessor's Broker a sales commission of _____ or _____ % of total selling price.
No Broker involved in this transaction is receiving compensation from more than one party unless disclosed on a separate
addendum, in which case both Lessor and Tenant consent to such compensation.

19. **LEAD-BASED PAINT.** If the Property includes housing that was built before 1978, then the Addendum entitled "Disclosure of
Information on Lead-Based Paint and Lead-Based Paint Hazards" (NWMLS Form 22J or equivalent), must be attached to this
Agreement unless this lease/rental transaction is exempt from all applicable federal regulations.

Tenant James W Behrwe Date 7-18-07 Lessor _____ Date _____

Tenant _____ Date _____ Lessor _____ Date _____

Tenant's Present Address 13204 168th Ave. S.E Lessor's Address _____

Renton WA 98059 City, State, Zip _____ City, State, Zip _____

425-255-6011 Home Phone _____ Work Phone _____ Lessor's Phone _____

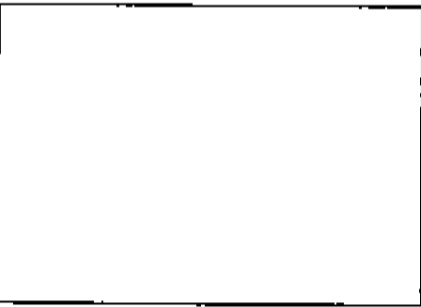
Retired Tenant's Employer _____ Lessor's Broker _____

Tenant's Broker _____ Lessor's Agent _____

Tenant's Licensee _____ Broker's Office Address _____

STATE OF WASHINGTON)
COUNTY OF King) ss. Broker's Phone _____

I certify that I know or have satisfactory evidence that James W. Behrwe
is the person who appeared before me, and said person acknowledged that he/she/they/it signed the instrument and
acknowledged it to be his/her their/its free and voluntary act for the uses and purposes mentioned in the instrument.



(Use this space for notarial stamp/seal.)

DATED: July 18, 2007

Signature: _____

Print Name: Stanley E. Stone

Notary Public in and for the State of _____

Washington, Residing at: ISSAQUAH

My Appointment Expires: _____

LEASE / RENTAL AGREEMENT
(Continued)

| RULES | | 132 |
|---|--|---------------------------------|
| 1. Garbage. Tenant shall furnish his/her own garbage can and place it where required for pickup. | | 133 |
| 2. Illegal Use. Tenant shall not use the Property for any illegal purposes. | | 134 |
| 3. Repairs. Tenant shall promptly repair, at Tenant's expense, any broken glass in doors or windows. | | 135 |
| 4. Freezing. Tenant shall protect the plumbing from freezing. As a minimum, Tenant shall leave the heat on low during cold weather. | | 136 137 |
| 5. Drains. Tenant shall relieve stoppage of drains and sewers at Tenant's expense unless resulting from a condition existing at the time Tenant moved in. | | 138 139 |
| 6. Nails/Painting. Tenant shall not drive any nails or screws into walls, and shall not paint anything, without the prior written consent of the Lessor or Lessor's Agent. | | 140 141 |
| 7. Lawns & Shrubs/Snow. Tenant will cut and water any lawn and water any shrubs, trees and landscaping so as to maintain the same in as good a condition as they presently are. In the event of snow, Tenant will remove the same from any abutting sidewalks. | | 142 143 144 |
| 8. Noise/Nuisance. TV, stereo, radio and musical instrument volumes shall be kept low enough so that no noise whatsoever shall escape from the Property. Tenant shall not create or permit any other nuisance on the Property. | | 145 146 |
| 9. Guests. Tenant is responsible for the conduct of all guests on the Property and shall insure that guests comply with these Rules. | | 147 148 |
| 10. Pets. If Lessor has given written permission for pets on the Property, no pet noise whatsoever shall be allowed to escape from the Property. In the case of apartments, pets shall not be allowed in the halls, common spaces or surrounding Property except on a leash and accompanied by the Tenant. It is the Tenant's responsibility to clean up and dispose of any pet excrement anywhere on the Property and on adjacent sidewalks, streets, alleys and neighbors' properties. | | 149 150 151 152 153 |
| 11. Vehicles. Recreation vehicles, trailers, boats and inoperable or unlicensed automobiles may not be parked or stored on the Property, on or in any parking area provided for the Property, or on any street or alley serving the Property. Repairs to any vehicles in these locations must be completed within 24 hours of commencement. | | 154 155 156 |
| 12. Hallways & Common Areas. If there are hallways or other common areas shared with other tenants, noise shall be kept to a minimum therein and nothing may be stored, even temporarily, therein. | | 157 158 |
| 13. Fireplace Insert/Wood Stove. Wood stoves are prohibited, unless provided by Lessor. No fireplace insert may be installed without Lessor's prior written permission. If permission is given, then the installation must be inspected by the applicable city or county building department, at Tenant's expense, before the same is used. | | 159 160 161 |
| 14. Water Beds, Pianos & Heavy Objects. No water beds, aquariums, pianos, organs, libraries or other unusually heavy objects are permitted in the Property without Lessor's written permission. As a condition to permitting a water bed, Lessor may require Tenant to provide and pay for water bed insurance. | | 162 163 164 |
| 15. Screens. Lessor is not obligated to provide window and/or door screens. If there are any presently installed, Lessor has no obligation to maintain or replace them. | | 165 166 |

INITIALS: TENANT JNB DATE 7-18-07 LESSOR _____ DATE 7-18-07 167
 TENANT _____ DATE _____ LESSOR _____ DATE _____ 168

RECEIPT FOR EARNEST MONEY

This Receipt is for Earnest Money received as part of the Purchase and Sale Agreement dated June 12th, 2007
 between Issaquah School District, a municipal corporation ("Buyer")
 and James W. Behnke, a single person ("Seller")
 concerning 13204 168th Ave SE, Renton Wa 98059 & Vacant parcel 722970-0276 ("the Property")

On _____, the undersigned received earnest money from Buyer in the amount
 of _____ by personal check cashier's check promissory note cash
 other (Upon Removal of Feasibility Study Contingency).

- _____
 Selling Licensee
 Selling Broker
 Closing Agent
 Other _____

NOTE: If the Earnest Money is cash, you must deposit it or deliver it not later than the first banking day following receipt, regardless of the terms of the Agreement.