



LIEN ABATEMENT CERTIFICATION PROGRAM

Legal Information Is Not the Same as Legal Advice

This booklet provides information about real estate investing; private money borrowing, lending, and / or brokering; and is designed to help users safely determine their own legal needs. Please understand that legal information is not the same as legal advice. The application of law varies with an individual's specific circumstances. Laws vary from state to state and are in constant change, and although we do everything we can to make sure our information is accurate and useful, we recommend you consult a lawyer if you want professional assurance that this information, and your interpretation of it, is appropriate to your situation.

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"I will tell you how to become rich. Close the doors. Be fearful when others are greedy. Be greedy when others are fearful."

-Warren Buffet



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"In investing, what is comfortable is rarely profitable."

- Robert Arnott



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AHA MOMENTS





LIEN ABATEMENT INTRODUCTION



Turning Garbage into Gold!



INTRODUCTION

Statement of Purpose

“We are here to learn how to improve communities by working with local governments to acquire blighted properties through the LIEN ABATEMENT process and restore these properties to be productive use in the community once again.”

– Lee Arnold

- To understand the process of lien abatement
- To know who the key players are in the municipalities we live in and how to reach out to them.
- To learn how to leverage the power of the community.
- To understand how to leverage the resources already in place in our local governments.
- To gain new understanding on how to negotiate the deal.
- To increase our bottom line profitability.

Code of Conduct for the Event

The goal of our time together is to educate you on how to be a profitable real estate investor.

To that end, the following codes of conduct will apply:

- Cell phones will not be used at any time during the scheduled sessions. Cell phones may only be used during breaks and lunch.
- You will respect each speaker during their allotted time, by listening attentively.
- **You will withhold comment or commentary until the designated time to share.**
- At all times, only **ONE (1) person will speak.**



INTRODUCTION

- Be respectful, supportive and encouraging of your fellow investors
- Have fun, participate, be an active listener, and share

We understand that we're all adults here, however we want everyone involved to get the most out of the day we are together, making these rules necessary!

Meet Our Family of Companies:



Secured Investment Corp is the parent company in the organization. Through the work of its wholly owned subsidiaries, Secured Investment Corp provides real estate investors the necessary capital to finance their projects by bringing together private lenders and borrowers.

Secured Investment Corp also manages Private Equity Funds. These Private Equity Funds provide borrowers access to capital within minutes of closing their transaction. The Private Equity Funds consist of accredited investors that invest their money with the Fund. Secured Investment Corp manages the investors' money and pays the investors a return on their investment on a quarterly basis.

The Funds average a 10% - 14% annualized return to our investors.

- [SecuredInvestmentCorp.com](https://www.SecuredInvestmentCorp.com)



INTRODUCTION

SIC Mission Statement:

“Reimagining technology to create cutting edge solutions for investors to participate in alternative, secured, high performance investments.”



The Lee Arnold System of Real Estate Investing provides focused training that covers all aspects of real estate business. The Lee Arnold System is a powerful way for you to start investing your way to monumental wealth in the shortest time possible.

Education is a fundamental element to future success in finding, financing and selling real estate for profit. This learning stage includes training and/or mentoring to build solid understanding to successfully invest in real estate. In this phase an investor actively works to create Active Income which includes finding a great investment, or "deal", and then borrowing to fix and flip (or fix and hold) the property for positive cash flow. We call this growth in individuals' financial capacity and competency the "Circle of Wealth". -

LeeArnoldSystem.com



INTRODUCTION

LAS Mission Statement:

“To educate, train and provide access to relationships and products allowing individuals to achieve financial freedom through real estate.”



As the lending arm of the company, COGO Capital works with borrowers to originate, process, and close loans. COGO Capital offers private loan options for real estate investment properties within most states across the United States. -

CogoCapital.com

COGO Capital Mission Statement:

“To provide no-hassle, asset-backed, real-time private capital to real estate investors.”



The servicing company for most loans originated by COGO Capital. Lake City Servicing is in our Coeur d'Alene, Idaho corporate office. Lake City Servicing is also available



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to service most other third-party loans. -

LakeCityServicing.com

LCS Mission Statement:

“Lake City Servicing is a comprehensive real estate loan servicing company for investors holding real estate notes for non-owner occupied residential and commercial property.”



Arnold Professional Holdings is the premier rehab arm of the company. Here is where we practice what we preach. APH buys and flips properties throughout the Spokane, WA. market.

The company has a construction crew and specializes in Spokane, WA. This company has a main office and warehouse located in Spokane, WA. This is by design to allow both personnel resources and physical resources to be closer to our real estate market.



At He's the Solution Ministries our goal is to honor God in everything we do. We strive to allow our faith to be something that



INTRODUCTION

others can witness in our every-day lives. We endeavor to be more like Christ daily and encourage others along the way. We want to encourage you in your daily walk to show your faith, and to be BOLD in the workplace.

To this end He's the Solution Ministries sponsors an optional, non-denominational worship service at all events that last through a Sunday. The services start at 7:45am and ends around 9:15am. All students as well as the public are invited and encouraged to attend.

We also provide encouragement, support and resources for those seeking a BOLD FAITH in the workplace. We hold weekly services via a conference call at 6:45 am PT so that you can be a part of a worship service every Sunday morning no matter where you are located. The number is (605) 313-4821, and pass code number is, 866541# –

Hesthesolution.com

Our Motto:

*EQUIPPING CHRISTIAN BUSINESS LEADERS FOR
BOLD FAITH IN THE WORK PLACE!*

Theme Scripture Verse:

*In Him we have Boldness & Confident
Access Through Faith in Him.
- Ephesians 3:12 HCSB*

Our Company Wide Slogan:

*"We get more of what we want, by helping
others get more of what they want."*

- Lee Arnold, CEO



INTRODUCTION

Circle of Wealth Philosophy:

The Circle of Wealth is at the center of everything we do here at Lee Arnold System. It is also your road map for how each division of our company can help you gain financial independence and passive income.

The Circle of Wealth has four stages. You can enter the circle at any stage and can go back and forth between stages as desired. Typically, people enter in at the training level and borrow funds for their real estate investments. They eventually become lenders, helping others obtain the capital needed to grow their real estate portfolios. This allows everyone, on every side, to succeed.

Ultimately, the Circle of Wealth allows you the financial independence and wealth building that you seek.





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DEFINING THE PROBLEM



Turning Garbage into Gold!

DEFINING THE PROBLEM

The Problem:

Many possible scenarios lead to _____
_____ issues:

- Owner/resident does not take care of home. Property becomes blight on community.
- Land Lords do not take care of Property. Property becomes _____
- Foreclosure is started but the process stalls, the property sits vacant – Zombie Property.
- Death of a homeowner with no clear heir. – Vacant Property.



Definitions you should know:

- According to the Office of Policy Development and Research (PD&R), U.S. Department of Housing and Urban Development:
 - The absence of universal definitions of vacancy and abandonment complicates efforts to assess the number of vacant and abandoned properties nationally.
 - You'll see this in our State by State addendum where some states have definitions and others don't or where some states laws center more around crime than around health-related nuisances.
- According to the National Vacant Properties Campaign (NVPC):
 - _____ - residential, commercial, and industrial buildings and vacant lots that exhibit one or both of the following traits:
 - The site poses a _____ (meeting the definition of a public nuisance), or

DEFINING THE PROBLEM



- The owners or managers neglect the fundamental duties of property ownership (e.g., they fail to pay taxes or utility bills, default on mortgages, or carry liens against the property.)
- Vacant properties can include:
 - _____, boarded-up buildings;
 - unused lots that attract trash and debris;
 - _____ - A vacant or under-performing commercial properties);
 - _____ - Neglected industrial properties with environmental contamination.
- The NVPC monitors indicators of future vacancy and abandonment:
 - _____
 - apartments with significant housing code violations, and
 - housing that remains vacant for long periods of time,
- State laws and uniform building codes further refine what constitutes an abandoned building:
 - These vary from jurisdiction to jurisdiction.
 - Often these structures have been unoccupied for over a year, are beyond repair, and pose



- _____ -
(sometimes called “zombie title” or “zombie properties”), the homeowner moves out after foreclosure has begun, but for some reason the foreclosure is stalled or cancelled, the sale is never held, or title is never officially transferred to a new owner.
- As a result, title remains in the _____.

DEFINING THE PROBLEM

- Often, zombie foreclosures occur in low-income areas where the lender is not anxious to assume responsibility for the upkeep of the property and wants to save on taxes, as well as other costs.
- If squatters occupy the property or it falls into severe disrepair, the bank may simply wash its hands of the property.

- _____
A legal term referring to the condition or use of a property that:
 - _____ with neighbors' use or enjoyment of their property, or
 - endangers life, health, or safety, or
 - is offensive to others.
- Example: Under the Abandoned Property Rehabilitation Act (NJ), abandoned properties are presumed to be nuisances:
 - because of their "negative effects on nearby properties and the residents or users of those properties."
 - Because of the harm they do to others,
 - New Jersey law authorizes local governments to use their police powers to compel the owners of nuisance properties to correct those conditions. If the owner fails to do so, the municipality can step in and correct, or abate, the conditions itself. This process is known as _____
<http://www.hcdnnj.org/nuisance-abatement>
 - Both Vacant Property & Zombie Foreclosures are types of Nuisance Properties.



- _____
The ending, reduction, or lessening of a lien.

DEFINING THE PROBLEM



- Chronic nuisance properties often require legal action in the form of liens to force homeowner compliance or as a means for the municipality to _____ of the property. In such circumstances, the lien stays attached to the property until it is removed or “abated.” Lien Abatement, then is the process of removing said lien by means of _____ with the municipality or by payment.



Vacancy & Abandonment is a Complex Issue – Develop Louisville

- Video: Common Misconceptions About Vacant and Abandoned Properties in and around Louisville, KY

The Result (Impact on Communities)

According to the Office of Policy Development and Research (PD&R), U.S. Department of Housing and Urban Development,

- Vacant and abandoned properties are linked to increased rates of crime (particularly arson) and declining property values.
- The maintenance or demolition of vacant properties is a huge expense for many cities.

DEFINING THE PROBLEM

Nuisance properties become havens for:

- _____
- drugs,
- _____
- squatters

“Vacant properties are a _____. Just ask anyone who lives next to a drug den, a boarded-up firetrap or a trash-filled lot. Abandonment often seems beyond the control of local officials, and it rarely incites a sense of urgency beyond the _____ on the block where it occurs.”

-National Vacant Properties Campaign-

Vacant and Nuisance properties drain local government Budgets

- This expense grows every year a property remains vacant or abandoned.
- Such properties produce no or little property tax income, but they require plenty of time, attention, and money.
 - A study in Austin, Texas found that blocks with vacant buildings had:
 - 3.2 times as many drug calls to police,
 - 1.8 times as many theft calls, and
 - twice the number of violent calls as blocks without vacant buildings.
 - More than 12,000 fires break out in vacant structures each year in the US, resulting in \$73 million in property damage annually. Most are _____
 - Over the past five years:
 - St. Louis has spent \$15.5 million, or nearly \$100 per household, to _____.
 - Detroit spends \$800,000 per year and



DEFINING THE PROBLEM

- Philadelphia spends \$1,846,745 per year cleaning
-

Crime



Vacant properties often become a breeding ground for crime, tying up an inordinate amount of police and city resources. Studies have shown that vacant/abandoned properties have the highest correlation to the incidence of crime. Studies in Texas found that crime rates on blocks with open abandoned buildings were twice as high as rates on matched blocks without open buildings.

Common Crimes

- Drugs
- _____
- Domestic Violence
- Squatters



Arson & Accidental Fires

- The National Fire Protection Association (NFPA) estimates that _____ firefighters are injured every year in vacant or abandoned building fires.

Public Nuisances & Health

- Vacant and abandoned properties require a disproportionate amount of public maintenance. In addition to securing buildings against criminal activity, local governments must clean and care for them to prevent a buildup of:
 - _____
 - illegal dumping,
 - _____
- Excessive noise can also be a public nuisance issue.

DEFINING THE PROBLEM

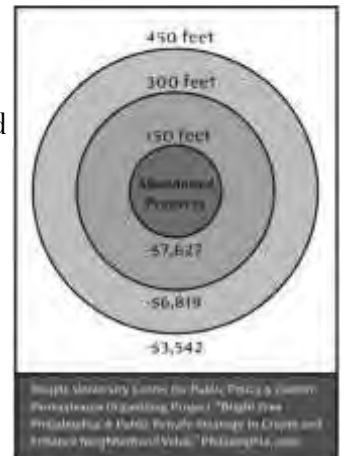
House Dilapidation



- Video: "Zombie' Homes, When Good Houses Go Bad"

Lower Property Values

- Vacant properties rob surrounding homes and businesses of their _____. In a 2001 study, researchers from Philadelphia found:
 - That houses within 150 feet of a vacant or abandoned property experienced a net loss of \$7,627 in value.
 - Properties within 150 to 300 feet experienced a loss of \$6,819 and
 - Those within 300 to 450 feet experienced a loss of \$3,542.
 - Philadelphia researchers also found "that all else being equal, houses on blocks with abandonment sold for \$6,715 less than houses on blocks with no abandonment."



Lost _____

- Taxes are often lost on vacant properties because of tax delinquency. Abandoned properties often become delinquent because the cost of paying taxes on the property may well exceed the value of the property.

Community Homeowner Costs

- Higher _____
- Poorer Quality of life



DEFINING THE PROBLEM

Example: In an October 2017 Report on Mt. Vernon, NY:

- The investigation uncovered 21 foreclosed, bank-owned properties in Mt. Vernon, that combined caused \$3.52 million in lost property value to 764 neighboring homes.
- 10 publicly available zombie properties were found, which depreciated the value of 396 neighboring homes by a total of \$1.7 million.
- The six abandoned homes identified affected 261 neighboring homes and caused a total of \$1.04 million in lost property values.
- The lowest income neighborhoods of Mt. Vernon, found in zip code 10550, were the most negatively affected, with 58% of the total calculated property value loss affecting homes in that zip code.

Example: City of Spokane – As reported by the City Attorney



- \$2,000 to \$34,000 direct cost for each abandoned property in the city.
- \$5,000,000 direct costs to the city for _____ properties.
- Neighborhoods with abandon properties experience an average of \$64,000 reduction in value.

Many cities and counties across the country are looking for _____. While some communities have yet to take the first step, others are enacting their own programs to different degrees of success.

- Many communities don't have a reliable _____ to track of the number of vacant properties that exist within their borders.
- Many of the _____ incurred by a jurisdiction, including demolition, fire and nuisance abatement, are not routinely tracked.
- While anecdotal evidence abounds regarding homeowners losing their insurance because of their



DEFINING THE PROBLEM

proximity to an abandoned house, determining the actual cost is difficult.

- Much of the data available about the costs of vacant properties is found from a variety of sources and is difficult to obtain.

The Solution (Possible Options)

Voluntary Compliance

- Often the best way of permanently resolving a public nuisance issue is through the voluntary compliance of the individual responsible for the problem.
 - Neighbors may attempt _____
 - Letter from an experienced _____ can help add the appropriate motivation to get the individual(s) responsible for the problem to remedy the situation.
- In some instances, the owner of the property may be _____ of the nuisance being caused by tenants or unauthorized squatters. In these situations, an owner is likely to appreciate the notification and quickly take measures to protect their property.
- If voluntary compliance is unsuccessful, there are several other public and private remedies that can be used to permanently fix the issue.

Private Nuisance Lawsuit

- _____ - a nuisance (something that causes an annoyance) that interferes with the rights of a specific person or entity.
- If a neighboring property is interfering with your use and enjoyment of your home, then you may be able to bring a _____
 - The court may order for the nuisance to cease and



DEFINING THE PROBLEM

- you may be entitled to _____
- While states may vary on their definition of a private nuisance, a plaintiff must typically prove the following elements:
 - The plaintiff owns the land or has the right to possess it;
 - The defendant acted in a way that interferes with the plaintiff's enjoyment and use of his or her property; and
 - The defendant's interference was _____

Public Nuisance Lawsuit

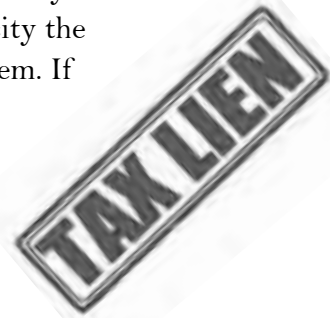


- _____ - a nuisance causing problems to the general public.
- If a property is threatening the health, safety, convenience, or welfare of the community generally, a public nuisance lawsuit may be appropriate. In these instances, private individuals may not be able to bring a suit on their own, however, they may reach out to _____ and request the city take appropriate legal action.
- These suits are most often initiated by neighbors' _____
- Inspection and Abatement Warrants
 - If there is a specific issue on a property that needs attention (e.g. a trash pile-up, unmaintained yard), the city can petition the court to obtain an inspection or abatement warrant to enter the property to fixing the specific issue.
- Most municipalities have adopted ordinances that allow them to:
 - Clean, board, and
 - secure abandoned buildings.



DEFINING THE PROBLEM

- Example, in Roanoke, Virginia, the city has taken a tougher stance on properties deemed health and safety hazards. If a property is deemed a hazard by the city the owner is given thirty days to remediate the problem. If no action is taken, the city will:
 - solicit input from the neighborhood,
 - do asbestos and lead abatement,
 - solicit demolition bids,
 - raze the house, and
 - place a lien on the property to try to recoup the demolition costs.



Drug Abatement and Red-Light Litigation

- There are specific laws that provide remedies for properties being _____
_____. Occupants using a house for unlawful purposes can be evicted and the property can be court-protected from further misuse.
- To use these laws to resolve a public nuisance issue of this type, attorneys will need _____
_____ of the drug or prostitution activity.
- If you suspect there is ongoing drug or prostitution activity occurring at a neighboring property, you should contact the police as they can investigate the issue and provide important facts to help attorneys take legal action.

Receiverships for Abandoned Property

- Sometimes a property is left unattended by the death of an owner or abandonment.
 - It may be difficult to fix an issue if there is no one available to take responsibility for the problem.
 - In these situations, a city may petition the court to hand the property over to a qualified receiver to remedy the situation.

DEFINING THE PROBLEM

- A _____ is an individual or entity willing to take-on abandoned properties, fix them, and sell them to a new owner.

Demolition

- In some instances, where a property has been abandoned and is dilapidated beyond repair, the best solution is to have the property demolished.
- You can contact local city authorities to report such a property and the city can act to have it removed if necessary.



Rehabilitation



- Clearly a better choice. One study of the St. Paul, Minnesota budget for maintenance and security costs associated with vacant buildings revealed that while demolition saves the city significantly, the rehabilitation of a vacant building will save almost twice as much in maintenance costs.
- The same study showed that demolishing a vacant building and leaving a vacant lot in its stead led to significant lost in property tax revenue.
- The problem with rehabilitation is that cities are _____ and in most areas, unable to rehab properties.
 - They lack necessary resources.
 - They lack infrastructure to rehab.
 - They lack experience.
 - They are restricted by legal red tape and appearances of partiality.



Cities and Communities are Taking Action

- Video: “Spokane Valley considers plan to deal with nuisance properties”
-

DEFINING THE PROBLEM

The Opportunity

As the Investor, you are the _____ in this story.

- You have the power to create value in these neighborhoods.
- You have the power to turn the tide of falling property values for homeowners in these community.
- You have the power to salvage the city tax base and raise the quality of life in these municipalities.
- You are the _____ to this puzzle.
- You are the white-knight.
- You will make a _____



Opportunity

- Understand and utilize city and state nuisance laws and code enforcement policy to _____ of problem properties.
- Lead Source
 - These properties are a _____ in your local market that cities desperately need help with.
 - Build relationships with your city and local government so that you become the _____ to their ever-growing problem.
 - Get them to hand you deals!





DEFINING THE PROBLEM

[illegible]



CASE STUDY 1



Turning Garbage into Gold!

CASE STUDY 1

How We Found the Property:

- The owner, Jeanette was going through a rough spot in her life.
- She was not able to live in her house and was getting ready to lose it.
- She saw the COGO Van in the parking lot of our building.
- She came in to inquire what we could do for her.
- She was persistent and would not leave without talking to someone.



Doing Our Due Diligence:

After we spoke with Jeanette in our office we needed to find the most updated information on Jeanette's house. We have a process that we follow, and we want you to follow the same process. Below is the process you need to follow researching a property in question

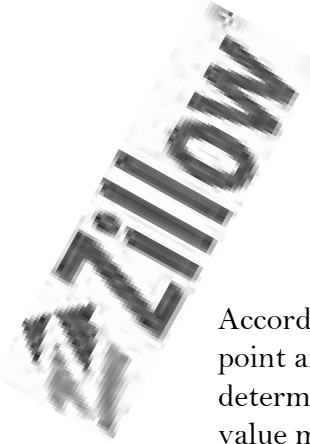


1. **Google:** To find the most current information about the subject property turn to Google. Enter the address of the subject property in your browser and see what comes up. Google pulls information from all sources online and aggregates it or puts the information in one place for one to view. For instance, if you were researching a property and you

CASE STUDY 1

“googled” it you would find all the recent information on the subject property on the first page of Google.

Most important in this step is to determine if there is negative information about the subject property. It would be helpful to know if there was a major crime committed on the premises of the subject property. Google is always the first place to begin your search when doing your due diligence.

- 
2. **Zillow:** the next step in the process is to research the property on Zillow. The objective in this step is to determine what most properties in the area are valued. Zillow is helpful when obtaining comparable home values and recent home sales numbers. Zillow will give a value called a “Zestimate” based on what other people think the property is worth.

According to Zillow’s website “the Zestimate is a starting point and does not consider all the market intricacies that can determine the actual price a house will sell for.” Meaning, the value may not be accurate and will not replace an appraisal. There has not been an inspection conducted of the property, and as such the “Zestimate” is a computer-generated estimate given the available data on said property. For more information visit [zillow.com/](https://www.zillow.com/)

3. **SendFuse: (Title Report)** This is the most important step in the process to determine if there is equity in the subject property. If there is no equity in the subject property than you should move on to another property that has equity, or you will have to consider a short sale scenario.

SendFuse will provide you with title information on the subject property. Sendfuse is a text driven system that makes the Rule of 56 automated! Here is how you do it.

CASE STUDY 1

- Text the following command to your SendFuse phone number - **“Title report for _____ (put in address)”** or just **“Title for _____ (put in address)”**. A partial address is usually acceptable. Your assistant will conduct a dynamic search and respond with a complete address for you to verify.
- Respond to your assistant with a yes or no.
 - A **“yes”** will immediately initiate a title report search on the property. A PDF title report will be sent to your email address on file, usually in under a minute. A text from your assistant will notify you upon completion.
 - A **“no”** response from you will result in your assistant asking you to verify the information you submitted so that it can try again.

It is that simple. Title reports are now just a text away! For more information visit getsendfuse.com

4. **SendFuse (Skip Trace):** The last step in this process is to track the phone number of the owner of the subject property. Sendfuse has a feature allowing you to skip trace the name and the number of the homeowner. Here are the steps to obtaining the needed information.

- Text **“skip trace _____ (insert address)”**
- Sendfuse will ask you **“is address _____ (inserted address) in the USA?” “Respond with ‘yes’ and we will check the information.”**
- Respond appropriately
- Sendfuse will respond, **“We will skip trace the number for this address and get back to you soon.”**
- When the search is complete, SendFuse will respond again with, **“Great! ____ (inserted address) has been skip traced. The number is accessible from your Sendfuse Dashboard.”**

For more information visit getsendfuse.com.



CASE STUDY 1

Negotiating the Deal:

With the Owner.

- Building rapport.
- Finding out about her need.
 - Jeanette owned a property @ 2332 W. College Ave. she was able to purchase through an assistance program with _____ of Spokane.



- Since the beginning of 2012, police had received over 200 calls, mostly for drug-related activity.
 - The city _____ against the owner, asking the court to order abatement of a public nuisance.
 - According to the suit, the owner was served with eight notices of chronic nuisance at her house since 2012 and refused to work with officers to clean up the property.
 - Spokane officials boarded up the house after a judge signed an order declaring the property a _____.
 - The owner was taken to jail after police found a syringe with heroin on the premises.
 - Meeting her need.
 - Jeanette needed out of her property fast or she was going to lose it to nuisance abatement.
 - See the next page for the news article, “Spokane Police Help Citizens Remove Drug House from Neighborhood.”
 - Leveraging the neighbors.
 - Communities can sue the neighbor.
 - See following news article titled, “Neighbors relieved as city shuts nuisance house.”
-

CASE STUDY 1

Spokane Police Help Citizens Remove Drug House From Neighborhood

Homeowner arrested; House closed for up to one year

Jordan Ferguson, Corporal/Patrol, PIO, 509.363.8285,
mferguson@spokanepolice.org

Through close collaboration with neighbors, the Spokane Police Department's Civil Enforcement Unit shut down a nuisance home, which was the source of more than 100 calls for service in the past year. The homeowner, Jeanette R. Johnson (52) was arrested for Possession of a Controlled Substance and Use of a Building for Unlawful Drug Purposes.

Yesterday, April 9, 2015, the Spokane Police Department's Civil Enforcement Unit (CEU) and Neighborhood Conditions Officers (NCOs), in coordination with neighbors and the Spokane City Attorney's Office, enforced a court order on a problem house in the 2300 block of W. College Ave. The address has been the source of more than 100 calls for service in the last year.

Johnson, who was arrested for Possession of a Controlled Substance and Use of a Building for Unlawful Drug Purposes, refused to work with the Neighborhood Conditions Officer to curtail the illegal drug activity at the house. Neighbors expressed concerns to the City of Spokane and the Spokane Police Department, indicating they felt threatened by the activity at the home and had to pick up syringes so children would not step on them on their way to school.

CEU, with cooperation from neighbors, obtained a court order of abatement to close down the house for up to a year and stop illegal activity at the address. CEU was able to show the court that the house was a drug nuisance as defined in Chapter 7.43 RCW and a chronic nuisance as defined in Spokane Municipal Code 10.08A.

Citizens who encounter concerns with problem properties in their neighborhood are urged to report these concerns to Crime Check at 509-456-2233.



Safest City of Its Size

SPOKANE

By Rachel Alexander



CASE STUDY 1

Needles and broken glass. Naked people showering outside in broad daylight. A woman getting “beaten by eight people with sticks over stolen peanut butter.”

Those are just a few of the problems neighbors of a West Central house say they’ve put up with over the past three years. But 2332 W. College Ave. has been quiet since Thursday, when Spokane officials boarded up the house after a judge signed an order declaring the property a drug nuisance. The owner, Janette Johnson, 52, was taken to jail after police found a syringe with heroin on the premises.

“It’s a big relief,” said Shane Couch, who lives in a duplex next door. He said he was planning to have friends over and hang out on his porch – something he hasn’t felt safe to do since he moved in two years ago.

Alex Rehberg, who lives above Couch in the duplex, said Johnson’s arrest comes after years of work by neighbors and neighborhood conditions Officer Traci Ponto, who’s encouraged residents to report issues with the house.

“People from that house have broken into this house while I lived here three times,” Rehberg said. “I called the cops to the point where the cops told me to stop calling them.”

Since the beginning of 2012, police have received over 200 calls for service at Johnson’s house, mostly for drug-related activity. The city filed suit against Johnson on March 27, asking the court to order abatement of a public nuisance. According to the suit, Johnson was served with eight notices of chronic nuisance at her house since 2012 and refused to work with officers to clean up the property.

Police spokesman Cpl. Jordan Ferguson said the process to get a nuisance house shut down can be a long one, because officers often don’t have enough evidence to get a warrant or arrest the owner.

“The actual person that owns the house isn’t doing anything overtly illegal that we can make an arrest on,” he said.

“A lot of times, we don’t know what’s going on inside the house” because reports from neighbors are about activities happening outside, he said.

This isn’t the first time police have made some progress shutting down Johnson’s house. Police arrested her in 2007 after a confidential informant bought crack cocaine from her inside the home. She pleaded guilty to three drug-related offenses and was sentenced to 10 months in jail, court records show.

A judge declared the house a nuisance property and ordered it abated for one year on April 30, 2008. Johnson got out of jail and completed her community supervision in 2010. Then, neighbors say, the property went right back to being a problem.

CASE STUDY 1

"Nothing has slowed down the drug and criminal activity except boarding it up. As soon as she moved back in, the activity picks up again," neighbor Laurie Ryan wrote in an affidavit.

The April 1 court order for abatement allows police to seize all the contents of the house and sell them, using the costs to cover expenses associated with keeping the house closed and the city's court fees. If the sale of items inside the house doesn't cover those costs, the city can sell the house and keep a portion of the proceeds to recover their costs.

Rehberg was home Thursday when city officials and police officers, including Ponto, came to board up Johnson's house. He said Ponto went inside to search the house and came out grinning because she'd found drugs inside, allowing her to take Johnson into custody pending the filing of formal charges.

Ponto "cuffed her with the biggest smile on her face. It was great to watch," he said.

CASE STUDY 1

With the City.

- Building rapport.
 - The city had liens on the property that needed to be considered prior to purchase so a relationship was started with the city.
- Finding their need.
 - The city wanted a pay-off on their liens to cover the expenses of abatement.
 - The city wanted the property cleaned up more than they wanted the liens paid.
- Meeting their need.
 - The city was willing to negotiate _____ in the liens for a guarantee of rehab of the property.
 - City _____ 9-months.



Leveraging pressure from the city on the homeowner.

- _____.
- Abatement
- _____ to the seller.



How we closed the deal.

- Video: "Signing the Deal – Case Study 1."



CASE STUDY 1

The Rehab – What we did to it

The Scope Of Work

- New siding and repairs to roof



- New stairs and external clean up



CASE STUDY 1

- Major trash removal



- Repair water damage



CASE STUDY 1

- Full kitchen gut



- Major repair of walls



CASE STUDY 1

- Electrical



- Plumbing & Bathroom gut



CASE STUDY 1

By the Numbers.

- Estimated Profit & Loss Statement.
- Estimated Profit \$42,307.03

The Sale and Profit

- You want to improve the property to the level of the community to gain _____.
- Remember that the goal of your rehab is to maximize profit, not to maximize the amount of rehab you accomplish!
- Pricing.
 - Price it to move.
 - Price it for the market
 - Price it right.
- Staging.
 - Do it right.
 - You must stage but _____
 - Use wall hangings and small items.
 - Avoid Big Furniture



CASE STUDY 1

- Silk plants are great to add life
- DO NOT use _____



- Keep it inexpensive but tasteful!

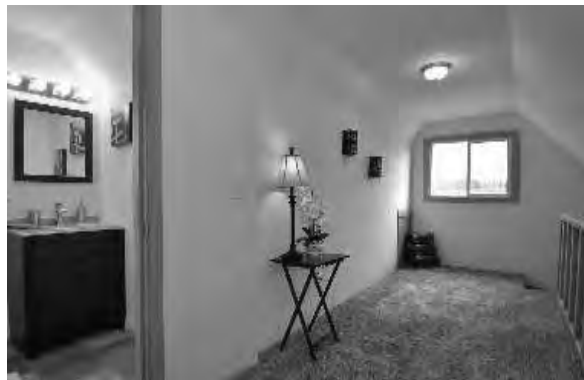


CASE STUDY 1

- Suggest uses for the room through your choice of décor.



- Make sure _____ are on!



- Add texture with pillows and throws.



- Add _____
-

CASE STUDY 1

- Listing.
 - Think multiple streams of income. Get your cut of the sales commission. Be an _____
 - Flyers.
 - Email blast.
 - Word of mouth.
 - Use professional photography & presentations!



<http://tours.tourfactory.com/tours/tour.asp?t=1524361>

- Actual Profit
 - From the final ALTA Settlement Statement – Seller:

Sale Price = _____

- From the Property Profit & Loss statement:

Total Purchase Price = \$26,416.53

Total Rehab = \$52,512.37

Total Profit = _____

- Reputational Capital
 - Spokane Review Article – “An Eyesore No More!”



- Thank you card from buyer! (See the following page.)

CASE STUDY 1

DEAR LEE ARNOLD TEAM,

IT'S RARE THESE DAYS TO
FIND A COMPANY WITH HONESTY
AND INTEGRITY. YOU HAVE RENEWED
MY FAITH IN THE VALUES THAT I
HAVE HAD MY WHOLE LIFE.

JOEL, THE MAN WHO FIXED THE
PROBLEM WITH MY KITCHEN FLOOR WAS
SO KNOWLEDGEABLE AND HIS WORK
ETHIC WAS OUTSTANDING.

IF I HAD EXTRA MONEY I WOULD
INVEST IN YOUR COMPANY. YOU DID
SUCH A GREAT JOB OF REBUILDING THE
HOUSE I LIVE IN, IT'S A JOY LIVING HERE

THANK YOU John B. Wehl

CASE STUDY 1

3 Things We Learn from This First Deal!

- Cities will _____ their liens as well as back taxes owing.
 - Government programs will negotiate on outstanding loans for fix up or low-income housing vouchers
 - Cities have a lot of these types of properties and are excited
-



_____ and the wherewithal to fix them up and bring them back to productive use.



This image shows a blank sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

PERFORMANCE CONTRACT

For valuable consideration and for the mutual benefit to be derived hereby, the City of Spokane, a municipal corporation (the "City") and Escalade Properties, LLC, a Utah limited liability company ("Escalade") make the following recitals and agreement dated November 18th, 2015 relative to certain real property located at 2332 West College Avenue, Spokane, Washington 99201 (the "Property").

RECITALS

A. On or about April 4, 1994, the City loaned money to Janette [REDACTED], a single person ("Ms. [REDACTED]") under the auspices of the Spokane Housing Rehabilitation Program. The loan was evidenced by loan documents, a Promissory Note and was secured by a Deed of Trust dated April 4, 1994 recorded on April 7, 1994 under Spokane County Auditor's File No. 9404070508. The initial loan amount was \$38,309.00.

B. Ms. [REDACTED] has agreed to sell the Property to Escalade under the terms of a Real Estate Purchase and Sale Agreement dated September 9, 2015. The Property is currently in a state of requiring significant repairs and improvements.

C. Under the circumstances surrounding Ms. [REDACTED] and the Property, Escalade has requested that the City consider releasing its lien without requiring Ms. [REDACTED] to pay the balance owed on the Note in the amount of \$16,969.00 (the "Payoff Deficiency").

D. One of the primary reasons the City is willing to reduce its payoff is the assurance that the Property will be rehabilitated within nine (9) months from the closing date on which Escalade acquires title to the Property. For purpose of this agreement, "rehabilitation" is defined as meeting FHA Minimum Standards (as that phrase is known within the lending and appraisal industry) and issuance of a Certificate of Occupancy ("COO") by the City of Spokane Building and Planning Department.

E. The City has expressed a willingness with Escalade to release its lien at the time of closing, and not require payment in full of the Payoff Deficiency, in consideration of Escalade agreeing to perform sufficient repairs and improvements to the Property to bring the Property up to FHA Minimum Standards and to obtain a COO.

F. The parties are desirous of memorializing their agreement in writing as it relates to the Property and the assurances from Escalade as to the work it will undertake if able to purchase the Property from Ms. [REDACTED].

NOW THEREFORE, in consideration of the above-stated recitals and for further consideration, the parties make the following covenants, promises and agreement, to wit:

AGREEMENT

1. On condition of the terms of this agreement stated herein and on condition that the sale and closing of the Property from Ms. [REDACTED] to Escalade proceeds to closing, at which time Ms. [REDACTED] transfers the Property to Escalade by way of deed in return for the price being paid to Ms. [REDACTED], the City shall execute the necessary documentation, to be prepared by the Closing Agent at the expense of Escalade, that will result in the absolute, unconditional release of its current Deed of Trust lien against the Property.

2. By executing this agreement, Escalade agrees to rehabilitate the Property by performing repairs and improvements to it so as meet FHA Minimum Standards and obtain issuance of a COO by the City of Spokane Building and Planning Department.

3. As long as Escalade performs the required repairs and improvements and obtains and delivers to the City appropriate written certification¹ that the Property meets FHA Minimum Standards and that the City has issued a COO, all within nine (9) months from the date of Closing (evidenced by the date the transfer deed is recorded with the county auditor), then Escalade shall not be required to pay the Payoff Deficiency.

4. If, however, Escalade does not perform all of the required repairs and improvements and/or fails to obtain and deliver to the City appropriate written certification (see Footnote #1 below) that the Property meets FHA Minimum Standards and that the City has issued a COO, all within nine (9) months from the date of Closing (evidenced by the date the transfer deed is recorded with the county auditor), then Escalade shall be required to pay the City the Payoff Deficiency amount in cash within fifteen (15) days of written notification being mailed or delivered from the City of non-

¹ The City shall be allowed to have its compliance staff inspect the Property to determine if it meets FHA Minimum Standards. If the Property is deemed to meet FHA Minimum Standards, then the City will accept the Property as duly certified. If, however, the Property is deemed to not meet FHA Minimum Standards, then the City shall pay to have it inspected by an independent third party inspector of its choice. If that inspector certifies in writing that the Property does meet FHA Minimum Standards, the City will accept the Property as certified. If, however, that inspector concludes that the Property does not meet FHA Minimum Standards, then Escalade shall immediately reimburse the City for the cost of the inspection fee, and Escalade shall have exactly thirty (30) days in which to perform additional work to bring the Property up to FHA Minimum Standards, have the Property re-inspected at its expense, and obtain written certification from that inspector that the Property then meets FHA Minimum Standards.

compliance with the terms of this agreement. Any such notification shall be deemed delivered by the City within three (3) days after placing said notice in U.S. Mail by regular and certified mail, or by actual personal delivery to Escalade, its registered agent. If Escalade fails to pay the Payoff Deficiency as required herein, the Payoff Deficiency shall commence to accrue interest at the rate of 12% per year until paid in full.

5. The parties agree that this fully signed document shall be recorded by the Closing Agent for the Property immediately after the transfer deed is recorded and one (1) new Deed of Trust is recorded to secure a private loan to Escalade. Recordation of this agreement shall serve as constructive notice of a contingent interest that is being retained by the City in the Property to the extent of the Payoff Deficiency.

6. At such time as the City receives in a timely fashion (i.e. within nine (9) months of the Closing Date) acceptable written certification as set for the above that the Property meets FHA Minimum Standards and that a COO has been duly issued for the Property by the City of Spokane, the City shall then sign and deliver to Escalade a written statement to this effect and that the City no longer holds a contingent interest in the Property and that no Payoff Deficiency is owed by Escalade. Any such statement shall be prepared by the city at the expense of the city, and will be recorded by Escalade at its expense. Statement shall be provided to Escalade within 15 days of the request being made upon confirmation of completion.

7. Time is of the essence with regard to performance of all terms and conditions of this agreement.

8. In the event either party is required to retain the services of an attorney regarding this agreement and/or to file suit concerning the terms of the agreement, the prevailing party or innocent party in said dispute shall be entitled to recover judgment against the non-prevailing party or responsible party for all costs of suit, including a reasonable sum for attorney fees.

9. This agreement is binding upon and shall inure to the benefit of the parties hereto, their successors, heirs, assigns, agents, and legal representatives.

The parties freely, voluntarily and with full understanding of the terms and conditions of the agreement hereby execute this agreement.

**** See the next page for signatures of the parties ****

THE CITY OF SPOKANE:

By: _____

Theresa [REDACTED]
Its: City Administrator

ESCALADE PROPERTIES, LLC:

By: _____

Lee Arnold
Its: Managing Member

State of Washington S
 S
County of Spokane S

I certify that I know or have satisfactory evidence that Theresa [REDACTED] signed this instrument, on oath stated that she was authorized to execute the instrument and acknowledged it as City Administrator for the City of Spokane to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED: November _____, 2015.

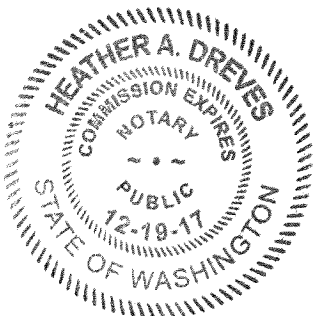
Signature of Notary Public
My Commission Expires: _____

 S
State of Washington
 S
County of Spokane S

I certify that I know or have satisfactory evidence that Lee Arnold signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the Managing Member of Escalade Properties, LLC to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED: November 18th, 2015.

Signature of Notary Public
My Commission Expires: 12-19-17





First American

myFirstAm® Combined Report

2332 W College Ave, Spokane, WA 99201

Property Address:
2332 W College Ave
Spokane, WA 99201

Combined Report

2332 W College Ave, Spokane, WA 99201

8/10/2016

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First American

myFirstAm® Property Profile

2332 W College Ave, Spokane, WA 99201

Property Information			
Owner(s):	Welch John D	Mailing Address:	2332 W College Ave, Spokane, WA 99201
Owner Phone:	Unknown	Property Address:	2332 W College Ave, Spokane, WA 99201
Vesting Type:	Unmarried	Alt. APN:	
County:	Spokane	APN:	25133.0229
Map Coord:	9L	Census Tract:	002300
Lot#:	22	Block:	10
Subdivision:	Nettleton 1st Add	Tract:	
Legal:	Nettleton 1st Add Lt 22 Blk 10		

Property Characteristics					
Use:	Sfr	Year Built / Eff. :	1926 / 1926	Sq. Ft. :	1449
Zoning:		Lot Size Ac / Sq Ft:	0.1331 / 5800	# of Units:	1
Bedrooms:	4	Bathrooms:	1	Fireplace:	Y
# Rooms:	7	Quality:	Average	Heating:	Forced Air Gas
Pool:		Air:		Style:	Unknown
Stories:	1.50	Improvements:		Parking / #:	/
Gross Area:	2718	Garage Area :		Basement Area:	

Sale and Loan Information					
Sale / Rec Date:	04/26/2016 / 04/28/2016	*\$/Sq. Ft.:	\$96.27	2nd Mtg.:	
Sale Price:	\$139,500	1st Loan:	\$109,500	Prior Sale Amt:	\$26,415
Doc No.:	000006491573	Loan Type:	Conventional	Prior Sale Date:	12/03/2015
Doc Type:	General Warranty Deed	Transfer Date:	04/28/2016	Prior Doc No.:	000006456917
Seller:	Aarnold Professional Holdings	Lender:	Northwest Equity Solutions Inc	Prior Doc Type:	General Warranty Deed

*\$/Sq. Ft. is a calculation of Sale Price divided by Sq. Feet.

Tax Information

Imp Value:	\$64,200	Exemption Type:	
Land Value:	\$18,000	Tax Year / Area:	2016 / 0012
Total Value:	\$82,200	Tax Value:	\$82,200
Total Tax Amt:	\$1,151.86	Improved:	78%

Property Profile

2332 W College Ave, Spokane, WA 99201

8/10/2016

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First American

myFirstAm® Transaction History

2332 W College Ave, Spokane, WA 99201

Transaction History

Transaction History provides records for the past ten years. To request additional information, please contact your local Sales Representative, Customer Service Department, or for an additional fee you may [click here](#).

History Record # 1 : SALE/TRANSFER			
Buyer:	Welch John D	Seller:	Aarnold Professional Holdings
Transaction Date:	04/26/2016	Sale Price:	\$139,500
Recording Date:	04/28/2016	Sale Price Type:	
Recorded Doc #:	<u>000006491573</u>	Title Company:	First American Title
Document Type:	Deed Transfer	Vesting Type:	Unmarried

FINANCE			
Mortgage Recording Date:	04/28/2016	Mortgage Transfer Type:	Resale
Mortgage Document #:	<u>000006491574</u>	Mortgage Rate Type:	
Lender:	Northwest Equity Solutions Inc	Mortgage Term:	30
Document Type:	Trust Deed/Mortgage	Vesting Type:	Unmarried
Loan Amount:	\$109,500	Mortgage Rate:	
Borrower 1:	Welch John D	Borrower 2:	
Borrower 3:		Borrower 4:	

History Record # 2 : SALE/TRANSFER			
Buyer:	Arnold Professional Holdings I	Seller:	Johnson Janette R
Transaction Date:	12/03/2015	Sale Price:	\$26,415
Recording Date:	12/07/2015	Sale Price Type:	
Recorded Doc #:	<u>000006456917</u>	Title Company:	First American Title
Document Type:	Deed Transfer	Vesting Type:	Company

FINANCE			
Mortgage Recording	12/07/2015	Mortgage Transfer Type:	Construction Loan/Financing

Date:			
Mortgage Document #:	<u>000006456918</u>	Mortgage Rate Type:	
Lender:	Hawthorne Robert	Mortgage Term:	2
Document Type:	Trust Deed/Mortgage	Vesting Type:	Company
Loan Amount:	\$65,000	Mortgage Rate:	
Borrower 1:	Arnold Professional Holdings I	Borrower 2:	
Borrower 3:		Borrower 4:	

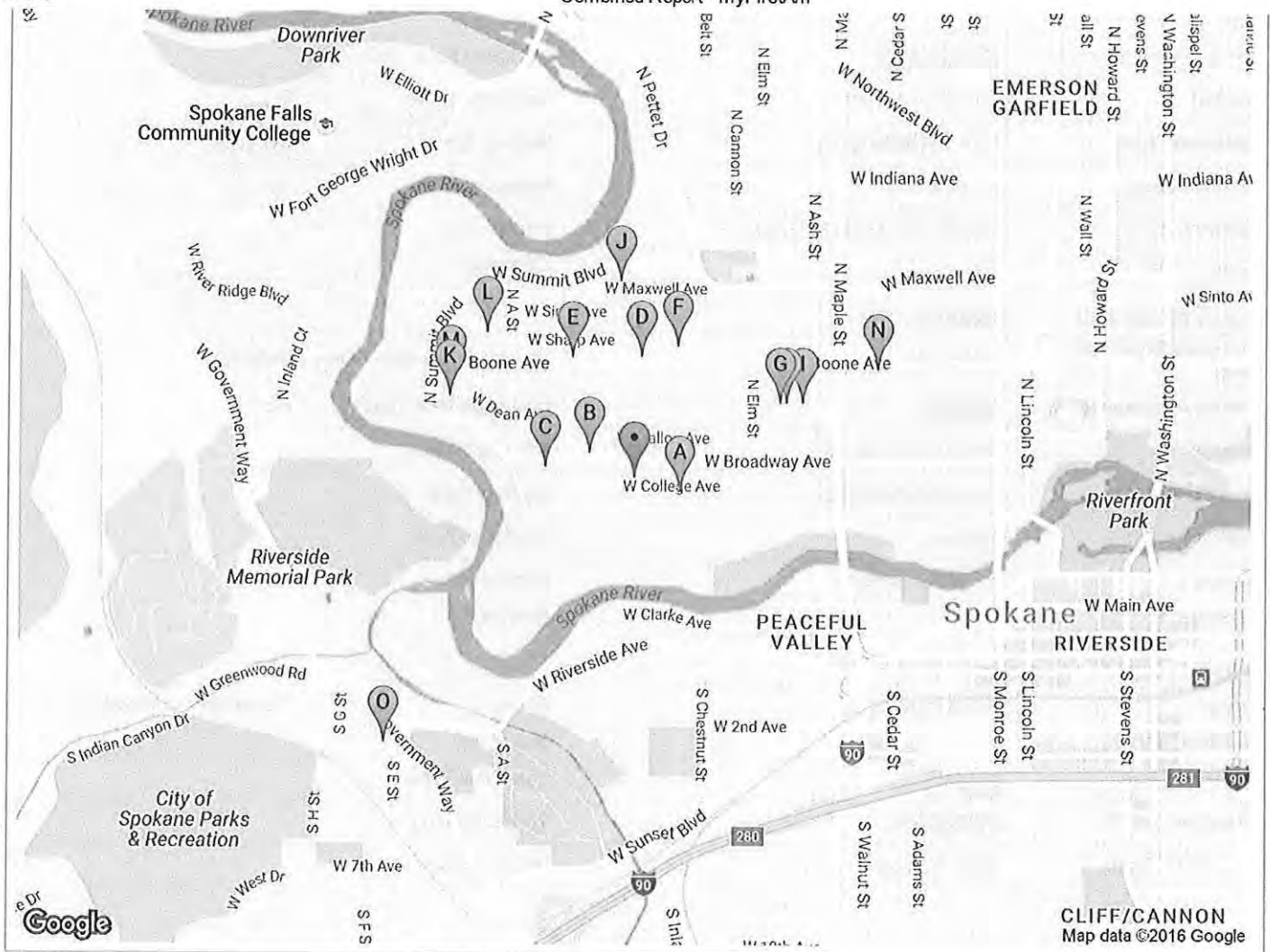
History Record # 3 :			
FINANCE			
Mortgage Recording Date:	04/29/2004	Mortgage Transfer Type:	Refinance
Mortgage Document #:	<u>5064699</u>	Mortgage Rate Type:	Fix
Lender:	Harco Insurance Co	Mortgage Term:	
Document Type:	Trust Deed/Mortgage	Vesting Type:	
Loan Amount:	\$15,000	Mortgage Rate:	
Borrower 1:	Johnson Janette R	Borrower 2:	
Borrower 3:		Borrower 4:	

History Record # 4 :			
SALE/TRANSFER			
Buyer:	Johnson,Janette R	Seller:	Owner Name Unavailable
Transaction Date:		Sale Price:	
Recording Date:	04/04/1994	Sale Price Type:	
Recorded Doc #:	<u>0094002385</u>	Title Company:	
Document Type:	Deed Transfer	Vesting Type:	

Transaction History**2332 W College Ave, Spokane, WA 99201****8/10/2016**

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*First American***myFirstAm® Comparable Sales****2332 W College Ave, Spokane, WA 99201**



Subject Property

APN	Property Address	Sale Price	Year Built	Beds	Baths	Sq. Ft.	Rec. Date	Dist. from Subj.
25133.0229	2332 W College Ave, Spokane, WA 99201	\$139,500	1926	4	1	1449		

Comparable Sales

A.	25133.0806	2131 W College AVE , Spokane, WA 99201	\$42,000	1926	2	2	1298	07/15/2016	0.12 mi
B.	25132.3021	2522 W Broadway AVE , Spokane, WA 99201	\$60,000	1905	2	1	1434	03/18/2016	0.13 mi
C.	25133.0429	2717 W Broadway AVE , Spokane, WA 99201	\$141,000	1976	3	2	1410	05/24/2016	0.23 mi
D.	25132.2120	2320 W Boone AVE , Spokane, WA 99201	\$129,000	1995	3	1.5	1591	05/18/2016	0.31 mi
E.	25132.2227	2616 W Boone AVE , Spokane, WA 99201	\$81,835	1946	3	1.5	1358	05/31/2016	0.35 mi
F.	25132.2005	2203 W Sharp AVE , Spokane, WA 99201	\$90,000	1935	3	1.5	1534	04/07/2016	0.36 mi

G.	25131.5721	1808 W Dean AVE , Spokane, WA 99201	\$144,900	1995	3	1	1597	05/31/2016	0.43 mi
H.	25131.5723	1802 W Dean AVE , Spokane, WA 99201	\$105,000	1950	2	1	1560	06/28/2016	0.44 mi
I.	25131.0406	1714 W Dean AVE , Spokane, WA 99201	\$66,000	1890	3	2	1540	02/22/2016	0.48 mi
J.	25132.1121	2416 W Maxwell AVE , Spokane, WA 99201		1907	3	1	1322	03/11/2016	0.51 mi
K.	25141.0311	1027 N Sherwood ST , Spokane, WA 99201	\$145,000	1926	3	1	1240	07/22/2016	0.52 mi
L.	25141.1002	1312 N Hollis ST , Spokane, WA 99201	\$130,000	1927	2	2	1658	04/19/2016	0.54 mi
M.	25141.0315	1111 N Sherwood ST , Spokane, WA 99201	\$152,000	1931	3	1	1297	06/14/2016	0.54 mi
N.	25131.0803	1417 W Boone AVE , Spokane, WA 99201	\$41,000	1898	3	1	1332	03/21/2016	0.69 mi
O.	25231.2911	3310 W 3rd AVE , Spokane, WA 99224	\$232,000	1994	3	2	1660	07/12/2016	0.94 mi

Comparable Statistics

	<u>Average</u>	<u>Low</u>	<u>High</u>
Sale Price:	\$111,410	\$41,000	\$232,000
Loan Amount:	\$114,996	\$56,100	\$227,797
Bedrooms:	3	2	3
Bathrooms:	1	1	2
Sq. Ft.:	1455.4	1240	1660
Sale \$ / Sq. Ft.*:	\$77	\$33	\$140

*\$/Sq.Ft. is a calculation of Sale Price divided by Sq.Ft.

Comparable Sales

2332 W College Ave, Spokane, WA 99201

8/10/2016

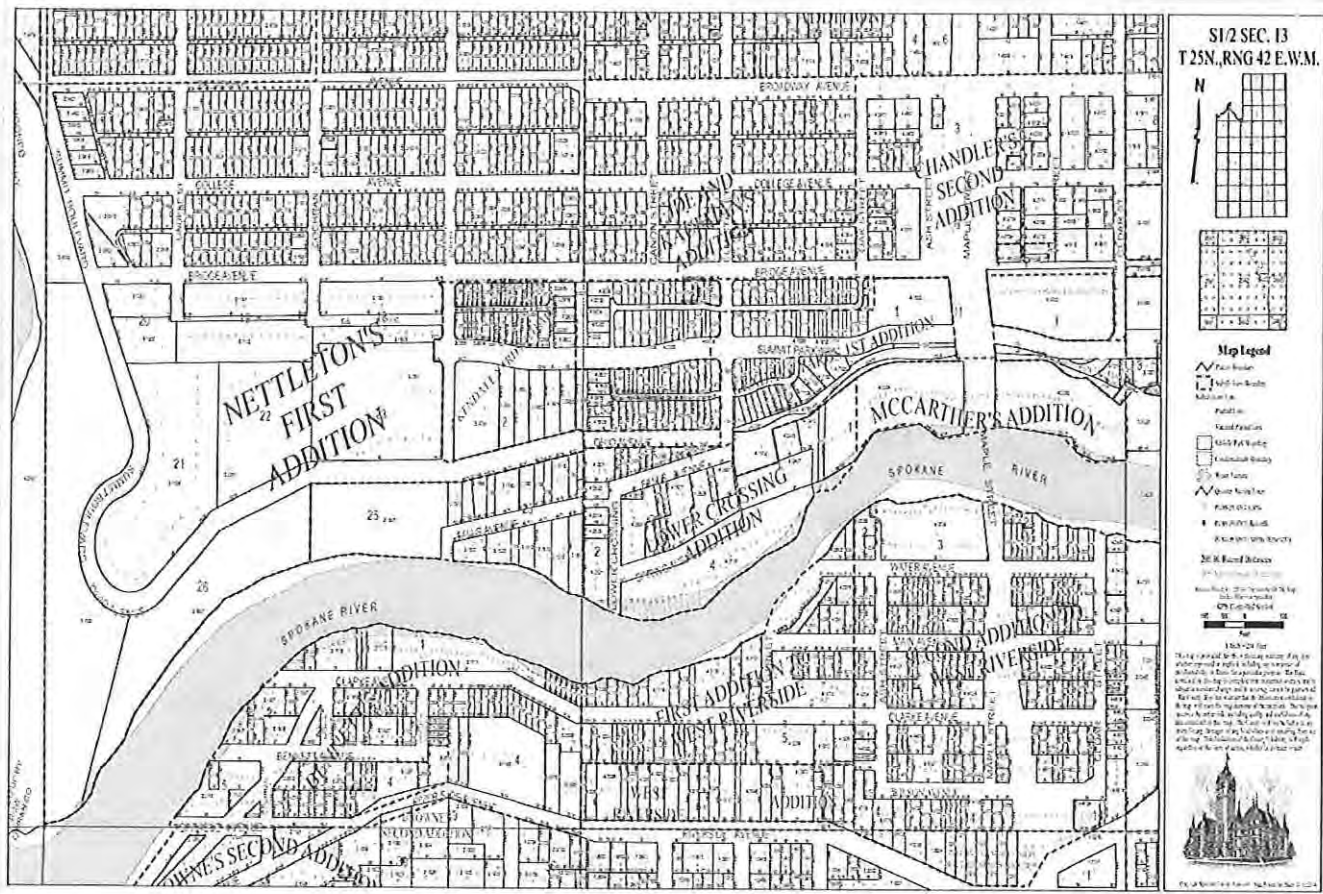
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First American

myFirstAm® Tax Map

2332 W College Ave, Spokane, WA 99201



Tax Map

2332 W College Ave, Spokane, WA 99201

8/10/2016

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First American

myFirstAm® School Information

2332 W College Ave, Spokane, WA 99201

School District: Spokane School District

District #: 5308250

Number of Schools: 3

School Name:	Holmes Elementary School	Grade Span:	Primary & Middle
Address:	2600 W Sharp Ave Spokane WA 99201	Number of Teachers:	
Phone #:	509-354-2990	Number of Students:	423

School Name:	North Central High School	Grade Span:	High
---------------------	---------------------------	--------------------	------

Number of

58 | Page

Address: 1600 N Howard St Spokane WA 99201**Teachers:****Phone #:** 509-354-6300**Number of
Students:** 1251**School Name:** Glover Middle School**Grade Span:** Middle**Address:** 2404 W Longfellow Ave Spokane WA 99205**Number of
Teachers:****Phone #:** 509-354-5400**Number of
Students:** 634**Private Schools (within 5 miles)****School Name:** Little Red School House Children Center**Grade Span:** Elementary**Address:** 621 W Sprague Ave Spokane WA 99201**Distance:** 1.27 mi.**Phone #:** 999-999-9999**School Name:** Palisades Christian Academy**Grade Span:** Other**Address:** 1115 N Government Way Spokane WA 99224**Distance:** 1.36 mi.**Phone #:** 509-325-1985**School Name:** Spokane Montessori School**Grade Span:** Elementary**Address:** 1909 N Wright Dr Spokane WA 99224**Distance:** 1.46 mi.**Phone #:** 509-328-6466**School Name:** Discovery School**Grade Span:** Elementary**Address:** 323 S Grant St Spokane WA 99202**Distance:** 2.14 mi.**Phone #:** 509-838-0606**School Name:** Cataldo Catholic School**Grade Span:** Elementary**Address:** 455 W 18Th Ave Spokane WA 99203**Distance:** 2.16 mi.**Phone #:** 999-999-9999**School Name:** Can Learn Academy**Grade Span:** Other**Address:** 600 W Cora Ave Spokane WA 99205**Distance:** 2.21 mi.**Phone #:** 999-999-9999**School Name:** St Aloysius Catholic School**Grade Span:** Elementary

Address:	611 E Mission Ave Spokane WA 99202	Distance:	2.25 mi.
Phone #:	509-489-7825		

School Name:	St Charles Catholic School	Grade Span:	Elementary
Address:	4515 N Alberta St Spokane WA 99205	Distance:	2.45 mi.
Phone #:	509-327-9575		

School Name:	Gonzaga Preparatory School	Grade Span:	Secondary
Address:	1224 E Euclid Ave Spokane WA 99207	Distance:	2.98 mi.
Phone #:	509-483-8511		

School Name:	Southside Christian School	Grade Span:	Elementary
Address:	401 E 30Th Ave Spokane WA 99203	Distance:	3.21 mi.
Phone #:	509-838-8139		

School Name:	Northwest Christian Schools	Grade Span:	Elementary
Address:	1412 W Central Ave Spokane WA 99205	Distance:	3.41 mi.
Phone #:	509-328-4400		

School Name:	Cornerstone Christian Academy	Grade Span:	Other
Address:	1801 E 29Th Ave Spokane WA 99203	Distance:	3.83 mi.
Phone #:	509-835-1235		

School Name:	Faith Baptist Academy	Grade Span:	Other
Address:	2804 E Euclid Ave Spokane WA 99207	Distance:	3.96 mi.
Phone #:	509-482-6101		

School Name:	St Matthew Lutheran School	Grade Span:	Elementary
Address:	6917 N Country Homes Blvd Spokane WA 99208	Distance:	4.04 mi.
Phone #:	509-327-5601		

School Name:	Assumption Elementary School	Grade Span:	Elementary
Address:	3618 W Indian Trail Rd Spokane WA 99208	Distance:	4.13 mi.
Phone #:	999-999-9999		

School Name:	Beautiful Savior Preschool & Kindergarten	Grade Span:	Elementary
Address:	4320 S Conklin St Spokane WA 99203	Distance:	4.14 mi.
Phone #:	509-747-6806		

School Name:	All Saints Catholic School	Grade Span:	Elementary
Address:	3510 E 18Th Ave Spokane WA 99223	Distance:	4.49 mi.
Phone #:	509-534-1098		

School Name:	St Patrick Catholic School	Grade Span:	Elementary
Address:	5021 N Nelson St Spokane WA 99217	Distance:	4.53 mi.
Phone #:	509-487-2830		

School Name:	Kindercare Learning Center 1266	Grade Span:	Elementary
Address:	3201 E 26Th Ave Spokane WA 99223	Distance:	4.53 mi.
Phone #:	509-534-2319		

School Name:	Westgate Christian School	Grade Span:	Elementary
Address:	7111 N Nine Mile Rd Spokane WA 99208	Distance:	4.62 mi.
Phone #:	509-325-2252		

School Name:	St Thomas More School	Grade Span:	Elementary
Address:	515 W Saint Thomas More Way Spokane WA 99208	Distance:	4.92 mi.
Phone #:	509-466-3811		

School Name:	Joybell Christian School House	Grade Span:	Elementary
Address:	4616 E 4Th Ave Spokane Valley WA 99212	Distance:	4.95 mi.
Phone #:	509-535-8226		

School Information**2332 W College Ave, Spokane, WA 99201****8/10/2016**

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First American
myFirstAm® Neighbors
2332 W College Ave, Spokane, WA 99201
Neighbors

Address:	2334 W College Ave, Spokane, WA 99201	Owner(s):	Roy Phillip C Roy Desirae D	
APN:	25133.0230	Sale Amount:	\$135,500	Sale Date: 09/18/2007
Beds / Baths:	3 / 1	Square Feet:	1,516	Year Built: 1905
Use Code:	SFR	# Units:	1	Lot Size: .1331

Address:	2324 W College Ave, Spokane, WA 99201	Owner(s):	Thies Sherri D Thies Ronald A	
APN:	25133.0228	Sale Amount:		Sale Date: 04/30/2007
Beds / Baths:	2 / 1	Square Feet:	1,026	Year Built: 1926
Use Code:	SFR	# Units:	1	Lot Size: .1331

Address:	2320 W College Ave, Spokane, WA 99201	Owner(s):	Noll Ralph L	
APN:	25133.0218	Sale Amount:	\$2,325	Sale Date: 07/29/2015
Beds / Baths:	2 / 1	Square Feet:	1,017	Year Built: 1895
Use Code:	SFR	# Units:	1	Lot Size: .2663

Address:	2406 W College Ave, Spokane, WA 99201	Owner(s):	Greenbay Properties Llc	
APN:	25133.0223	Sale Amount:	\$50,150	Sale Date: 12/29/2004
Beds / Baths:	4 / 1	Square Feet:	1,438	Year Built: 1898
Use Code:	SFR	# Units:	1	Lot Size: .1997

Address:	2312 W College Ave, Spokane, WA 99201	Owner(s):	Williams Kay L	
APN:	25133.0217	Sale Amount:	\$47,000	Sale Date: 06/02/1999
Beds / Baths:	3 / 1.5	Square Feet:	1,138	Year Built: 1902
Use Code:	SFR	# Units:	1	Lot Size: .1331

Address:	2325 W Broadway Ave, Spokane, WA 99201	Owner(s):	Hansen Tyler J Hemmert Caitlin M	
APN:	25133.0208	Sale Amount:	\$107,000	Sale Date: 04/12/2011
Beds / Baths:	3 / 1	Square Feet:	1,628	Year Built: 1925

Use Code:	SFR	# Units:	1	Lot Size:	.1331
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Address:	2329 W Broadway Ave, Spokane, WA 99201	Owner(s):	Hansen Gregory M		
APN:	25133.0207	Sale Amount:	\$66,500	Sale Date:	11/12/1997
Beds / Baths:	4 / 1	Square Feet:	1,097	Year Built:	1926
Use Code:	SFR	# Units:	1	Lot Size:	.1331

Address:	2403 W Broadway Ave, Spokane, WA 99201	Owner(s):	Bt Holdings Llc		
APN:	25133.0206	Sale Amount:	\$63,300	Sale Date:	12/28/2004
Beds / Baths:	3 / 1	Square Feet:	1,538	Year Built:	1926
Use Code:	SFR	# Units:	1	Lot Size:	.1331

Address:	2319 W Broadway Ave, Spokane, WA 99201	Owner(s):	Nelson Robert G Nelson Marie C		
APN:	25133.0210	Sale Amount:		Sale Date:	
Beds / Baths:	4 / 1.5	Square Feet:	1,847	Year Built:	1902
Use Code:	SFR	# Units:	1	Lot Size:	.1331

Address:	2416 W College Ave, Spokane, WA 99201	Owner(s):	Andre Clinton J		
APN:	25133.0224	Sale Amount:	\$58,000	Sale Date:	07/30/2004
Beds / Baths:	2 / 1	Square Feet:	826	Year Built:	1909
Use Code:	SFR	# Units:	1	Lot Size:	.1997

Address:	2325 W College Ave, Spokane, WA 99201	Owner(s):	Smith Rebecca D		
APN:	25133.0708	Sale Amount:	\$61,450	Sale Date:	06/07/2001
Beds / Baths:	3 / 1.5	Square Feet:	1,266	Year Built:	1905
Use Code:	SFR	# Units:	1	Lot Size:	.1074

Address:	2323 W College Ave, Spokane, WA 99201	Owner(s):	Smith Rebecca D Nedinsky Daniel S		
APN:	25133.0709	Sale Amount:		Sale Date:	11/19/2015
Beds / Baths:	3 / 1	Square Feet:	1,174	Year Built:	1901
Use Code:	SFR	# Units:	1	Lot Size:	.1612

Address:	2405 W Broadway Ave, Spokane, WA 99201	Owner(s):	Lenz Leticia S		
APN:	25133.0205	Sale Amount:	\$124,000	Sale Date:	05/13/2008

Beds / Baths:	4 / 2	Square Feet:	1,608	Year Built:	1926
Use Code:	SFR	# Units:	1	Lot Size:	.1331

Address:	2306 W College Ave, Spokane, WA 99201	Owner(s):	Cybergreen Cochre Llc		
APN:	25133.0216	Sale Amount:		Sale Date:	05/21/2014
Beds / Baths:	3 / 1	Square Feet:	1,214	Year Built:	1995
Use Code:	SFR	# Units:	1	Lot Size:	.1331

Address:	2315 W College Ave, Spokane, WA 99201		Owner(s):	Escalade Properties Llc	
APN:	25133.0710	Sale Amount:	\$29,900	Sale Date:	05/26/2016
Beds / Baths:	3 / 1	Square Feet:	1,067	Year Built:	1905
Use Code:	SFR	# Units:	1	Lot Size:	.1612

Address:	2409 W Broadway Ave, Spokane, WA 99201		Owner(s):	Vielbig Bernadette Y	
APN:	25133.0204	Sale Amount:	\$87,300	Sale Date:	04/07/2010
Beds / Baths:	5 / 2	Square Feet:	2,014	Year Built:	1910
Use Code:	SFR	# Units:	1	Lot Size:	.1331

Address:	2405 W College Ave, Spokane, WA 99201		Owner(s):	Rtd America Llc	
APN:	25133.0706	Sale Amount:		Sale Date:	05/04/2015
Beds / Baths:	4 / 2	Square Feet:	2,042	Year Built:	1950
Use Code:	DUPLEX	# Units:	1	Lot Size:	.1074

Address:	2307 W Broadway Ave, Spokane, WA 99201		Owner(s):	Stewart Martin Stewart Gale	
APN:	25133.0212	Sale Amount:		Sale Date:	04/29/2003
Beds / Baths:	2 / 1	Square Feet:	1,330	Year Built:	1902
Use Code:	SFR	# Units:	1	Lot Size:	.1331

Address:	2302 W College Ave, Spokane, WA 99201		Owner(s):	Ragland Gwendaleann R	
APN:	25133.0215	Sale Amount:	\$45,000	Sale Date:	11/04/2004
Beds / Baths:	2 / 1	Square Feet:	858	Year Built:	1902
Use Code:	SFR	# Units:	1	Lot Size:	.1315

Address:	2418 W College Ave, Spokane, WA 99201	Owner(s):	Gagliardi Richard E		
APN:	25133.0225	Sale Amount:	\$66,500	Sale Date:	06/23/2008

Beds / Baths:	3 / 1	Square Feet:	1,312	Year Built:	1902
Use Code:	SFR	# Units:	1	Lot Size:	.1331

Address:	2309 W College Ave, Spokane, WA 99201	Owner(s):	Denny David R		
APN:	25133.0711	Sale Amount:		Sale Date:	01/24/2011
Beds / Baths:	1 / 1	Square Feet:	724	Year Built:	1901
Use Code:	SFR	# Units:	1	Lot Size:	.1074

Address:	2307 W College Ave, Spokane, WA 99201	Owner(s):	Agee Bryan J Agee Alyssa M		
APN:	25133.0712	Sale Amount:	\$150,000	Sale Date:	01/26/2016
Beds / Baths:	3 / 2	Square Feet:	1,568	Year Built:	2005
Use Code:	SFR	# Units:	1	Lot Size:	.1074

Address:	2415 W College Ave, Spokane, WA 99201	Owner(s):	Hundrup James Johnson Nancy		
APN:	25133.0704	Sale Amount:		Sale Date:	01/21/2010
Beds / Baths:	2 / 2	Square Feet:	936	Year Built:	1905
Use Code:	SFR	# Units:	1	Lot Size:	.1074

Address:	2428 W College Ave, Spokane, WA 99201	Owner(s):	Loffelmacher Harlan Loffelmacher Joyce		
APN:	25133.0227	Sale Amount:	\$66,000	Sale Date:	
Beds / Baths:	4 / 2	Square Feet:	1,680	Year Built:	1902
Use Code:	SFR	# Units:	1	Lot Size:	.0724

Address:	714 N Cochran St, Spokane, WA 99201	Owner(s):	Clawson Larry N		
APN:	25133.0226	Sale Amount:	\$6,000	Sale Date:	
Beds / Baths:	1 / 1	Square Feet:	704	Year Built:	1890
Use Code:	SFR	# Units:	1	Lot Size:	.0894

Neighbors**2332 W College Ave, Spokane, WA 99201****8/10/2016**

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First American

myFirstAm® Street Map

2332 W College Ave, Spokane, WA 99201



Street Map

2332 W College Ave, Spokane, WA 99201

8/10/2016

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Lake City Servicing

Coeur d'Alene, ID 83814
(800) 630-9252

Arnold Professional Holdings, Inc.

Coeur D Alene, ID 83814

Account:

2332 W College Ave Spokane WA 99201

BENEFICIARY'S DEMAND FOR PAYOFF

Dear Arnold Professional Holdings, Inc.

You are authorized to use the following amounts to payoff the above-mentioned loan. All necessary legal documents will be forwarded to the trustee for Full Reconveyance upon receipt of payment in full.

Payoff Date	4/30/2016
Maturity Date	1/31/2017
Next Payment Due	5/1/2016
Interest Rate	12.000%
Interest Paid-To Date	4/1/2016
Principal Balance	\$65,000.00
Unpaid Interest	\$0.00
Accrued Interest	\$650.00
Unpaid Late Charges	\$0.00
Accrued Late Charges	\$0.00
Unpaid Charges	\$0.00
Prepayment Penalty	\$0.00
Other Fees *For additional details see itemization attached	\$158.00
Trust Balance	\$0.00
Payoff Amount	\$65,808.00

Please add \$21.67 for each additional day past .
Please add \$20.00 for wire.

We reserve the right to amend this demand should any changes occur that would increase the total amount for payoff. **Please note that this demand expires on 5/6/2016**, at which time you are instructed to contact this office for additional instructions (DEMAND FORWARDING FEES ARE DUE EVEN UPON CANCELLATION OF YOUR ESCROW).

ONLY CERTIFIED FUNDS, WIRE TRANSFERS, OR A TITLE COMPANY CHECK WILL BE ACCEPTED!

Make disbursement check payable to: **Lake City Servicing**

Sincerely,

Tanya Chiono
Asset Management
800-630-9252
800-380-6492

ITEMIZATION OF OTHER FEES	
Description	Amount
Demand Fee	\$50.00
Reconveyance Fee	\$35.00
Recording Fee	\$73.00
Total	\$158.00

Gustafson Law, Inc., PS
ALTA Universal ID:
1500 West Fourth Ave.
Suite 408
Spokane, WA 99204

Certified Copy:



File No./Escrow No. : 15-0080-C
 Print Date & Time: February 15, 2018 7:55 am
 Officer/Escrow Officer : Alissa [REDACTED]
 Settlement Location : 1500 West Fourth Ave., Suite 408
 Spokane, WA 99204

Property Address: 2332 W. College Ave.
 Spokane, WA 99201

Borrower: Arnold Professional Holdings, Inc.
 1121 E. Mullan Ave.
 Coeur d'Alene, ID

Seller: Janette [REDACTED]
 [REDACTED]
 Coeur d'Alene, ID 83814

Lender: Equity Trust Company Custodian FBO [REDACTED]

Settlement Date: December 04, 2015
 Disbursement Date: December 04, 2015

Description	Borrower/Buyer	
	Debit	Credit
Financial		
Sale Price of Property	26,416.53	
Deposit		100.00
Loan Amount		65,000.00
Prorations/Adjustments		
Spokane County Treasurer 12/05/15 - 01/01/16	86.36	
Loan Charges to Equity Trust Company Custodian FBO Robert [REDACTED]		
% of Loan Amount (Points) to Cogo Capital	1,300.00	
Closing Services Fee to CLM Closing Services	200.00	
Consulting Fee to Cogo Capital	2,265.00	
Funding Fee to Panhandle Escrow	300.00	
Loan Servicing Fee to Lake City Servicing	180.00	
Servicing Setup Fee to Lake City Servicing	200.00	

Description	Borrower/Buyer	
	Debit	Credit
Loan Charges to Equity Trust Company Custodian FBO Robert [REDACTED] (continued)		
Prepaid Interest \$21,670 per day from 12/04/15 to 01/01/16 Equity Trust Company Custodian FBO Robert [REDACTED]	606.76	
Title Charges and Escrow/Settlement Charges		
Escrow Fee to Gustafson Law, Inc., PS	385.00	
Lenders Policy to First American Title Company	497.85	
Government Recording and Transfer Charges		
Recording Fees to First American Title Company	275.00	
Miscellaneous		
Homeowner's Insurance Premium to The Central Agency 12 months	765.00	
	Debit	Credit
Subtotals	33,477.50	65,100.00
Due to Borrower	31,622.50	
Totals	65,100.00	65,100.00

Acknowledgement

We/I have carefully reviewed the ALTA Settlement Statement and find it to be a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction and further certify that I have received a copy of the ALTA Settlement Statement. We/I authorize Gustafson Law, Inc., PS to cause the funds to be disbursed in accordance with this statement.

Borrower

Arnold Professional Holdings, Inc.

BY: _____
Lee Arnold
President/Secretary



Alissa [REDACTED]
Escrow Officer



BUILDING YOUR REPUTATIONAL CAPITAL

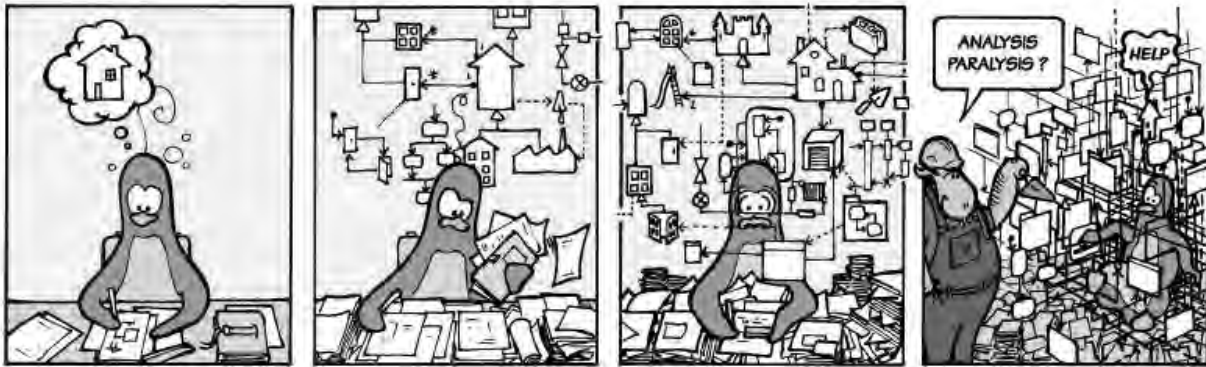


Turning Garbage into Gold!

REPUTATIONAL CAPITAL

Why is The First Deal The Hardest Deal?

How to Get Over the First Deal Hang Ups
So You Can Line Up Deals and Profit
Over and Over Again!



Why is The First Deal the Hardest Deal?

If You're Like the Penguin, You're in Good Company!

- Most successful people have gone through this phase at one stage or another in their lives.
- They had enough reasons to give up their dreams but chose otherwise.
- What did they have that separates them from most everyone else?
- They have only one thing working for them...

!



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The Science Behind Not Doing Anything

- Did you know that a staggering _____ of people that set New Year's goals never actually achieve them? That's according to research conducted in 2017 by the University of Scranton.
- A 2010 LexisNexis survey showed that, on average, employees spend more than half their workdays receiving and managing information rather than using it to do their jobs!
- We've all done it, and if you're like me -- a driven entrepreneur -- failing to meet goals can set you back and leave you discouraged and frustrated.

So, What's Stopping You?

The 5 Things Keeping You from a Successful Deal

#1: Because _____ and the _____ are scary, there is a natural inclination to want to delay beginning for as long as possible.

- We let the, what ifs crowd out action with questions like:
 1. What if the City Attorney won't give me the time of day?
 2. What if he/she will? (Sometimes success is scarier than failure.)
 3. What if I can't find the homeowner?
 4. What if the homeowner won't negotiate with me?
 5. What if they accept my offer... then what?
- #2: No one wants to _____. A fear of failure is essentially a fear of shame.
 1. Shame is a toxic emotion because instead of feeling bad about our actions (guilt) or our efforts (regret), shame makes us feel bad about who we are. Shame

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gets to the core of our egos, our identities, our self-esteem, and can halt us in our tracks.

2. Therefore, the easiest way not to fail and feel shame is to never do anything at all (especially anything new.)
- #3: Perhaps even worse than failing is looking _____.
 1. No one wants to be told--after the new venture has failed--that "you didn't think it through."
 2. To keep that from happening you fall into the _____ trap and just think about the opportunity and study the competition and research everything there is to research.
 3. There is always one more thing you can check, or one more person you can talk to (all of which keeps you busy, but never really accomplishing anything of value).
 - #4: You don't have the _____.
 1. You convince yourself you don't have sufficient knowledge, money, staff, approvals, etc. to start something new. (You never want to go into battle without a full complement of resources, right? So, it is better to delay until you get them.)
 - HINT: Money and staff only come after you start experiencing success.
 - #5: Life is _____ and gets in the way.
 1. We are all busy and our "to do" lists are incredibly long as it is.
 2. Who has time to develop or devote time to anything new right now, right? Especially when there is TV to watch, shopping to do, or time to waste!

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I've Heard All of These Excuses...

**Some of You Are Going to Use
Them When You Leave Here on Sunday...**

**You Can Have Excuses
Or You Can Have Money**

**There is Something You Need to Realize, Being an
Entrepreneur is Hard and a lot of Work**

A Day In The Life As An Entrepreneur



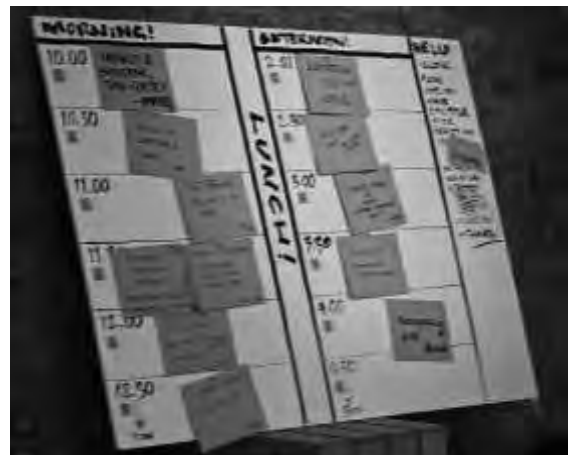
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**But If You Don't Do It, Someone Else Is... And They're
Signing Your Paycheck**



How to Stay Active and Avoid the Excuses

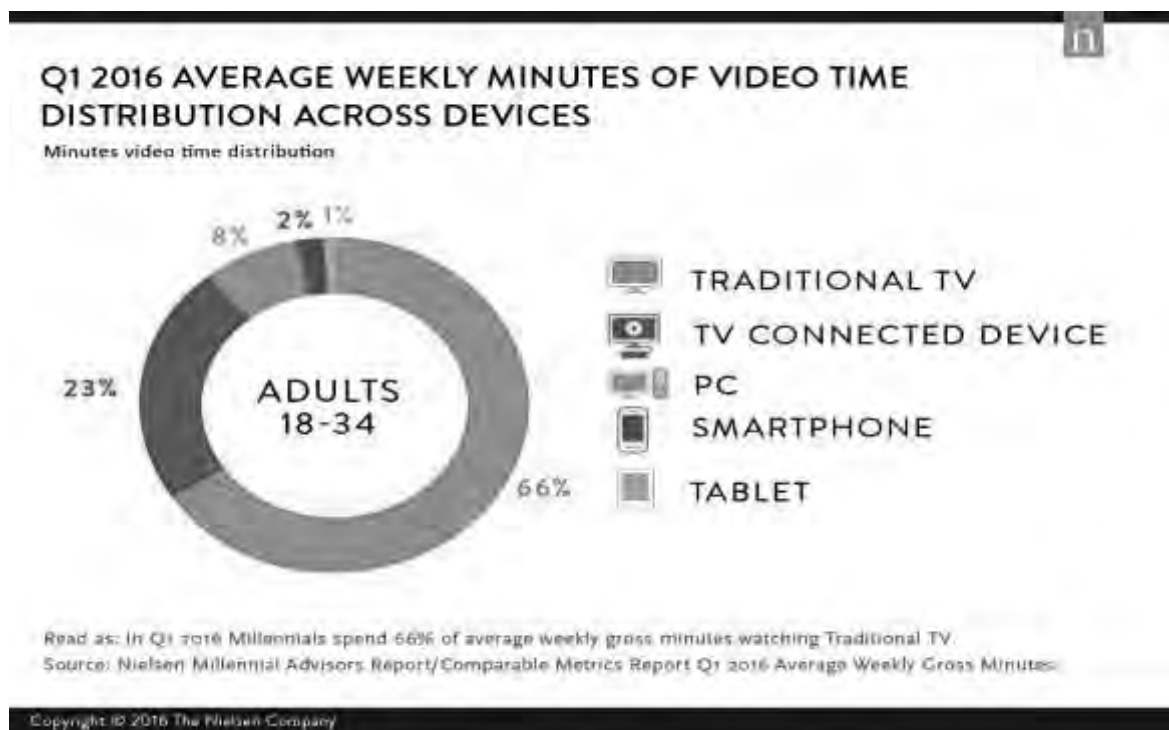
- #1. Structure Your Day Around Income Producing Activities Only
 1. Use a _____
 2. Because our ability to make quality, long-term decisions deteriorates with each additional choice we make, big or small, be like the most successful people and structure your day to cut down on the amount of decisions you need to make.
 3. Tackle your most important task first thing in the morning when your willpower reserves are at your fullest and try to make small decisions as automatic as possible.



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- #2. Limit the Amount of _____
You Consume
 1. For any problem we face, there is a virtually limitless supply of information we can delve into.
 2. Reading with a specific goal in mind allows you to get through large amounts of information without getting overwhelmed.
 3. No matter how much information, how much data that you have, there will always be more. _____
_____ with the information that you have available now, then adapt and change it later if you need to.

Typical Consumption (Too Much Info!)



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- #3. Set a _____
 1. _____ states that work expands to fill the amount of time you've allotted it. If you give yourself an hour to do a task, it will take an hour. If you give yourself 15 minutes to complete the same task, it will take 15 minutes. Don't give yourself more time than necessary!
 2. And make your deadline as public as possible. Tell a coworker or friend who will help to hold you accountable to your decision deadline, or even commit to a deadline on social media.

- #4. Know Your _____
 1. Review your top five goals as a company (even if that company is just you) at the start of every work day.
 2. As a result, your main goals are always at the top of your mind when you need to decide what to prioritize or when faced with a difficult business or marketing decision.
 3. Anything that doesn't align with your current goals,



Now, all the vision boards, writing goals down, and thinking positive thoughts are great.

But most people forget to do the _____.

The Work is Getting the Deal Done!!!



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What If...

**I Could Help You Do Your
First Lien Abatement Deal?**

What If...

**You Could Watch and Learn on Your First
Deal Without ALL the Risk That Keeps
ALL the Excuses Fresh on Your Mind?**

Would You Do It?

Introducing the Master Lien Abatement Workshop

**PARTICIPATION ALERT: (never done before)
Get Your First Deal Done with Us!!!**

What You'll Learn: Day #1

- Review the Nuisance and Lien Abatement Process
- Skip-Trace Homeowners
- Make Out-Bound Calls
- Mock Offer-Writing Session (How to write a net offer)
- Research Your Local Market and the Municipality Players and Make Appointments to Meet with Them the Following Week
- How to manage your landing page
- Learn how to market on social media



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What You'll Learn: Day #2

- Attend Code Enforcement Meeting
- Meet the Contractor (at the Property)
- Go through our House with the Contractor
- Develop scope of work, budget & draw schedule
- Drive Run Downs

What You'll Learn: Day #3

- Learn How to Get Millions in Private Capital: Become the Advanced Loan Consumer
- Meet the Appraiser at the property
- Learn what appraisers look for to determine value
- Step by Step Process of Getting Your Deal Funded (From Application to Closing)
- Drive Run Downs

What You'll Learn: Day #4

- Closing Out the Loan
- Line Up the Construction Process
- Meet with Sarah at APH with the Plan
- Sign the Participation Agreement
- Record your landing page video voice over

Other Great Bonuses

Delivered at the Master Workshop

- Landing Page About Your Lien Abatement Service (Customized to Your Business)



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- Commercial for Your Landing Page (rights to our reputational capital) With All Your Personalized Information in it
- Direct Mail Pieces for Neighbors (We'll show you how to get the neighbors involved and, on your side,)

And Participation on a Real Lien Abatement Deal!!!

You'll Share in the Upside Without Any Downside!

What Does That Look Like?

- Because the First Deal is always the hardest, we'll do your first deal with you (we'll work on it here)
- Only 20 primaries Can Participate (limited amount allowed in each Master Workshop)
- You'll be a part of the loan process (see how it's done)
- No money in, but you'll participate in the profit!
- You'll get ongoing updates, pictures, and videos of the deal in motion from tear-down to build out to staging to closing and sell, YOU'LL SEE IT ALL!

**You'll Not Only Get a
Deal Under Your Belt,
You'll Build Your
Acumen and
Reputational Capital!!!**



REPUTATIONAL CAPITAL

Why Is This Important?

Because of Our Proposal for Your Success!

If you complete FOUR (4) deals within ONE (1) year, you will receive a reimbursement of your tuition, if those deals are completed in the year following the workshop; you use COGO financing; you provide us with before and after pictures and submit pictures of your profit checks.

Our Deal Together Counts Toward the 4!

- That Means You Only Have to Do 3 on Your Own to Get Your Money Back!!!
- Only 20 Allowed
- We Already Have 3 Signed Up So Only 17 Spots Are Left...

What You'll Receive...

- Four Days of In-Depth, Hands-On Training on the Lien Abatement Process (finding, acquiring, and closing)
- Guided Research of Your Own Local Market
- First Deal Done for You (All the Upside, All the Knowledge, but None of the Risk) (counts toward our Success Proposal)
- Professional landing page, commercial, and mailings

Remember... My First 4 Deals?

- Deal #1 Profit = \$42,307.03
- Deal #2 Profit = \$23,951.83
- Deal #3 Profit = \$21,146.54
- Deal #4 Profit = \$50,671.31
- **Over \$138,000 in Profit!!!**



- Submit 3 and We'll Give You Back Your Tuition Investment
- (That's on Top of Your Profit)!

- Remember, I Made It Easier by Doing Your First Deal with You!
- You Can Make Excuses or You Can Make Money...
- Which One Are You Going to Choose to Do?

[illegible]



CASE STUDY 2



Turning Garbage into Gold!

CASE STUDY 2

How We Found the Property:

- This property is across the street from Case Study 1.
- _____.



- Make sure you are

while you are fixing the property.

- Neighbors see these signs as well as the houses across the street and bring you leads.



CASE STUDY 2



How we found the owner

- The owner, June, was visiting her property and saw the work we were doing on Case Study 1.
- She approached the work crew about buying her property!

The opportunity & potential

- The property had been condemned by the city health department and she was living with her daughter.
- The basement was “full” of raw sewage and June did not have the resources to get it fixed.
- What the cities deem to be an overbearing issue is not as bad as they say.
- The city told us the cost to repair the plumbing would be \$15-20,000 because that is the amount the city was quoted. I believe the plumber saw that the client was the city, assumed government funding, and quoted a ridiculous price.
- _____

Experience as well as having an inquiring mind to research things out will save you a



CASE STUDY 2

fortune and allow you access to deals that others will not touch or believe will cost more to repair than they will.

- Upon inspection of the property we discovered that the house did have a raw sewage back up but was only a 5-gallon bucket full. Nothing like they had described.
- Our plumber scoped the line to discovered that it had been clogged with Feminine Hygiene products which simply need to be snaked. We fixed the plumbing for much less than what the city quoted.
- _____
- By the Numbers
 - Estimated Profit & Loss Statement.
 - Estimated Profit \$23,951.83

Property Profit and Loss		
Property address:	2315 W College	
Purchase Date:	6/1/2016	
Cash Outflow (Investment)		
Purchase of Property	\$	25,000.00
Total Fix up and Repair	\$	57,898.00
Selling Costs	\$	18,050.17
Est Total Investment	\$	100,948.17
Target Sale Price	\$	124,900.00
Est Profit	\$	23,951.83
Closing Date	11/1/2016	

CASE STUDY 2



Negotiating the Deal:

With the Owner.

- June owned the property @ 2315 W. College Ave. through an assistance program with the city of Spokane.
 - Due to her poor health and financial situation she was unable and unwilling to make the repairs needed to make the property livable.
 - She agreed to sell the property on the condition that the City of Spokane would release her of all liens against the property.
- See the signed Purchase and Sales agreement, at the end of this section - “Subject to City of Spokane releasing June of all liens against the property.”
 - I used the _____ on this property. This is a strategy I now use often.
 - “June to receive up to \$15,000 but not less than \$12,500. Buyer to pay all applicable closing costs.”

With the City

- After the positive outcome from Case Study 1, the city was anxious to work with us on this new property.
- The city was more than willing to make concessions in exchange for us taking responsibility for the property and getting it fixed and back on the market.



CASE STUDY 2

- We had to bring the county taxes current at closing – See the HUD statement at end of section - Line 1304
- We also brought the City of Spokane delinquent water bill current – line 1303
- Note: Water bills are rarely negotiable
- How we closed the deal.

Note: When working with cities, there is a possibility that you may be directed to a land bank. Most of your land banks are in the Eastern Region of the United States.



Land Banks and Land Trusts

- **What is a Landbank?**

“Landbanks are public or community-owned entities created for a single purpose: to acquire, manage, maintain, and repurpose vacant, abandoned, and foreclosed properties –the worst abandoned houses, forgotten buildings, and empty lots.” Source: Center for Community Progress.

- **How does a Land Bank operate?**

Sell or convey property through locally developed policies that reflect the community’s priorities

1. Sell through negotiated sales
2. Transfer property for other than monetary consideration
3. Sell, lease, manage property with terms deemed to be in the interest of the Land Bank.
5. Utilize land bank financing tools for tax foreclosed and other targeted properties.
6. Support local planning decisions by adhering to local priorities as to use and transferee of land bank owned properties.

- **What are the Programs of a Land Bank?**

- Demolition
- Property maintenance
- Rental management
- Land Use Planning



CASE STUDY 2

- Sales
- Real Estate Development and Rehabilitation
- Land assembly for development

Land Bank Programs– Develop Louisville



- Video: Global Metro Louisville, KY Landbank Programs

- **How Can You Partner With A Land Bank?**

Most land banks have properties that they desperately need to remove from their inventory. They are looking for people who have a plan for the property and the resources to make it happen.

If you can show them you have a plan and the resources to make the plan a reality (i.e. COGO Capital) then you can buy properties in your market for a dollar! (Story of our client who did this very thing)



Case in Point: George Armstrong & Willie Gerald Bought a \$1.00 Lucrative Lien House

- After going through our system George Armstrong and Willie Gerald found a program in their city that allows people to buy some of the thousands of vacant homes for just \$1 to either renovate or demolish.
- Because of our training, they “learned to take something that's bad and make it look like a castle “(not too hard when your initial investment is just \$1.00!!!)



CASE STUDY 2

The Rehab – What we did to it

The Scope of Work

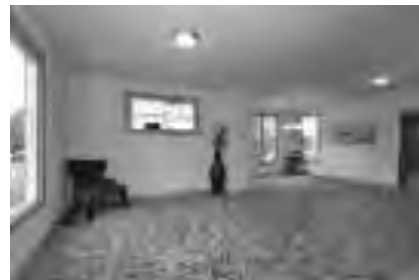
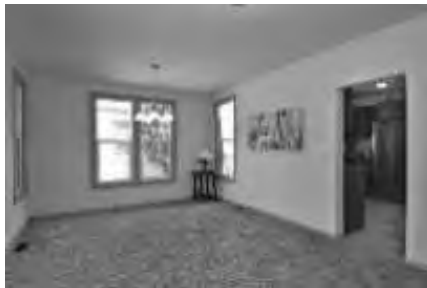
- New window, fresh paint, landscaping



- Back yard clean-up & tree removal



- Fresh paint inside, new carpet, & lighting



- Rehabbed existing kitchen cabinets, new appliances
- Remember, the goal is to maximize profits not the amount of the rehab!



CASE STUDY 2

- 3 bedrooms – Paint, Carpet, Staging



- Restored the property to include a full garage. This was an important selling feature in this neighborhood.



- Inside laundry room



- Completely refurbished bathroom



CASE STUDY 2

- Ready for sale!



Listing the Property

- <http://tours.tourfactory.com/tours/tour.asp?t=1637769>

Top 3 Things We learn from this deal

- Birds of a feather flock together.
 - Every rehab is a marketing magnet!
 - Use your rehabs to attract other potential sellers.
- The NET Offer.
 - This a powerful strategy in negotiation.
 - It gives the seller peace of mind that you do care about what they get out of the deal.
- There is _____
for doing your own due diligence and having your own eyes on the property!



This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

RESIDENTIAL REAL ESTATE PURCHASE AND SALE AGREEMENT
SPECIFIC TERMS

1. Date: April 21, 2016 MLS No.: _____ Offer Expiration Date: April 29, 2016
2. Buyer: Escalade Properties LLC
Buyer _____ Status _____
3. Seller: June [REDACTED]
Seller _____
4. Property: Tax Parcel No(s): 2 5133.0710 (Spokane County)
2315 W College Ave Spokane WA 99201
Address City State Zip
Legal Description: Attached as Exhibit A.
5. Included Items: ☐ stove/range; ☐ refrigerator; ☐ washer; ☐ dryer; ☐ dishwasher; ☐ hot tub; ☐ fireplace insert;
☐ wood stove; ☐ satellite dish; ☐ security system; ☐ attached television(s); ☐ attached speaker(s); ☐ microwave;
☐ other _____
6. Purchase Price: \$ 25,000 Dollars
7. Earnest Money: \$ 8500 ☐ Check; ☐ Note; ☒ Other Escalade Properties LLC (held by ☐ Selling Firm; ☐ Closing Agent)
8. Default: (check only one) ☒ Forfeiture of Earnest Money; ☐ Seller's Election of Remedies
9. Title Insurance Company: Escalade Properties LLC
10. Closing Agent: ☐ a qualified closing agent of Buyer's choice; ☒ August [REDACTED]
11. Closing Date: 5/24/2016; Possession Date: ☐ on Closing; ☐ Other _____
12. Services of Closing Agent for Payment of Utilities: ☐ Requested (attach NWMLS Form 22K); ☐ Waived
13. Charges/Assessments Levied Before but Due After Closing: ☐ assumed by Buyer; ☐ prepaid in full by Seller at Closing
14. Seller Citizenship (FIRPTA): Seller ☐ is; ☐ is not a foreign person for purposes of U.S. income taxation
15. Agency Disclosure: Selling Broker represents: ☐ Buyer; ☐ Seller; ☐ both parties; ☒ neither party
Listing Broker represents: ☐ Seller; ☐ both parties
16. Addenda: _____

Buyer is a licensed agent with Keller Williams, but is acting as buyer not as agent. Seller is not represented. Property purchased in its as is condition, no warranties. June to receive up to \$15,000, but not less than \$12,500. Buyer to pay all applicable closing costs.

Buyer's Signature _____ Date 4/21/2016
1121 E Mullan Ave
Buyer's Address
Coeur d'Alene ID 83814
City, State, Zip
PO _____ Fax No. _____
Buyer's E _____

Seller's Signature _____ Date 4/21/2016
Seller's Signature _____ Date _____

City, State, Zip Spokane WA 99201
Phone No. _____ No. _____
Seller's E _____

Selling Firm _____ MLS Office _____
Selling Broker (Print) _____ MLS LAGN _____
Phone No. _____ Firm Fax _____
Selling Firm Document E mail Address _____
Selling Broker's E mail Address _____
Selling Broker DOL License No. _____ Selling Firm DOL License _____

Buyer is a licensed agent with Keller Williams, but is acting as buyer not as agent. Seller is not represented. Property purchased in its as is condition, no warranties. June to receive up to \$15,000, but not less than \$12,500. Buyer to pay all applicable closing costs.

RESIDENTIAL REAL ESTATE PURCHASE AND SALE AGREEMENT
GENERAL TERMS

Subject to - City of Spokane Recovers June 2016 J. [redacted]
Cons against the Property

Continued

- a. **Purchase Price.** Buyer shall 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, including funds from loans, the sale of other property, gifts, retirement, or future earnings, except to the extent otherwise specified in this Agreement.
- b. **Earnest Money.** Buyer shall deliver the Earnest Money within 2 days after mutual acceptance to Selling Broker or to Closing Agent. If Buyer delivers the Earnest Money to Selling Broker, Selling Broker will deposit any check to be held by Selling Firm, 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 Firm and is over \$10,000.00 it shall be deposited into an interest bearing trust account in Selling Firm'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 shall reimburse Selling Firm for bank charges and fees in excess of the interest earned, if any. If the Earnest Money held by Selling Firm is over \$10,000.00 Buyer has the option to require Selling Firm 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 Firm 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 Firm 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 Firm or Closing Agent may deduct and pay them therefrom. The parties instruct Closing Agent to provide written verification of receipt of the Earnest Money and notice of dishonor of any check to the parties and Brokers at the addresses and/or fax numbers provided herein.
- Upon termination of this Agreement, a party or the Closing Agent may deliver a form authorizing the release of Earnest Money to the other party or the parties. The party(s) shall execute such form and deliver the same to the Closing Agent. If either party fails to execute the release form, a party may make a written demand to the Closing Agent for the Earnest Money. Pursuant to RCW 64.04, Closing Agent shall deliver notice of the demand to the other party within 15 days. If the other party does not object to the demand within 20 days of Closing Agent's notice, Closing Agent shall disburse the Earnest Money to the party making the demand within 10 days of the expiration of the 20 day period. If Closing Agent timely receives an objection or an inconsistent demand from the other party, Closing Agent shall commence an interpleader action within 60 days of such objection or inconsistent demand, unless the parties provide subsequent consistent instructions to Closing Agent to disburse the earnest money or refrain from commencing an interpleader action for a specified period of time. Pursuant to RCW 4.28.080, the parties consent to service of the summons and complaint for an interpleader action by first class mail, postage prepaid at the party's usual mailing address or the address identified in this Agreement. If the Closing Agent complies with the preceding process, each party shall be deemed to have released Closing Agent from any and all claims or liability related to the disbursement of the Earnest Money. If either party fails to authorize the release of the Earnest Money to the other party when required to do so under this Agreement, that party shall be in breach of this Agreement. For the purposes of this section, the term Closing Agent includes a Selling Firm holding the Earnest Money. The parties authorize the party commencing an interpleader action to deduct up to \$500.00 for the costs thereof.
- c. **Included Items.** Any of the following items, including items identified in Specific Term No. 5 if the corresponding box is checked, 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; fireplaces, 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 other fixtures; and all associated operating remote controls. Unless otherwise agreed, if any of the above items are leased or encumbered, Seller shall acquire clear title before Closing.
- 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 or liens not assumed by Buyer, shall be paid or discharged 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.
- e. **Title Insurance.** Seller authorizes Buyer's lender or Closing Agent, at Seller's expense, to apply for the then-current ALTA form of Homeowner's Policy of Title Insurance for One-to-Four Family Residence, from the Title Insurance Company. If Seller previously received a preliminary commitment from a Title Insurance Company that Buyer declines to use, Buyer shall pay any cancellation fees owing to the original Title Insurance Company. Otherwise, the party applying for title insurance shall pay any title cancellation fee, in the event such a fee is assessed. 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 the then-current ALTA standard form Owner's Policy, together with homeowner's additional protection and inflation protection endorsements, if available. The Title Insurance Company

Buyer's Initials

Date

Buyer's Initials

Date

Seller's

Date

Seller's Initials

Date

RESIDENTIAL REAL ESTATE PURCHASE AND SALE AGREEMENT
GENERAL TERMS

Continued

shall send a copy of the preliminary commitment to Seller, Listing Broker, Buyer and Selling Broker. 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.

- f. **Closing and Possession.** This sale shall be closed by the Closing Agent on the Closing Date. If the Closing Date falls on a Saturday, Sunday, legal holiday as defined in RCW 1.16.050, or day when the county recording office is closed, the Closing Agent shall close the transaction on the next day that is not a Saturday, Sunday, legal holiday, or day when the county recording office is closed. "Closing" means the date on which all documents are recorded and the sale proceeds are available to Seller. Seller shall deliver keys and garage door remotes to Buyer on the Closing Date or on the Possession Date, whichever occurs first. Buyer shall be entitled to possession at 9:00 p.m. on the Possession Date. Seller shall maintain the Property in its present condition, normal wear and tear excepted, until the Buyer is entitled to possession. Seller shall not enter into or modify existing leases or rental agreements, 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. If possession transfers at a time other than Closing, the parties shall execute NWMLS Form 65A (Rental Agreement/Occupancy Prior to Closing) or NWMLS Form 65B (Rental Agreement/Seller Occupancy After Closing) (or alternative rental agreements) and are advised of the need to contact their respective insurance companies to assure appropriate hazard and liability insurance policies are in place, as applicable.

RCW 19.27.530 requires the seller of any owner-occupied single-family residence to equip the residence with a carbon monoxide alarm(s) in accordance with the state building code before a buyer or any other person may legally occupy the residence following the sale. The parties acknowledge that the Brokers are not responsible for ensuring that Seller complies with RCW 19.27.530. Buyer and Seller shall hold the Brokers and their Firms harmless from any claim resulting from Seller's failure to install a carbon monoxide alarm(s) in the Property.



- g. **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 shall 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. Notwithstanding the Assignment paragraph of this Agreement, any party completing a Section 1031 like-kind exchange may assign this Agreement to its qualified intermediary or any entity set up for the purposes of completing a reverse exchange.

- h. **Closing Costs and Prorations and Charges and Assessments.** Seller and Buyer shall each pay one-half of the escrow fee unless otherwise required by applicable FHA or VA regulations. Taxes for the current year, rent, interest, and lienable homeowner's association dues shall be prorated as of Closing. Buyer shall 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 such delinquencies at Closing from money due, or to be paid by, Seller. Buyer shall pay for remaining fuel in the fuel tank if, prior to Closing, Seller obtains a written statement from the supplier as to the quantity and current price and provides such statement to the Closing Agent. Seller shall pay all utility charges, including unbilled charges. Unless waived in Specific Term No. 12, 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 shall 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).

Buyer is advised to verify the existence and amount of any local improvement district, capacity or impact charges or other assessments that may be charged against the Property before or after Closing. Seller will pay such charges that are or become due on or before Closing. Charges levied before Closing, but becoming due after Closing shall be paid as agreed in Specific Term No. 13.

- i. **Sale Information.** Listing Broker and Selling Broker are 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 Broker and/or Selling Broker, on request, any and all information and copies of documents concerning this sale.

- j. **Seller Citizenship and FIRPTA.** Seller warrants that the identification of Seller's citizenship status for purposes of U.S. income taxation in Specific Term No. 14 is correct. Seller shall execute a certification (NWMLS Form 22E or equivalent) under the Foreign Investment in Real Property Tax Act ("FIRPTA") at Closing and provide the certification to the Closing Agent. If Seller is a foreign person for purposes of U.S. income taxation, 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.

 4/21/2016
Buyer's Initials Date Buyer's Initials Date
f.  4/21/2016
Seller's Initials Date Seller's Initials Date

RESIDENTIAL REAL ESTATE PURCHASE AND SALE AGREEMENT
GENERAL TERMS

Continued

- k. Notices.** In consideration of the license to use this and NWMLS's companion forms and for the benefit of the Listing Broker and the Selling Broker 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 Broker or at the licensed office of Listing Broker. 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 Broker or at the licensed office of Selling Broker. Receipt by Selling Broker of a Form 17, Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards, Public Offering Statement or Resale Certificate, homeowners' association documents provided pursuant to NWMLS Form 22D, or a preliminary commitment for title insurance provided pursuant to NWMLS Form 22T shall be deemed receipt by Buyer. Selling Broker and Listing Broker 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 Broker and Listing Broker advised of their whereabouts in order to receive prompt notification of receipt of a notice.
- 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, except for any time period relating to the Possession Date, 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, legal holiday as defined in RCW 1.16.050, or day when the county recording office is closed, shall occur on the next day that is not a Saturday, Sunday, legal holiday, or day when the county recording office is closed. If the parties agree upon and attach a legal description after this Agreement is signed by the offeree and delivered to the offeror, then for the purposes of computing time, mutual acceptance shall be deemed to be on the date of delivery of an accepted offer or counteroffer to the offeror, rather than on the date the legal description is attached. Time is of the essence of this Agreement.
- 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 signed original document or a direct link to such document, and retransmission of any such e-mail, shall be the same as delivery of an original, provided that the e-mail is sent to both Selling Broker and Selling Firm or both Listing Broker and Listing Firm at the e-mail addresses on page one of this Agreement. At the request of either party, or the Closing Agent, the parties will confirm e-mail transmitted signatures by signing an original document.
- n. Integration and Electronic Signatures.** 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. The parties acknowledge that a signature in electronic form has the same legal effect and validity as a handwritten signature.
- 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.
- 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. 8, 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 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.
- q. Professional Advice and Attorneys' Fees.** Buyer and Seller are advised to seek the counsel of an attorney and a certified public accountant to review the terms of this Agreement. Buyer and Seller shall pay their own fees incurred for such review. However, 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 shall 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 received by Buyer, by Selling Broker or at the licensed office of Selling Broker. If this offer is not so accepted, it shall lapse and any Earnest Money shall be refunded to Buyer.

Buyer's Initials

Date

Buyer's Initials

Date

Seller's Initials

Date

Seller's Initials

Date

RESIDENTIAL REAL ESTATE PURCHASE AND SALE AGREEMENT
GENERAL TERMS

Continued

- s. **Counteroffer.** Any change in the terms presented in an offer or counteroffer, other than the insertion of the Seller's name and the Seller's warranty of citizenship status, shall be considered a counteroffer. If a party makes a counteroffer, then the other party 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 received by the other party, the other party's broker, or at the licensed office of the other party's broker. If the counteroffer is not so accepted, it shall lapse and any Earnest Money shall be refunded to Buyer.
- t. **Offer and Counteroffer Expiration Date.** If no expiration date is specified for an offer/counteroffer, the offer/counteroffer shall expire 2 days after the offer/counteroffer is delivered by the party making the offer/counteroffer, unless sooner withdrawn.
- u. **Agency Disclosure.** Selling Firm, Selling Firm's Designated Broker, Selling Broker's Branch Manager (if any) and Selling Broker's Managing Broker (if any) represent the same party that Listing Firm, Listing Firm's Designated Broker, Listing Broker's Branch Manager (if any), and Listing Broker's Managing Broker (if any) represent the same party that the Listing Broker represents. If Selling Broker and Listing Broker are different persons affiliated with the same Firm, then both Buyer and Seller confirm their consent to Designated Broker, Branch Manager (if any), and Managing Broker (if any) representing both parties as dual agents. If Selling Broker and Listing Broker are the same person representing both parties then both Buyer and Seller confirm their consent to that person and his/her Designated Broker, Branch Manager (if any), and Managing Broker (if any) representing both parties as dual agents. All parties acknowledge receipt of the pamphlet entitled "The Law of Real Estate Agency."
- v. **Commission.** Seller and Buyer shall pay a commission in accordance with any listing or commission agreement to which they are a party. The Listing Firm's commission shall be apportioned between Listing Firm and Selling Firm as specified in the listing. Seller and Buyer hereby consent to Listing Firm or Selling Firm receiving compensation from more than one party. Seller and Buyer hereby assign to Listing Firm and Selling Firm, 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 Firm(s). In any action by Listing or Selling Firm to enforce this paragraph, the prevailing party is entitled to court costs and reasonable attorneys' fees. Seller and Buyer agree that the Firms are intended third party beneficiaries under this Agreement.
- w. **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.
- x. **Information Verification Period and Property Condition Disclaimer.** Buyer shall have 10 days after mutual acceptance to verify all information provided from Seller or Listing Firm related to the Property. This contingency shall be deemed satisfied unless Buyer gives notice identifying the materially inaccurate information within 10 days of mutual acceptance. If Buyer gives timely notice under this section, then this Agreement shall terminate and the Earnest Money shall be refunded to Buyer.

Buyer and Seller agree, that except as provided in this Agreement, all representations and information regarding the Property and the transaction are solely from the Seller or Buyer, and not from any Broker. The parties acknowledge that the Brokers are not responsible for assuring that the parties perform their obligations under this Agreement and that none of the Brokers has agreed to independently investigate or confirm any matter related to this transaction except as stated in this Agreement, or in a separate writing signed by such Broker. In addition, Brokers do not guarantee the value, quality or condition of the Property and some properties may contain building materials, including siding, roofing, ceiling, insulation, electrical, and plumbing, that have been the subject of lawsuits and/or governmental inquiry because of possible defects or health hazards. Some properties may have other defects arising after construction, such as drainage, leakage, pest, rot and mold problems. Brokers do not have the expertise to identify or assess defective products, materials, or conditions. Buyer is urged to use due diligence to inspect the Property to Buyer's satisfaction and to retain inspectors qualified to identify the presence of defective materials and evaluate the condition of the Property as there may be defects that may only be revealed by careful inspection. Buyer is advised to investigate whether there is a sufficient water supply to meet Buyer's needs. Buyer is advised to investigate the cost of insurance for the Property, including, but not limited to homeowner's, flood, earthquake, landslide, and other available coverage. Buyer and Seller acknowledge that home protection plans may be available which may provide additional protection and benefit to Buyer and Seller. Brokers may assist the parties with locating and selecting third party service providers, such as inspectors or contractors, but Brokers cannot guarantee or be responsible for the services provided by those third parties. The parties shall exercise their own judgment and due diligence regarding third-party service providers.

 4/16/2014
Buyer's Initials Date

Buyer's Initials Date

 4/16/2014
Seller's Initials Date

Seller's Initials Date

Parcel Information



Parcel Number: [REDACTED]
 Site Address: 2315 W COLLEGE AVE

WEBPADAL Data As Of: 5/26/2016

Parcel Image



Owner Name: [REDACTED]
 Address: [REDACTED] AVE, SPOKANE, WA, 99201-1635

Taxpayer Name: [REDACTED]
 Address: [REDACTED] AVE, SPOKANE, WA, 99201-1635

Site Address

Parcel Type	Site Address	City	Land Size	Size Desc.	Description	Tax Year	Tax Code Area	Status
R	2315 W COLLEGE AVE	SPOKANE	7020	Square Feet	11 Single Unit	2016	0012 (http://cp.spokanecounty.org/Assessors/TCA/TaxCodeAreaByYear.aspx?TCA=0012)	Active

Assessor Description

NETTLETONS 1ST E1/2 L11 ;ALL L12 B15

Appraisal

Parcel Class	Appraiser	Neighborhood Code	Neighborhood Name	Neighborhood Desc	Appraiser Name	Appraiser Phone
11 Single Unit	120 (http://cp.spokanecounty.org/Assessor/ContactAssessors/Default.aspx?parcel=25133.0710)	313547	WSCE3		Elizabeth	477-5955

Assessed Value

Tax Year	Land	Dwelling/Structure	Current Use Land	Taxable	Personal Prop.	Total Value
2016	22,500	66,600	0	89,100	0	89,100
2015	22,500	66,600	0	56,882	0	89,100
2014	22,500	67,600	0	0	0	90,100
2013	22,500	67,600	0	0	0	90,100
2012	22,500	71,500	0	0	0	94,000
2011	22,500	75,900	0	0	0	98,400

Characteristics

Dwelling/Structure	Year Built	Year Remodeled	Size	Type	House Type	Roof Material	Heat	Cool	Bedroom	Half Bath	Full Bath
Dwelling	1905	0	867	SF	56 1+ Story 1000-1499	Comp sh medium	Forced hot air-gas	None	3	0	1
Attached Garage	0	0	576	SF						0	0

Residential Sq Ft Breakdown	Sq Ft	Extension
Basement	250	R01
1st Floor	867	R01
1.5	200	R01

Features / Structure	Main Floor Size	Size Type
DWELL - Basic allowance	1	
DWELL - Enclosed Frame Porch	336	SF
DWELL - Open Frame Porch	55	SF

Land Number	Soil ID	Acreage	Sq Ft	Frontage	Depth	Lot(s)
1	R1OL	0.16	7,020	60	117	1


Sales

Property Taxes

Tax Year	Charge Type	Annual Charges	Remaining Charges Owing
2016	A/V Property Tax	1,241.15	1,241.15
2016	City of Spokane Lien Principal	229.07	229.07
2016	Interest & Penalties	12.48	12.48
2016	Lien Interest	6.05	6.05
2016	Soil Conservation Principal CNSV1	5.02	5.02
2016	Weed Control Principal WCWEED1	1.80	1.80
	Total Taxes for 2016	1,495.57	1,495.57
2015	A/V Property Tax	809.84	809.84
2015	City of Spokane Lien Principal	3,759.27	3,759.27
2015	Interest & Penalties	195.80	195.80
2015	Lien Interest	406.31	406.31
2015	Soil Conservation Principal CNSV1	5.02	5.02
2015	Weed Control Principal WCWEED1	1.80	1.80
	Total Taxes for 2015	5,178.04	5,178.04
2014	Soil Conservation Interest	0.05	0.00
2014	Soil Conservation Principal CNSV3	5.00	0.00
	Total Taxes for 2014	5.05	0.00
2013	Soil Conservation Interest	0.05	0.00
2013	Soil Conservation Principal CNSV3	5.00	0.00
	Total Taxes for 2013	5.05	0.00
	Grand Total	6,683.71	6,673.61

Tax Receipts

Tax Year	Receipt Number	Receipt Date	Receipt Amount
2014	6146630	05/12/2014	5.05

 A. Settlement Statement (HUD-1)		OMB No. 2502-0265	
B. Type of Loan			
1. <input type="checkbox"/> FHA 2. <input type="checkbox"/> RHS 3. <input type="checkbox"/> Conv. Unins. 4. <input type="checkbox"/> VA 5. <input type="checkbox"/> Conv. Ins.		6. File Number <div style="text-align: center;">College</div>	7. Loan Number
8. Mortgage Insurance Case Number			
C. Note: This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "(p.o.c)" were paid outside the closing; they are shown here for informational purposes and are not included in the totals.			
D. Name and Address of Borrower Escalade Properties, LLC 1121 E. Mullan Ave. Coeur d' Alene, ID 83814		E. Name and Address of Seller June [REDACTED] [REDACTED] Ave. Spokane, WA 99201	
G. Property Location 2315 W. College Ave. Spokane, WA 99201		F. Name and Address of Lender Gustafson Law, Inc., P.S. 1500 West 4th Ave., Suite 408 Spokane, WA 99201	
		H. Settlement Agent 509-456-0400 Alissa [REDACTED] Gustafson & Hogan, P.S. Gustafson Law, Inc., P.S. 1500 West 4th Ave., Suite 408 Spokane, WA 99201	
		I. Settlement Date 05/26/16 Disbursement Date 05/26/16	
J. Summary of Borrower's Transaction		K. Summary of Seller's Transaction	
100. Gross Amount Due from Borrower		400. Gross Amount Due to Seller	
101. Contract sales price	29,000.00	401. Contract sales price	29,000.00
102. Personal property		402. Personal property	
103. Settlement charges to borrower (line 1400)	2,281.00	403.	
104.		404.	
105.		405.	
Adjustments for items paid by seller in advance		Adjustments for items paid by seller in advance	
106. City/town taxes to		406. City/town taxes to	
107. County taxes 05/26/16 to 07/01/16	137.98	407. County taxes 05/26/16 to 07/01/16	137.98
108. Assessments to		408. Assessments to	
109.		409.	
110.		410.	
111.		411.	
112.		412.	
120. Gross Amount Due from Borrower	31,418.98	420. Gross Amount Due to Seller	29,137.98
200. Amounts Paid By Or In Behalf Of Borrower		500. Reductions In Amount Due To Seller	
201. Deposit or earnest money		501. Excess deposit (see instructions)	
202. Principal amount of new loan(s)		502. Settlement charges to seller (line 1400)	6,637.98
203. Existing loan(s) taken subject to		503. Existing loan(s) taken subject to	
204.		504. Payoff of first mortgage loan City of Spokane Payoff	10,000.00
205.		505. Payoff of second mortgage loan	
206.		506. Proceeds to June [REDACTED]	12,500.00
207.		507.	
208.		508.	
209.		509.	
Adjustments for items unpaid by seller		Adjustments for items unpaid by seller	
210. City/town taxes to		510. City/town taxes to	
211. County taxes to		511. County taxes to	
212. Assessments to		512. Assessments to	
213.		513.	
214.		514.	
215.		515.	
216.		516.	
217.		517.	
218.		518.	
219.		519.	
220. Total Paid by/for Borrower	0.00	520. Total Reduction Amount Due Seller	29,137.98
300. Cash At Settlement from/to Borrower		600. Cash At Settlement to/from Seller	
301. Gross amount due from borrower (line 120)	31,418.98	601. Gross amount due to seller (line 420)	29,137.98
302. Less amounts paid by/for borrower (line 220)	(0.00)	602. Less reductions in amount due seller (line 520)	(29,137.98)
303. Cash <input checked="" type="checkbox"/> From <input type="checkbox"/> To Borrower	31,418.98	603. Cash <input type="checkbox"/> To <input type="checkbox"/> From Seller	0.00

The Public Reporting Burden for this collection of information is estimated at 35 minutes per response for collecting, reviewing, and reporting the data. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number. No confidentiality is assured; this disclosure is mandatory. This is designed to provide the parties to a RESPA covered transaction with information during the settlement process.

L. Settlement Charges						
700. Total Real Estate Broker Fees				\$		
Division of Commission (line 700) as follows:					Paid From Borrower's Funds At Settlement	Paid From Seller's Funds At Settlement
701. \$		to				
702. \$		to				
703. Commission paid at Settlement						
704.						
800. Items Payable In Connection With Loan						
801. Our origination charge				\$	(from GFE #1)	
802. Your credit or charge (points) for the specific interest rate chosen				\$	(from GFE #2)	
803. Your adjusted origination charges					(from GFE #A)	
804. Appraisal fee to					(from GFE #3)	
805. Credit Report to					(from GFE #3)	
806. Tax service to					(from GFE #3)	
807. Flood certification					(from GFE #3)	
808.						
809.						
810.						
811.						
812.						
813.						
814.						
900. Items Required By Lender To Be Paid In Advance						
901. Daily interest charges from to @ \$/day					(from GFE #10)	
902. Mortgage insurance premium for months to					(from GFE #3)	
903. Homeowner's insurance for years to					(from GFE #11)	
904.						
905.						
1000. Reserves Deposited With Lender						
1001. Initial deposit for your escrow account					(from GFE #9)	
1002. Homeowner's Insurance	months @ \$	per month	\$			
1003. Mortgage insurance	months @ \$	per month	\$			
1004. Property taxes	months @ \$	per month	\$			
1005.	months @ \$	per month	\$			
1006.	months @ \$	per month	\$			
1007.	months @ \$	per month	\$			
1008. Aggregate escrow adjustment				\$		
1100. Title Charges						
1101. Title services and lender's title insurance					(from GFE #4)	
1102. Settlement or closing fee to Gustafson Law, Inc., P.S.				\$		850.00
1103. Owner's title insurance to First American					(from GFE #5)	309.80
1104. Lender's title insurance				\$		
1105. Lender's title policy limit				\$		
1106. Owner's title policy limit				\$		
1107. Agent's portion of the total title insurance premium				\$		
1108. Underwriter's portion of the total title insurance premium				\$		
1109.						
1110.						
1111.						
1112.						
1113.						
1200. Government Recording and Transfer Charges						
1201. Government recording charges					(from GFE #7)	
1202. Deed \$	Mortgage \$	Release \$				
1203. Transfer taxes					(from GFE #8)	
1204. City/county tax/stamps: Deed \$				Mortgage \$		
1205. State tax/stamps: Deed \$				Mortgage \$		
1206.						
1207. 1.78% Excise Tax to Spokane County Treasurer				\$		521.20
1208.				\$		
1300. Additional Settlement Charges						
1301. Required services that you can shop for					(from GFE #6)	
1302. Reconveyance Fees to Spokane County Auditor/Trustee				\$		600.00
1303. Delinquent Water Bill to City of Spokane				\$		695.38
1304. 2015 Taxes to Spokane County Treasurer						5,153.75
1305. 2016 First Half Taxes to Spokane County Treasurer						788.85
1306.						
1307.						
1308.						
1309.						
1310.						
1400. Total Settlement Charges (enter on lines 103, Section J and 502, Section K)					2,281.00	6,637.98

Comparison of Good Faith Estimate (GFE) and HUD-1 Charges		Good Faith Estimate	HUD-1
Charges That Cannot Increase	HUD-1 Line Number		
Our origination charge	# 801	0.00	0.00
Your credit or charge (points) for the specific interest rate chosen	# 802	0.00	0.00
Your adjusted origination charges	# 803	0.00	0.00
Transfer taxes	# 1203	0.00	0.00

Charges That in Total Cannot Increase More Than 10%		Good Faith Estimate	HUD-1
Government recording charges	# 1201	0.00	0.00
Owner's title insurance	# 1103	0.00	309.80
Total		0.00	309.80
Increase between GFE and HUD-1 Charges		309.80	(Enter GFE amounts)

Charges That Can Change		Good Faith Estimate	HUD-1
Initial deposit for your escrow account	# 1001	0.00	0.00
Daily interest charges	# 901	0.00	0.00
Homeowner's insurance	# 903	0.00	0.00

Loan Terms

Your initial loan amount is	\$						
Your loan term is	Null years.						
Your initial interest rate is	%						
Your initial monthly amount owed for principal, interest, and any mortgage insurance is	<input type="checkbox"/> \$ includes <input type="checkbox"/> Principal <input type="checkbox"/> Interest <input type="checkbox"/> Mortgage Insurance						
Can your interest rate rise?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes, it can rise to a maximum of %. The first change will be on and can change again every after . Every change date, your interest rate can increase or decrease by %. Over the life of the loan, your interest rate is guaranteed never to be lower than % or higher than %.						
Even if you make payments on time, can your loan balance rise?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes, it can rise to a maximum of \$.						
Even if you make payments on time, can your monthly amount owed for principal, interest, and mortgage insurance rise?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes, the first increase can be on and the monthly amount owed can rise to \$. The maximum it can ever rise to is \$.						
Does your loan have a prepayment penalty?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes, your maximum prepayment penalty is \$.						
Does your loan have a balloon payment?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes, you have a balloon payment of \$ due in years on .						
Total monthly amount owed including escrow account payments	<input checked="" type="checkbox"/> You do not have a monthly escrow payment for items, such as property taxes and homeowner's insurance. You must pay these items directly yourself. <input type="checkbox"/> You have an additional monthly escrow payment of \$ that results in a total initial monthly amount owed of \$. This includes principal, interest, any mortgage insurance and any items checked below. <table border="0" style="width: 100%;"> <tr> <td><input type="checkbox"/> Property taxes</td> <td><input type="checkbox"/> Homeowner's insurance</td> </tr> <tr> <td><input type="checkbox"/> Flood insurance</td> <td><input type="checkbox"/></td> </tr> <tr> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> </table>	<input type="checkbox"/> Property taxes	<input type="checkbox"/> Homeowner's insurance	<input type="checkbox"/> Flood insurance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Property taxes	<input type="checkbox"/> Homeowner's insurance						
<input type="checkbox"/> Flood insurance	<input type="checkbox"/>						
<input type="checkbox"/>	<input type="checkbox"/>						

Note: If you have any questions about the Settlement Charges and Loan Terms listed on this form, please contact your lender.

Addendum to Settlement Statement

This page is attached to and made part of the Settlement Statement in the matter described on Page 1 of the Settlement Statement.

I have carefully reviewed this 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 Settlement Statement.

Borrower(s) Escalade Properties, LLC

Seller(s) _____ 05/26/16
June _____

The Settlement Statement which I have prepared is a true and accurate account of funds received and funds disbursed or to be disbursed for this transaction.

05/26/16 _____ Alissa _____, Settlement Agent



First American

First American Title Insurance Company
40 E Spokane Falls Blvd
Spokane, WA 99202
Phn - (509)456-0550
Fax - (866)537-9602

TITLE COMPANY INFORMATION

Title Officer: **Sherry Stolz**

Phone: [REDACTED]

To: **Gustafson Law Inc PS**
1500 W 4th Avenue, Suite 408
Spokane, WA 99201

File No.: [REDACTED]

Your Ref No.: [REDACTED]

Attn: **Courtney** [REDACTED]

Re: Property Address: **2315 W College Ave, Spokane, WA 99201**

COMMITMENT FOR TITLE INSURANCE

Issued by

FIRST AMERICAN TITLE INSURANCE COMPANY

Agreement to Issue Policy

We agree to issue a policy to you according to the terms of this Commitment.

When we show the policy amount and your name as the proposed insured in Schedule A, this Commitment becomes effective as of the Commitment Date shown in Schedule A.

If the Requirements shown in this Commitment have not been met within six months after the Commitment Date, our obligation under this Commitment will end. Also, our obligation under this Commitment will end when the Policy is issued and then our obligation to you will be under the Policy.

Our obligation under this Commitment is limited by the following:

The Provisions in Schedule A.

The Requirements in Schedule B-I.

The General Exceptions and Exceptions in Schedule B-II.

The Conditions.

This Commitment is not valid without Schedule A and Section I and II of Schedule B.

First American Title Insurance Company

Sherry Stolz, Title Officer

SCHEDULE A

1. Commitment Date: April 14, 2016 at 7:30 A.M.
2.

Policy or Policies to be issued:	AMOUNT	PREMIUM	TAX
Homeowner's Rate			
Eagle Owner's Policy	\$ 25,000.00	\$ 285.00	\$ 24.80
Proposed Insured:			
Escalade Properties LLC			
3. (A) The estate or interest in the land described in this Commitment is:

Fee Simple

(B) Title to said estate or interest at the date hereof is vested in:

June [REDACTED], as her separate property
4. The land referred to in this Commitment is described as follows:
Real property in the County of Spokane, State of Washington, described as follows:

THE EAST HALF OF LOT ELEVEN AND ALL LOT TWELVE IN BLOCK FIFTEEN OF NETTLETON'S
FIRST ADDITION AS PER PLAT THEREOF RECORDED IN VOLUME "A" OF PLATS, PAGE 98;

SITUATED IN THE CITY OF SPOKANE AND COUNTY OF SPOKANE, WASHINGTON.

APN: 25133.0710

**SCHEDULE B
SECTION I
REQUIREMENTS**

The following requirements must be met:

- (A) Pay the agreed amounts for the interest in the land and/or the mortgage to be insured.
- (B) Pay us the premiums, fees and charges for the policy.
- (C) Documents satisfactory to us creating the interest in the land and/or the mortgage to be insured must be signed, delivered and recorded:
- (D) You must tell us in writing the name of anyone not referred to in this Commitment who will get an interest in the land or who will make a loan on the land. We may then make additional requirements or exceptions.
- (E) Releases(s) or Reconveyance(s) of Item(s):
- (F) Other:
- (G) You must give us the following information:
 - 1. Any off record leases, surveys, etc.
 - 2. Statement(s) of Identity, all parties.
 - 3. Other:

**SCHEDULE B
SECTION II**

GENERAL EXCEPTIONS

PART ONE:

- A. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.
- B. Any facts, rights, interests, or claims which are not shown by the public records but which could be ascertained by an inspection of said land or by making inquiry of persons in possession thereof.
- C. Easements, claims of easement or encumbrances which are not shown by the public records.
- D. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.
- E. (A) Unpatented mining claims; (B) Reservations or exceptions in patents or in Acts authorizing the issuance thereof; (C) Water rights, claims or title to water; whether or not the matters excepted under (A), (B) or (C) are shown by the public records; (D) Indian Tribal Codes or Regulations, Indian Treaty or Aboriginal Rights, including easements or equitable servitudes.
- F. Any lien, or right to a lien, for services, labor or materials or medical assistance heretofore or hereafter furnished, imposed by law and not shown by the public records.
- G. Any service, installation, connection, maintenance, construction, tap or reimbursement charges/costs for sewer, water, garbage or electricity.
- H. Defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the public records or attaching subsequent to the effective date hereof, but prior to the date the proposed insured acquires of record for value the escrow or interest or mortgage(s) thereon covered by this Commitment.

**SCHEDULE B
SECTION II**

EXCEPTIONS

PART TWO:

Any policy we issue will have the following exceptions unless they are taken care of to our satisfaction. The printed exceptions and exclusions from the coverage of the policy or policies are available from the office which issued this Commitment. Copies of the policy forms should be read.

1. Lien of the Real Estate Excise Sales Tax and Surcharge upon any sale of said premises, if unpaid. As of the date herein, the excise tax rate for the **City of Spokane** is at **1.78 %**.
Levy/Area Code: 0012

2. Delinquent General Taxes for the year 2015 .

Tax Account No.: 25133.0710

1st Half

Amount Billed: \$ 2,287.96
Amount Paid: \$ 0.00
Amount Due: \$ 2,287.96, plus interest and penalty

2nd Half

Amount Billed: \$ 2,287.97
Amount Paid: \$ 0.00
Amount Due: \$ 2,287.97, plus interest and penalty

Said tax amount includes a lien in favor of City of Spokane

3. General Taxes for the year 2016. The first half becomes delinquent after April 30th. The second half becomes delinquent after October 31st.

Tax Account No.: 25133.0710

1st Half

Amount Billed: \$ 697.56
Amount Paid: \$ 0.00
Amount Due: \$ 697.56
Assessed Land Value: \$ 22,500.00
Assessed Improvement Value: \$ 66,600.00

2nd Half

Amount Billed: \$ 697.56
Amount Paid: \$ 0.00
Amount Due: \$ 697.56
Assessed Land Value: \$ 22,500.00
Assessed Improvement Value: \$ 66,600.00

4. Deed of Trust and the terms and conditions thereof.

Grantor/Trustor: [REDACTED], as a single person, as her separate property
Grantee/Beneficiary: City of Spokane, a municipal corporation
Trustee: Pioneer Title Company of Washington
Amount: \$8,000.00
Recorded: January 16, 1998
Recording Information: 4179025

5. Deed of Trust and the terms and conditions thereof.

Grantor/Trustor: [REDACTED], as her separate property
Grantee/Beneficiary: City of Spokane, a municipal corporation
Trustee: Pioneer Title Company of Washington
Amount: \$10,000.00
Recorded: March 12, 1999
Recording Information: 4341239

6. Deed of Trust and the terms and conditions thereof.

Grantor/Trustor: [REDACTED], as her separate property
Grantee/Beneficiary: City of Spokane, a municipal corporation
Trustee: First American Title Company
Amount: \$19,298.00
Recorded: August 20, 2010
Recording Information: 5926598

7. Deed of Trust and the terms and conditions thereof.

Grantor/Trustor: [REDACTED], as her separate property
Grantee/Beneficiary: City of Spokane, Washington, a Washington state municipal corporation
Trustee: First American Title Company
Amount: \$17,392.00
Recorded: August 20, 2010
Recording Information: 5926599

8. According to the application for title insurance, the purchase price in the proposed transaction is less than the assessed valuation of the property. The COUNTY will require documentation that the purchase price is a bona fide offer. Said documentation may be in the form of a copy of the Purchase and Sale Agreement AND MUST BE SENT IN WITH THE RECORDING PACKAGE.

Purchase Price: \$ 25,000.00
Assessed Value: \$ 89,100.00

9. Building Official Order;

By: ONS-Code Enforcement City of Spokane
Recorded: June 15, 2015
Recording No.: 6408016

INFORMATIONAL NOTES

This property may be subject to a charge by Spokane County for sewer construction, referred to as a Capital Facilities Rate (CFR). This charge is in addition to the monthly charge for sewer services. Please contact the Division of Utilities Billing Section at (509) 477-3604, for further information.

- A. Effective January 1, 1997, and pursuant to amendment of Washington State Statutes relating to standardization of recorded documents, certain format and content requirements must be met (refer to RCW 65.04.045). Failure to comply may result in rejection of the document by the recorder or additional fees being charged, subject to the Auditor's discretion.
- B. Any sketch attached hereto is done so as a courtesy only and is not part of any title commitment or policy. It is furnished solely for the purpose of assisting in locating the premises and First American expressly disclaims any liability which may result from reliance made upon it.
- C. The description can be abbreviated as suggested below if necessary to meet standardization requirements. The full text of the description must appear in the document(s) to be insured.

LOT 12 AND PTN LOT 11, BLOCK 15, NETTLETON'S FIRST ADD., VOL. "A", P. 98, SPOKANE COUNTY

APN: 25133.0710

- D. The following deeds affecting the property herein described have been recorded within 36 months of the effective date of this commitment: NONE

Property Address: **2315 W College Ave, Spokane, WA 99201**

NOTE: The forthcoming Mortgagee's Policy will be the ALTA 2006 Policy unless otherwise noted on Schedule A herein.

NOTE: A FEE MAY BE CHARGED UPON THE CANCELLATION OF THIS COMMITMENT PURSUANT TO WASHINGTON STATE INSURANCE CODE AND THE FILED RATE SCHEDULE OF THIS COMPANY.

CONDITIONS

1. DEFINITIONS

(a) "Mortgage" means mortgage, deed of trust or other security instrument.

(b) "Public Records" means title records that give constructive notice of matters affecting the title according to the state law where the land is located.

2. LATER DEFECTS

The Exceptions in Schedule B - Section II may be amended to show any defects, liens or encumbrances that appear for the first time in the public records or are created or attached between the Commitment Date and the date on which all of the Requirements (a) and (c) of Schedule B - Section I are met. We shall have no liability to you because of this amendment.

3. EXISTING DEFECTS

If any defects, liens or encumbrances existing at Commitment Date are not shown in Schedule B, we may amend Schedule B to show them. If we do amend Schedule B to show these defects, liens or encumbrances, we shall be liable to you according to Paragraph 4 below unless you knew of this information and did not tell us about it in writing.

4. LIMITATION OF OUR LIABILITY

Our only obligation is to issue to you the Policy referred to in this Commitment, when you have met its Requirements. If we have any liability to you for any loss you incur because of an error in this Commitment, our liability will be limited to your actual loss caused by your relying on this Commitment when you acted in good faith to:

comply with the Requirements shown in Schedule B - Section I
or

eliminate with our written consent any Exceptions shown in Schedule B - Section II.

We shall not be liable for more than the Policy Amount shown in Schedule A of this Commitment and our liability is subject to the terms of the Policy form to be issued to you.

5. CLAIMS MUST BE BASED ON THIS COMMITMENT

Any claim, whether or not based on negligence, which you may have against us concerning the title to the land must be based on this commitment and is subject to its terms.



First American

First American Title Insurance Company
40 E Spokane Falls Blvd
Spokane, WA 99202
Phn - (509)456-0550
Fax - (866)537-9602



First American Title

Privacy Information

We Are Committed to Safeguarding Customer Information

In order to better serve your needs now and in the future, we may ask you to provide us with certain information. We understand that you may be concerned about what we will do with such information - particularly any personal or financial information. We agree that you have a right to know how we will utilize the personal information you provide to us. Therefore, together with our subsidiaries we have adopted this Privacy Policy to govern the use and handling of your personal information.

Applicability

This Privacy Policy governs our use of the information that you provide to us. It does not govern the manner in which we may use information we have obtained from any other source, such as information obtained from a public record or from another person or entity. First American has also adopted broader guidelines that govern our use of personal information regardless of its source. First American calls these guidelines its Fair Information Values.

Types of Information

Depending upon which of our services you are utilizing, the types of nonpublic personal information that we may collect include:

- Information we receive from you on applications, forms and in other communications to us, whether in writing, in person, by telephone or any other means;
- Information about your transactions with us, our affiliated companies, or others; and
- Information we receive from a consumer reporting agency.

Use of Information

We request information from you for our own legitimate business purposes and not for the benefit of any nonaffiliated party. Therefore, we will not release your information to nonaffiliated parties except: (1) as necessary for us to provide the product or service you have requested of us; or (2) as permitted by law. We may, however, store such information indefinitely, including the period after which any customer relationship has ceased. Such information may be used for any internal purpose, such as quality control efforts or customer analysis. We may also provide all of the types of nonpublic personal information listed above to one or more of our affiliated companies. Such affiliated companies include financial service providers, such as title insurers, property and casualty insurers, and trust and investment advisory companies, or companies involved in real estate services, such as appraisal companies, home warranty companies and escrow companies. Furthermore, we may also provide all the information we collect, as described above, to companies that perform marketing services on our behalf, on behalf of our affiliated companies or to other financial institutions with whom we or our affiliated companies have joint marketing agreements.

Former Customers

Even if you are no longer our customer, our Privacy Policy will continue to apply to you.

Confidentiality and Security

We will use our best efforts to ensure that no unauthorized parties have access to any of your information. We restrict access to nonpublic personal information about you to those individuals and entities who need to know that information to provide products or services to you. We will use our best efforts to train and oversee our employees and agents to ensure that your information will be handled responsibly and in accordance with this Privacy Policy and First American's Fair Information Values. We currently maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

Information Obtained Through Our Web Site

First American Financial Corporation is sensitive to privacy issues on the Internet. We believe it is important you know how we treat the information about you we receive on the Internet.

In general, you can visit First American or its affiliates' Web sites on the World Wide Web without telling us who you are or revealing any information about yourself. Our Web servers collect the domain names, not the e-mail addresses, of visitors. This information is aggregated to measure the number of visits, average time spent on the site, pages viewed and similar information. First American uses this information to measure the use of our site and to develop ideas to improve the content of our site.

There are times, however, when we may need information from you, such as your name and email address. When information is needed, we will use our best efforts to let you know at the time of collection how we will use the personal information. Usually, the personal information we collect is used only by us to respond to your inquiry, process an order or allow you to access specific account/profile information. If you choose to share any personal information with us, we will only use it in accordance with the policies outlined above.

Business Relationships

First American Financial Corporation's site and its affiliates' sites may contain links to other Web sites. While we try to link only to sites that share our high standards and respect for privacy, we are not responsible for the content or the privacy practices employed by other sites.

Cookies

Some of First American's Web sites may make use of "cookie" technology to measure site activity and to customize information to your personal tastes. A cookie is an element of data that a Web site can send to your browser, which may then store the cookie on your hard drive.

FirstAm.com uses stored cookies. The goal of this technology is to better serve you when visiting our site, save you time when you are here and to provide you with a more meaningful and productive Web site experience.

Fair Information Values

Fairness We consider consumer expectations about their privacy in all our businesses. We only offer products and services that assure a favorable balance between consumer benefits and consumer privacy.

Public Record We believe that an open public record creates significant value for society, enhances consumer choice and creates consumer opportunity. We actively support an open public record and emphasize its importance and contribution to our economy.

Use We believe we should behave responsibly when we use information about a consumer in our business. We will obey the laws governing the collection, use and dissemination of data.

Accuracy We will take reasonable steps to help assure the accuracy of the data we collect, use and disseminate. Where possible, we will take reasonable steps to correct inaccurate information. When, as with the public record, we cannot correct inaccurate information, we will take all reasonable steps to assist consumers in identifying the source of the erroneous data so that the consumer can secure the required corrections.

Education We endeavor to educate the users of our products and services, our employees and others in our industry about the importance of consumer privacy. We will instruct our employees on our fair information values and on the responsible collection and use of data. We will encourage others in our industry to collect and use information in a responsible manner.

Security We will maintain appropriate facilities and systems to protect against unauthorized access to and corruption of the data we maintain.

FIRST AMERICAN TITLE INSURANCE COMPANY
Exhibit "A"

Vested Owner: [REDACTED], as her separate property

Real property in the County of Spokane, State of Washington, described as follows:

THE EAST HALF OF LOT ELEVEN AND ALL LOT TWELVE IN BLOCK FIFTEEN OF NETTLETON'S FIRST
ADDITION AS PER PLAT THEREOF RECORDED IN VOLUME "A" OF PLATS, PAGE 98;

SITUATED IN THE CITY OF SPOKANE AND COUNTY OF SPOKANE, WASHINGTON.

Tax Parcel Number: 25133.0710

Situs Address: 2315 W College Ave, Spokane, WA 99201

BUYER

SELLER

BUYER

SELLER

Property Profit and Loss

Property address: 2315 W College
Purchase Date: 6/1/2016

Cash Outflow (Investment)		
Purchase of Property	\$	25,000.00
Total Fix up and Repair	\$	57,898.00
Selling Costs	\$	18,050.17
Est Total Investment	\$	100,948.17

Target Sale Price \$ 124,900.00

Est Profit \$ 23,951.83

Closing Date 11/1/2016

Form 21
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RESIDENTIAL REAL ESTATE PURCHASE AND SALE AGREEMENT SPECIFIC TERMS

- Date: September 23, 2016 MLS No.: 201623678 Offer Expiration Date: 9/24/2016
- Buyer: [Redacted] An unmarried person
Buyer Buyer Status
- Seller: Escalade Properties, LLC
Seller Seller
- Property: Tax Parcel No(s): 25133.0710 (Spokane County)
2315 W COLLEGE Ave Spokane WA 99201
Address City State Zip
Legal Description: Attached as Exhibit A.
- Included Items: ☒ stove/range; ☒ refrigerator; ☐ washer; ☐ dryer; ☒ dishwasher; ☐ hot tub; ☐ fireplace insert;
☐ wood stove; ☐ satellite dish; ☐ security system; ☐ attached television(s); ☐ attached speaker(s); ☒ microwave;
☐ other _____
- Purchase Price: \$ 124,900.00 One Hundred Twenty-Four Thousand Nine Hundred Dollars
- Earnest Money: \$ 1,000.00 ☒ Check; ☐ Note; ☐ Other _____ (held by ☐ Selling Firm; ☒ Closing Agent)
- Default: (check only one) ☒ Forfeiture of Earnest Money; ☐ Seller's Election of Remedies
- Title Insurance Company: FATCO
- Closing Agent: ☐ a qualified closing agent of Buyer's choice; ☒ Gustafson Law
- Closing Date: 11/8/2016; Possession Date: ☒ on Closing; ☐ Other _____
- Services of Closing Agent for Payment of Utilities: ☒ Requested (attach NWMLS Form 22K); ☐ Waived
- Charges/Assessments Levied Before but Due After Closing: ☐ assumed by Buyer; ☒ prepaid in full by Seller at Closing
- Seller Citizenship (FIRPTA): Seller ☐ is; ☐ is not a foreign person for purposes of U.S. income taxation
- Agency Disclosure: Selling Broker represents: ☒ Buyer; ☐ Seller; ☐ both parties; ☐ neither party
Listing Broker represents: ☒ Seller; ☐ both parties
- Addenda: 22A(Financing) 22D(Optional Clauses) 22J(Lead Disclosure) 22K(Utilities)
22T(Title Contingency) 22VV(HO Insurance) 35(Inspection) Spokane Addendum

Authentication
[Redacted] 09/23/2016
Buyer's Signature Date
9/23/2016 2:58:54 PM PDT
Buyer's Signature Date
Buyer's Address
Spokane Valley WA 99212
City, State, Zip
Phone No. Fax No.
Buyer's E-mail Address
Selling Firm 258
MLS Office No.
14460
Selling Broker (Print) MLS LAG No.
Phone No. Firm Fax No.
Selling Firm Document E-mail Address
Selling Broker's E-mail Address
Selling Broker DOL License No. Selling Firm DOL License No.

[Redacted] 9/24/2016
Seller's Signature Date
AS managing member of
Escalade Properties, LLC
Seller's Signature Date
Seller's Address
1121 E. Mullan Ave Coeur d'Alene, ID 83814
City, State, Zip
Phone No. Fax No.
Seller's E-mail Address
Keller Williams Spokane - Main 872
Listing Firm MLS Office No.
Lee Arnold 15079
Listing Broker (Print) MLS LAG No.
Phone No. Firm Fax No.
Listing Firm Document E-mail Address
Listing Broker's E-mail Address
Listing Broker DOL License No. Listing Firm DOL License No.

RESIDENTIAL REAL ESTATE PURCHASE AND SALE AGREEMENT

GENERAL TERMS

Continued

- a. **Purchase Price.** Buyer shall 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, including funds from loans, the sale of other property, gifts, retirement, or future earnings, except to the extent otherwise specified in this Agreement.
- b. **Earnest Money.** Buyer shall deliver the Earnest Money within 2 days after mutual acceptance to Selling Broker or to Closing Agent. If Buyer delivers the Earnest Money to Selling Broker, Selling Broker will deposit any check to be held by Selling Firm, 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 Firm and is over \$10,000.00 it shall be deposited into an interest bearing trust account in Selling Firm'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 shall reimburse Selling Firm for bank charges and fees in excess of the interest earned, if any. If the Earnest Money held by Selling Firm is over \$10,000.00 Buyer has the option to require Selling Firm 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 Firm 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 Firm 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 Firm or Closing Agent may deduct and pay them therefrom. The parties instruct Closing Agent to provide written verification of receipt of the Earnest Money and notice of dishonor of any check to the parties and Brokers at the addresses and/or fax numbers provided herein.

Upon termination of this Agreement, a party or the Closing Agent may deliver a form authorizing the release of Earnest Money to the other party or the parties. The party(s) shall execute such form and deliver the same to the Closing Agent. If either party fails to execute the release form, a party may make a written demand to the Closing Agent for the Earnest Money. Pursuant to RCW 64.04, Closing Agent shall deliver notice of the demand to the other party within 15 days. If the other party does not object to the demand within 20 days of Closing Agent's notice, Closing Agent shall disburse the Earnest Money to the party making the demand within 10 days of the expiration of the 20 day period. If Closing Agent timely receives an objection or an inconsistent demand from the other party, Closing Agent shall commence an interpleader action within 60 days of such objection or inconsistent demand, unless the parties provide subsequent consistent instructions to Closing Agent to disburse the earnest money or refrain from commencing an interpleader action for a specified period of time. Pursuant to RCW 4.28.080, the parties consent to service of the summons and complaint for an interpleader action by first class mail, postage prepaid at the party's usual mailing address or the address identified in this Agreement. If the Closing Agent complies with the preceding process, each party shall be deemed to have released Closing Agent from any and all claims or liability related to the disbursement of the Earnest Money. If either party fails to authorize the release of the Earnest Money to the other party when required to do so under this Agreement, that party shall be in breach of this Agreement. For the purposes of this section, the term Closing Agent includes a Selling Firm holding the Earnest Money. The parties authorize the party commencing an interpleader action to deduct up to \$500.00 for the costs thereof.

- c. **Included Items.** Any of the following items, including items identified in Specific Term No. 5 if the corresponding box is checked, 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 other fixtures; and all associated operating remote controls. Unless otherwise agreed, if any of the above items are leased or encumbered, Seller shall acquire clear title before Closing.
- 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 or liens not assumed by Buyer, shall be paid or discharged 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.
- e. **Title Insurance.** Seller authorizes Buyer's lender or Closing Agent, at Seller's expense, to apply for the then-current ALTA form of Homeowner's Policy of Title Insurance for One-to-Four Family Residence, from the Title Insurance Company. If Seller previously received a preliminary commitment from a Title Insurance Company that Buyer declines to use, Buyer shall pay any cancellation fees owing to the original Title Insurance Company. Otherwise, the party applying for title insurance shall pay any title cancellation fee, in the event such a fee is assessed. 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 the then-current ALTA standard form Owner's Policy, together with homeowner's additional protection and inflation protection endorsements, if available. The Title Insurance Company

09/23/2016

Buyer's Initials

Date

Buyer's Initials

Date

Seller's Initials

Date

Seller's Initials

Date

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RESIDENTIAL REAL ESTATE PURCHASE AND SALE AGREEMENT

GENERAL TERMS

Continued

shall send a copy of the preliminary commitment to Seller, Listing Broker, Buyer and Selling Broker. 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.

f. Closing and Possession. This sale shall be closed by the Closing Agent on the Closing Date. If the Closing Date falls on a Saturday, Sunday, legal holiday as defined in RCW 1.16.050, or day when the county recording office is closed, the Closing Agent shall close the transaction on the next day that is not a Saturday, Sunday, legal holiday, or day when the county recording office is closed. "Closing" means the date on which all documents are recorded and the sale proceeds are available to Seller. Seller shall deliver keys and garage door remotes to Buyer on the Closing Date or on the Possession Date, whichever occurs first. Buyer shall be entitled to possession at 9:00 p.m. on the Possession Date. Seller shall maintain the Property in its present condition, normal wear and tear excepted, until the Buyer is entitled to possession. Seller shall not enter into or modify existing leases or rental agreements, 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. If possession transfers at a time other than Closing, the parties shall execute NWMLS Form 65A (Rental Agreement/Occupancy Prior to Closing) or NWMLS Form 65B (Rental Agreement/Seller Occupancy After Closing) (or alternative rental agreements) and are advised of the need to contact their respective insurance companies to assure appropriate hazard and liability insurance policies are in place, as applicable.

RCW 19.27.530 requires the seller of any owner-occupied single-family residence to equip the residence with a carbon monoxide alarm(s) in accordance with the state building code before a buyer or any other person may legally occupy the residence following the sale. The parties acknowledge that the Brokers are not responsible for ensuring that Seller complies with RCW 19.27.530. Buyer and Seller shall hold the Brokers and their Firms harmless from any claim resulting from Seller's failure to install a carbon monoxide alarm(s) in the Property.

g. 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 shall 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. Notwithstanding the Assignment paragraph of this Agreement, any party completing a Section 1031 like-kind exchange may assign this Agreement to its qualified intermediary or any entity set up for the purposes of completing a reverse exchange.

h. Closing Costs and Prorations and Charges and Assessments. Seller and Buyer shall each pay one-half of the escrow fee unless otherwise required by applicable FHA or VA regulations. Taxes for the current year, rent, interest, and lienable homeowner's association dues shall be prorated as of Closing. Buyer shall 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 such delinquencies at Closing from money due, or to be paid by, Seller. Buyer shall pay for remaining fuel in the fuel tank if, prior to Closing, Seller obtains a written statement from the supplier as to the quantity and current price and provides such statement to the Closing Agent. Seller shall pay all utility charges, including unbilled charges. Unless waived in Specific Term No. 12, 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 shall 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).

Buyer is advised to verify the existence and amount of any local improvement district, capacity or impact charges or other assessments that may be charged against the Property before or after Closing. Seller will pay such charges that are or become due on or before Closing. Charges levied before Closing, but becoming due after Closing shall be paid as agreed in Specific Term No. 13.

i. Sale Information. Listing Broker and Selling Broker are 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 Broker and/or Selling Broker, on request, any and all information and copies of documents concerning this sale.

j. Seller Citizenship and FIRPTA. Seller warrants that the identification of Seller's citizenship status for purposes of U.S. income taxation in Specific Term No. 14 is correct. Seller shall execute a certification (NWMLS Form 22E or equivalent) under the Foreign Investment in Real Property Tax Act ("FIRPTA") at Closing and provide the certification to the Closing Agent. If Seller is a foreign person for purposes of U.S. income taxation, 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.

09/23/2016

Buyer's Initials

Date

Buyer's Initials

Date

Seller's Initials

Date

Seller's Initials

Date

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RESIDENTIAL REAL ESTATE PURCHASE AND SALE AGREEMENT GENERAL TERMS

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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 Broker and the Selling Broker 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 Broker or at the licensed office of Listing Broker. 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 Broker or at the licensed office of Selling Broker. Receipt by Selling Broker of a Form 17, Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards, Public Offering Statement or Resale Certificate, homeowners' association documents provided pursuant to NWMLS Form 22D, or a preliminary commitment for title insurance provided pursuant to NWMLS Form 22T shall be deemed receipt by Buyer. Selling Broker and Listing Broker 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 Broker and Listing Broker advised of their whereabouts in order to receive prompt notification of receipt of a notice.
- 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, except for any time period relating to the Possession Date, 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, legal holiday as defined in RCW 1.16.050, or day when the county recording office is closed, shall occur on the next day that is not a Saturday, Sunday, legal holiday, or day when the county recording office is closed. If the parties agree upon and attach a legal description after this Agreement is signed by the offeree and delivered to the offeror, then for the purposes of computing time, mutual acceptance shall be deemed to be on the date of delivery of an accepted offer or counteroffer to the offeror, rather than on the date the legal description is attached. Time is of the essence of this Agreement.
- 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 signed original document or a direct link to such document, and retransmission of any such e-mail, shall be the same as delivery of an original, provided that the e-mail is sent to both Selling Broker and Selling Firm or both Listing Broker and Listing Firm at the e-mail addresses on page one of this Agreement. At the request of either party, or the Closing Agent, the parties will confirm e-mail transmitted signatures by signing an original document.
- n. **Integration and Electronic Signatures.** 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. The parties acknowledge that a signature in electronic form has the same legal effect and validity as a handwritten signature.
- 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.
- 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. 8, shall apply:
- 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.
 - 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.
- q. **Professional Advice and Attorneys' Fees.** Buyer and Seller are advised to seek the counsel of an attorney and a certified public accountant to review the terms of this Agreement. Buyer and Seller shall pay their own fees incurred for such review. However, 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 shall 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 received by Buyer, by Selling Broker or at the licensed office of Selling Broker. If this offer is not so accepted, it shall lapse and any Earnest Money shall be refunded to Buyer.

09/23/2016

Buyer's Initials

Date

Buyer's Initials

Date

Seller's Initials

Date

Seller's Initials

Date

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RESIDENTIAL REAL ESTATE PURCHASE AND SALE AGREEMENT GENERAL TERMS

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- s. **Counteroffer.** Any change in the terms presented in an offer or counteroffer, other than the insertion of the Seller's name and the Seller's warranty of citizenship status, shall be considered a counteroffer. If a party makes a counteroffer, then the other party 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 received by the other party, the other party's broker, or at the licensed office of the other party's broker. If the counteroffer is not so accepted, it shall lapse and any Earnest Money shall be refunded to Buyer. 173 174 175 176 177 178
- t. **Offer and Counteroffer Expiration Date.** If no expiration date is specified for an offer/counteroffer, the offer/counteroffer shall expire 2 days after the offer/counteroffer is delivered by the party making the offer/counteroffer, unless sooner withdrawn. 179 180 181
- u. **Agency Disclosure.** Selling Firm, Selling Firm's Designated Broker, Selling Broker's Branch Manager (if any) and Selling Broker's Managing Broker (if any) represent the same party that Selling Broker represents. Listing Firm, Listing Firm's Designated Broker, Listing Broker's Branch Manager (if any), and Listing Broker's Managing Broker (if any) represent the same party that the Listing Broker represents. If Selling Broker and Listing Broker are different persons affiliated with the same Firm, then both Buyer and Seller confirm their consent to Designated Broker, Branch Manager (if any), and Managing Broker (if any) representing both parties as dual agents. If Selling Broker and Listing Broker are the same person representing both parties then both Buyer and Seller confirm their consent to that person and his/her Designated Broker, Branch Manager (if any), and Managing Broker (if any) representing both parties as dual agents. All parties acknowledge receipt of the pamphlet entitled "The Law of Real Estate Agency." 182 183 184 185 186 187 188 189 190
- v. **Commission.** Seller and Buyer shall pay a commission in accordance with any listing or commission agreement to which they are a party. The Listing Firm's commission shall be apportioned between Listing Firm and Selling Firm as specified in the listing. Seller and Buyer hereby consent to Listing Firm or Selling Firm receiving compensation from more than one party. Seller and Buyer hereby assign to Listing Firm and Selling Firm, 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 Firm(s). In any action by Listing or Selling Firm to enforce this paragraph, the prevailing party is entitled to court costs and reasonable attorneys' fees. Seller and Buyer agree that the Firms are intended third party beneficiaries under this Agreement. 191 192 193 194 195 196 197 198
- w. **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. 199 200 201
- x. **Information Verification Period and Property Condition Disclaimer.** Buyer shall have 10 days after mutual acceptance to verify all information provided from Seller or Listing Firm related to the Property. This contingency shall be deemed satisfied unless Buyer gives notice identifying the materially inaccurate information within 10 days of mutual acceptance. If Buyer gives timely notice under this section, then this Agreement shall terminate and the Earnest Money shall be refunded to Buyer. 202 203 204 205 206

Buyer and Seller agree, that except as provided in this Agreement, all representations and information regarding the Property and the transaction are solely from the Seller or Buyer, and not from any Broker. The parties acknowledge that the Brokers are not responsible for assuring that the parties perform their obligations under this Agreement and that none of the Brokers has agreed to independently investigate or confirm any matter related to this transaction except as stated in this Agreement, or in a separate writing signed by such Broker. In addition, Brokers do not guarantee the value, quality or condition of the Property and some properties may contain building materials, including siding, roofing, ceiling, insulation, electrical, and plumbing, that have been the subject of lawsuits and/or governmental inquiry because of possible defects or health hazards. Some properties may have other defects arising after construction, such as drainage, leakage, pest, rot and mold problems. Brokers do not have the expertise to identify or assess defective products, materials, or conditions. Buyer is urged to use due diligence to inspect the Property to Buyer's satisfaction and to retain inspectors qualified to identify the presence of defective materials and evaluate the condition of the Property as there may be defects that may only be revealed by careful inspection. Buyer is advised to investigate whether there is a sufficient water supply to meet Buyer's needs. Buyer is advised to investigate the cost of insurance for the Property, including, but not limited to homeowner's, flood, earthquake, landslide, and other available coverage. Buyer and Seller acknowledge that home protection plans may be available which may provide additional protection and benefit to Buyer and Seller. Brokers may assist the parties with locating and selecting third party service providers, such as inspectors or contractors, but Brokers cannot guarantee or be responsible for the services provided by those third parties. The parties shall exercise their own judgment and due diligence regarding third-party service providers. 207 208 209 210 211 212 213 214 215 216 217 218 219 220 221 222 223 221

 09/23/2016
Buyer's Initials Date

Buyer's Initials Date

 9/24/2016
Seller's Initials Date

Seller's Initials Date

FIRST AMERICAN TITLE INSURANCE COMPANY
Exhibit "A"

Vested Owner: Escalade Properties, LLC, a Utah Limited Liability Company

Real property in the County of Spokane, State of Washington, described as follows:

THE EAST HALF OF LOT 11 AND ALL OF LOT 12 IN BLOCK 15 OF NETTLETON'S FIRST ADDITION TO
SPOKANE FALLS, AS PER PLAT THEREOF RECORDED IN VOLUME "A" OF PLATS, PAGES 98 AND 99;

SITUATED IN THE CITY OF SPOKANE AND COUNTY OF SPOKANE, WASHINGTON.

Tax Parcel Number: 25133.0710

Site Address: 2315 W College Ave, Spokane, WA 99201

AuthenticSign

BUYER 2:57:27 PM PDT

SELLER

BUYER

SELLER

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SELLER DISCLOSURE STATEMENT IMPROVED PROPERTY

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SELLER: Escalade Properties, LLC

Seller

Seller

1

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

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INSTRUCTIONS TO THE SELLER

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

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NOTICE TO THE BUYER

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THE FOLLOWING DISCLOSURES ARE MADE BY THE SELLER ABOUT THE CONDITION OF THE PROPERTY LOCATED AT
2315 W College Ave, CITY Spokane

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STATE WA, ZIP 99201, COUNTY Spokane ("THE PROPERTY") OR AS
LEGALLY DESCRIBED ON THE ATTACHED EXHIBIT A.

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

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

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

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SELLER ☐ IS/ ☒ IS NOT OCCUPYING THE PROPERTY.

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I. SELLER'S DISCLOSURES:

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

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1. TITLE

YES NO DON'T KNOW N/A

- | | | | | | |
|--|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|----|
| A. Do you have legal authority to sell the property? If no, please explain. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 37 |
| *B. Is title to the property subject to any of the following? | | | | | 38 |
| (1) First right of refusal | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 39 |
| (2) Option | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 40 |
| (3) Lease or rental agreement | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 41 |
| (4) Life estate? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 42 |
| *C. Are there any encroachments, boundary agreements, or boundary disputes? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 43 |
| *D. Is there a private road or easement agreement for access to the property? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | 44 |
| *E. Are there any rights-of-way, easements, or access limitations that may affect the Buyer's use of the property? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 45 |
| *F. Are there any written agreements for joint maintenance of an easement or right-of-way? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 46 |
| *G. Is there any study, survey project, or notice that would adversely affect the property? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 47 |
| *H. Are there any pending or existing assessments against the property? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 48 |

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SELLER'S INITIALS [Signature] Date 8/23/16

SELLER'S INITIALS _____ Date _____

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	YES	NO	DON'T KNOW	N/A	
*I. Are there any zoning violations, nonconforming uses, or any unusual restrictions on the property that would affect future construction or remodeling?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	52
					53
*J. Is there a boundary survey for the property?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	54
					55
*K. Are there any covenants, conditions, or restrictions recorded against the property?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	56
					57
PLEASE NOTE: Covenants, conditions, and restrictions which purport to forbid or restrict the conveyance, encumbrance, occupancy, or lease of real property to individuals based on race, creed, color, sex, national origin, familial status, or disability are void, unenforceable, and illegal. RCW 49.60.224.					58
					59
					60
					61
2. WATER					62
A. Household Water					63
(1) The source of water for the property is: <input checked="" type="checkbox"/> Private or publicly owned water system					64
<input type="checkbox"/> Private well serving only the subject property * <input type="checkbox"/> Other water system					65
*If shared, are there any written agreements?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	66
* (2) Is there an easement (recorded or unrecorded) for access to and/or maintenance of the water source?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	67
					68
* (3) Are there any problems or repairs needed?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	69
(4) During your ownership, has the source provided an adequate year-round supply of potable water? <input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	70
If no, please explain:					71
* (5) Are there any water treatment systems for the property?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	72
If yes, are they: <input type="checkbox"/> Leased <input type="checkbox"/> Owned					73
* (6) Are there any water rights for the property associated with its domestic water supply, such as a water right permit, certificate, or claim?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	74
					75
(a) If yes, has the water right permit, certificate, or claim been assigned, transferred, or changed? <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	76
* (b) If yes, has all or any portion of the water right not been used for five or more successive years? <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	77
* (7) Are there any defects in the operation of the water system (e.g. pipes, tank, pump, etc.)?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	78
B. Irrigation Water					79
(1) Are there any irrigation water rights for the property, such as a water right permit, certificate, or claim?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	80
					81
* (a) If yes, has all or any portion of the water right not been used for five or more successive years?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	82
					83
* (b) If so, is the certificate available? (If yes, please attach a copy.)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	84
* (c) If so, has the water right permit, certificate, or claim been assigned, transferred, or changed? <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	85
* (2) Does the property receive irrigation water from a ditch company, irrigation district, or other entity?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	86
If so, please identify the entity that supplies water to the property:					87
					88
C. Outdoor Sprinkler System					89
(1) Is there an outdoor sprinkler system for the property?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	90
* (2) If yes, are there any defects in the system?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	91
* (3) If yes, is the sprinkler system connected to irrigation water?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	92
3. SEWER/ON-SITE SEWAGE SYSTEM					93
A. The property is served by:					94
<input checked="" type="checkbox"/> Public sewer system <input type="checkbox"/> On-site sewage system (including pipes, tanks, drainfields, and all other component parts)					95
<input type="checkbox"/> Other disposal system					96
Please describe:					97

SELLER'S INITIALS

Date

SELLER'S INITIALS

Date

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	YES	NO	DON'T KNOW	N/A	98
B. If public sewer system service is available to the property, is the house connected to the sewer main?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	99
If no, please explain:					100
					101
*C. Is the property subject to any sewage system fees or charges in addition to those covered in your regularly billed sewer or on-site sewage system maintenance service?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	102
					103
D. If the property is connected to an on-site sewage system:					104
*(1) Was a permit issued for its construction, and was it approved by the local health department or district following its construction?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	105
(2) When was it last pumped?					106
*(3) Are there any defects in the operation of the on-site sewage system?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	107
(4) When was it last inspected?				<input checked="" type="checkbox"/>	108
By whom:					109
(5) For how many bedrooms was the on-site sewage system approved? _____ bedrooms				<input checked="" type="checkbox"/>	110
E. Are all plumbing fixtures, including laundry drain, connected to the sewer/on-site sewage system?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	111
If no, please explain:					112
					113
*F. Have there been any changes or repairs to the on-site sewage system?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	114
G. Is the on-site sewage system, including the drainfield, located entirely within the boundaries of the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	115
If no, please explain:					116
					117
*H. Does the on-site sewage system require monitoring and maintenance services more frequently than once a year?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	118
					119
					120
NOTICE: IF THIS RESIDENTIAL REAL PROPERTY DISCLOSURE IS BEING COMPLETED FOR NEW CONSTRUCTION WHICH HAS NEVER BEEN OCCUPIED, SELLER IS NOT REQUIRED TO COMPLETE THE QUESTIONS LISTED IN ITEM 4 (STRUCTURAL) OR ITEM 5 (SYSTEMS AND FIXTURES).					121
					122
					123
4. STRUCTURAL					124
*A. Has the roof leaked within the last 5 years?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	125
*B. Has the basement flooded or leaked?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	126
*C. Have there been any conversions, additions or remodeling?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	127
*(1) If yes, were all building permits obtained?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	128
*(2) If yes, were all final inspections obtained?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	129
D. Do you know the age of the house?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	130
If yes, year of original construction: <u>1905</u>					131
*E. Has there been any settling, slippage, or sliding of the property or its improvements?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	132
*F. Are there any defects with the following: (If yes, please check applicable items and explain)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	133
<input type="checkbox"/> Foundations	<input type="checkbox"/> Decks	<input type="checkbox"/> Exterior Walls			134
<input type="checkbox"/> Chimneys	<input type="checkbox"/> Interior Walls	<input type="checkbox"/> Fire Alarms			135
<input type="checkbox"/> Doors	<input type="checkbox"/> Windows	<input type="checkbox"/> Patio			136
<input type="checkbox"/> Ceilings	<input type="checkbox"/> Slab Floors	<input type="checkbox"/> Driveways			137
<input type="checkbox"/> Pools	<input type="checkbox"/> Hot Tub	<input type="checkbox"/> Sauna			138
<input type="checkbox"/> Sidewalks	<input type="checkbox"/> Outbuildings	<input type="checkbox"/> Fireplaces			139
<input type="checkbox"/> Garage Floors	<input type="checkbox"/> Walkways	<input type="checkbox"/> Siding			140
<input type="checkbox"/> Wood Stoves	<input type="checkbox"/> Elevators	<input type="checkbox"/> Incline Elevators			141
<input type="checkbox"/> Stairway Chair Lifts	<input type="checkbox"/> Wheelchair Lifts	<input type="checkbox"/> Other _____			142
*G. Was a structural pest or "whole house" inspection done?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	143
If yes, when and by whom was the inspection completed?					144
					145
H. During your ownership, has the property had any wood destroying organism or pest infestation?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	146
I. Is the attic insulated?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	147
J. Is the basement insulated?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	148

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5. SYSTEMS AND FIXTURES

*A. If any of the following systems or fixtures are included with the transfer, are there any defects?

If yes, please explain: _____

	YES	NO	DON'T KNOW	N/A	148
Electrical system, including wiring, switches, outlets, and service	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	149
Plumbing system, including pipes, faucets, fixtures, and toilets	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	150
Hot water tank	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	151
Garbage disposal	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	152
Appliances.....	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	153
Sump pump.....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	154
Heating and cooling systems	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	155
Security system: <input type="checkbox"/> Owned <input type="checkbox"/> Leased.....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	156
Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	157

*B. If any of the following fixtures or property is included with the transfer, are they leased?

(If yes, please attach copy of lease.)

	YES	NO	DON'T KNOW	N/A	161
Security System:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	162
Tanks (type):	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	163
Satellite dish:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	164
Other:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	165

*C. Are any of the following kinds of wood burning appliances present at the property?

(1) Woodstove?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	167
(2) Fireplace insert?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	168
(3) Pellet stove?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	169
(4) Fireplace?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	170

If yes, are all of the (1) woodstoves or (2) fireplace inserts certified by the U.S. Environmental Protection Agency as clean burning appliances to improve air quality and public health?

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	171
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D. Is the property located within a city, county, or district or within a department of natural resources fire protection zone that provides fire protection services?

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	172
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E. Is the property equipped with carbon monoxide alarms? (Note: Pursuant to RCW 19.27.530, Seller must equip the residence with carbon monoxide alarms as required by the state building code.).....

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	173
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F. Is the property equipped with smoke alarms?

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	174
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6. HOMEOWNERS' ASSOCIATION/COMMON INTERESTS

A. Is there a Homeowners' Association?

<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	175
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Name of Association and contact information for an officer, director, employee, or other authorized agent, if any, who may provide the association's financial statements, minutes, bylaws, fining policy, and other information that is not publicly available: _____

B. Are there regular periodic assessments?

<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	176
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\$ _____ per ☐ month ☐ year

☐ Other: _____

*C. Are there any pending special assessments?

<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	177
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*D. Are there any shared "common areas" or any joint maintenance agreements (facilities such as walls, fences, landscaping, pools, tennis courts, walkways, or other areas co-owned in undivided interest with others)?

<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	178
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7. ENVIRONMENTAL

*A. Have there been any flooding, standing water, or drainage problems on the property that affect the property or access to the property?

<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	179
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*B. Does any part of the property contain fill dirt, waste, or other fill material?.....

<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	180
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*C. Is there any material damage to the property from fire, wind, floods, beach movements, earthquake, expansive soils, or landslides?

<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	181
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D. Are there any shorelines, wetlands, floodplains, or critical areas on the property?

<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	182
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*E. Are there any substances, materials, or products in or on the property that may be environmental concerns, such as asbestos, formaldehyde, radon gas, lead-based paint, fuel or chemical storage tanks, or contaminated soil or water?

<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	183
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*F. Has the property been used for commercial or industrial purposes?.....

<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	184
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SELLER'S INITIALS

Date

SELLER'S INITIALS

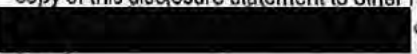
Date

Form 17
Seller Disclosure Statement
Rev. 7/15
Page 5 of 6

SELLER DISCLOSURE STATEMENT IMPROVED PROPERTY

(Continued)

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	YES	NO	DON'T KNOW	N/A	
*G. Is there any soil or groundwater contamination?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	202
					203
*H. Are there transmission poles or other electrical utility equipment installed, maintained, or buried on the property that do not provide utility service to the structures on the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	204
					205
*I. Has the property been used as a legal or illegal dumping site?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	206
					207
*J. Has the property been used as an illegal drug manufacturing site?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	208
					209
*K. Are there any radio towers in the area that cause interference with cellular telephone reception?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	210
					211
8. LEAD BASED PAINT (Applicable if the house was built before 1978).					212
A. Presence of lead-based paint and/or lead-based paint hazards (check one below):					213
<input type="checkbox"/> Known lead-based paint and/or lead-based paint hazards are present in the housing (explain). _____					214
<input checked="" type="checkbox"/> Seller has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.					215
B. Records and reports available to the Seller (check one below):					216
<input type="checkbox"/> Seller has provided the purchaser with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in the housing (list documents below). _____					217
					218
<input checked="" type="checkbox"/> Seller has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing.					219
					220
9. MANUFACTURED AND MOBILE HOMES					221
If the property includes a manufactured or mobile home,					222
*A. Did you make any alterations to the home?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	223
If yes, please describe the alterations: _____					224
*B. Did any previous owner make any alterations to the home?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	225
*C. If alterations were made, were permits or variances for these alterations obtained?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	226
					227
10. FULL DISCLOSURE BY SELLERS					228
A. Other conditions or defects:					229
*Are there any other existing material defects affecting the property that a prospective buyer should know about?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	230
					231
B. Verification					232
The foregoing answers and attached explanations (if any) are complete and correct to the best of Seller's knowledge and Seller has received a copy hereof. Seller agrees to defend, indemnify and hold real estate licensees harmless from and against any and all claims that the above information is inaccurate. Seller authorizes real estate licensees, if any, to deliver a copy of this disclosure statement to other real estate licensees and all prospective buyers of the property.					233
					234
 8/22/16					235
Seller _____ Date _____					236
Seller _____ Date _____					

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

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Form 17
Seller Disclosure Statement
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**SELLER DISCLOSURE STATEMENT
IMPROVED PROPERTY**
(Continued)

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II. NOTICES TO THE BUYER

1. SEX OFFENDER REGISTRATION

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

2. PROXIMITY TO FARMING

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

III. BUYER'S ACKNOWLEDGEMENT

1. BUYER HEREBY ACKNOWLEDGES THAT:

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

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

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

Authentisign

Buyer: [Redacted] 09/23/2016
9/23/2016 2:57:25 PM PDT Date Buyer Date

2. BUYER'S WAIVER OF RIGHT TO REVOKE OFFER

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

Buyer Date Buyer Date

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

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

Buyer Date Buyer Date

SELLER'S INITIALS Date SELLER'S INITIALS Date

Form 22J
Disclosure Lead Based Paint & Hazards
Rev. 7/10
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 and Sale Agreement dated 9/23/2016 1
between [REDACTED] ("Buyer" and/or "Lessee") 2
Buyer and/or Lessee Buyer and/or Lessee
and Escalade Properties, LLC ("Seller" and/or "Lessor") 3
Seller and/or Lessor Seller and/or Lessor
concerning 2315 W College Ave Spokane WA 99201 (the "Property"). 4
Address City State Zip

Purchase & Sale Agreement Lead Warning Statement 5

Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase. 6 7 8 9 10 11 12 13 14

Lease Agreement Lead Warning Statement 15

Housing built before 1978 may contain lead-based paint. Lead from paint, paint chips, and dust can pose health hazards if not taken care of properly. Lead exposure is especially harmful to young children and pregnant women. Before renting pre-1978 housing, landlords must disclose the presence of known lead-based paint and lead-based paint hazards in the dwelling. Tenants must also receive a Federally approved pamphlet on lead poisoning prevention. 16 17 18 19 20

Cancellation Rights 21

If a residential dwelling was built on the Property prior to 1978, Buyer may rescind the Agreement at any time up to 3 days after Buyer receives this Disclosure, unless Buyer receives this disclosure prior to entering the Agreement. 22 23 24

NOTE: In the event of pre-closing possession of more than 100 days by Buyer, the term Buyer also means Tenant. 25

Seller's/Lessor's Disclosure 26

- (a) Presence of lead-based paint and/or lead-based paint hazards (check one below): 27
☐ Known lead-based paint and/or lead-based paint hazards are present in the housing (explain). 28
☒ Seller/Lessor has no knowledge of lead-based paint and/or lead-based paint hazards in the housing. 29
(b) Records and reports available to the Seller/Lessor (check one below): 30
☐ Seller/Lessor has provided the Buyer/Lessee with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in the housing (list documents below). 31 32

☒ Seller/Lessor has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing. 35 36

Seller has reviewed the information above and certifies, to the best of Seller's knowledge, that the statements made and information provided by Seller are true and accurate. 37 38

[REDACTED] 9/23/16 39
Seller/Lessor Date Seller/Lessor Date
[REDACTED] 9/23/2016
Buyer/Lessee Initials Date Buyer/Lessee Initials Date Seller/Lessor Initials Date Seller/Lessor Initials Date

All terms and conditions of the offer (Real Estate Purchase and Sale Agreement) dated September 23, 2016, 1
concerning 2315 West College Ave Spokane WA 99201 (the "Property"), 2
Address City State Zip
by [REDACTED], as Buyer 3
and the undersigned Escalade Properties, LLC, as Seller 4
are accepted, except for the following changes. 5

All other terms of the agreement to remain as presented.

~~All other terms and conditions of the above offer are incorporated herein by reference as though fully set forth.~~ 31

Date _____

Date

Form 22A
Financing Addendum
Rev. 7/15
Page 1 of 2

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FINANCING ADDENDUM TO PURCHASE & SALE AGREEMENT

The following is part of the Purchase and Sale Agreement dated September 23, 2016 1
between [REDACTED] ("Buyer") 2
and Escalade Properties, LLC ("Seller") 3
concerning 2315 W COLLEGE Ave Spokane WA 99201 (the "Property"), 4
Address City State Zip

1. LOAN APPLICATION/WAIVER OF CONTINGENCY.

- a. **Loan Application.** This Agreement is contingent on Buyer obtaining the following type of loan or loans to purchase the Property (the "Loan(s)"): ☒ Conventional First; ☐ Conventional Second; ☐ Bridge; ☐ VA; ☐ FHA; ☐ USDA; ☐ Home Equity Line of Credit; ☒ Other WSHFC Home Advantage for Down Payment Assistance (the "Financing Contingency"). Buyer shall pay ☐ \$ _____; or ☒ 3 % of the Purchase Price down, in addition to the Loans and make application for the Loans to pay the balance of the Purchase Price and pay the application fee, if required, for the subject Property within 5 days (5 days if not filled in) after mutual acceptance of this Agreement. For the purposes of this Addendum, "application" means the submission of Buyer's financial information for the purposes of obtaining an extension of credit including Buyer's name, income, social security number (if required), the Property address, purchase price, and the loan amount. 14
- b. **Waiver of Financing Contingency.** If Buyer (i) fails to make application for financing for the Property within the agreed time; (ii) changes the type of loan at any time without Seller's prior written consent; or (iii) changes the lender without Seller's prior written consent after the agreed upon time to apply for financing expires, then the Financing Contingency shall be deemed waived. Buyer's waiver of the Financing Contingency under this Paragraph 1(b) also constitutes waiver of Paragraph 7 (Appraisal Less Than Sales Price). For purposes of this Addendum, "lender" means either the party to whom the application was submitted or the party funding the loan. 20

2. LOAN INFORMATION.

- a. **Seller's Request for Loan Information.** At any time 10 days (10 days if not filled in) after mutual acceptance, Seller may give, once, a notice requesting information related to the status of Buyer's loan application ("Request for Loan Information"). NWMLS Form 22AL may be used for this notice. 24
- b. **Buyer's Loan Information Notice.** Within 3 days (3 days if not filled in) of receiving Seller's Request for Loan Information, Buyer shall give notice of the status of Buyer's loan application ("Loan Information Notice"). Buyer's notice shall be on NWMLS Form 22AP and shall include the date of application, the name of lender, a list of the information that Buyer has provided to lender, and a warranty that Buyer has provided all information requested by lender. 29
- c. **Failure to Provide Loan Information Notice.** If Buyer fails to timely give to Seller a completed Loan Information Notice, Seller may give the Right to Terminate Notice described in Paragraph 3 (Seller's Right to Terminate) at any time after the date that the Loan Information Notice is due. 32

3. SELLER'S RIGHT TO TERMINATE.

- a. **Right to Terminate Notice.** At any time 30 days (30 days if not filled in) after mutual acceptance, Seller may give notice that Seller may terminate the Agreement at any time 3 days after delivery of that notice (the "Right to Terminate Notice"). NWMLS Form 22AR may be used for this notice. 36
- b. **Termination Notice.** If Buyer has not previously waived the Financing Contingency, Seller may give notice of termination of this Agreement (the "Termination Notice") any time following 3 days after delivery of the Right to Terminate Notice. If Seller gives the Termination Notice before Buyer has waived the Financing Contingency, this Agreement is terminated and the Earnest Money shall be refunded to Buyer. NWMLS Form 22AR shall be used for this notice. If not waived, the Financing Contingency shall survive the Closing Date. 41
- c. **Appraisal Less Than Sales Price.** Buyer's waiver of the Financing Contingency under this Paragraph 3 ☐ will; or ☒ will not (will, if not filled in) constitute waiver of Paragraph 7 (Appraisal Less Than Sales Price). 43

4. **LOAN COST PROVISIONS.** Seller shall pay up to ☐ \$ _____; or ☒ 3.5 % of the Purchase Price (\$0.00 if not filled in), which shall be applied to Buyer's Loan(s) and settlement costs, including prepaids, loan discount, loan fee, interest buy down, financing, closing or other costs allowed by lender. That amount shall include the following costs that lender is prohibited from collecting from Buyer: (a) up to \$300.00 for Buyer's Loan(s) 47

<u>[REDACTED]</u>	<u>09/23/2016</u>	<u>[REDACTED]</u>	<u>9/24/16</u>	<u>[REDACTED]</u>	<u>9/24/16</u>
Buyer's Initials	Date	Buyer's Initials	Date	Seller's Initials	Date

Form 22A
Financing Addendum
Rev. 7/15
Page 2 of 2

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**FINANCING ADDENDUM TO
PURCHASE & SALE AGREEMENT**
Continued

- and settlement costs for FHA/USDA/VA loans; and (b) Buyer's share of the escrow fee for a VA loan. Seller shall pay the costs for (a) and (b), even if the amount agreed upon in this Paragraph 4 is insufficient to pay for those costs.
5. **EARNEST MONEY.** If Buyer has not waived the Financing Contingency, and is unable to obtain financing by Closing after a good faith effort then, on Buyer's notice, this Agreement shall terminate. The Earnest Money shall be refunded to Buyer after lender confirms in writing (a) the date Buyer's loan application for the Property was made, including a copy of the loan estimate that was provided to Buyer; (b) that Buyer possessed sufficient funds to close; and (c) the reasons Buyer was unable to obtain financing by Closing. If Seller terminates this Agreement, the Earnest Money shall be refunded without need for such confirmation.
6. **INSPECTION.** Seller agrees to permit inspections required by lender, including but not limited to structural, pest, heating, plumbing, roof, electrical, septic, and well inspections. Seller is not obligated to pay for such inspections unless otherwise agreed.
7. **APPRAISAL LESS THAN SALE PRICE.**
- a. **Notice of Low Appraisal.** If lender's appraised value of the Property is less than the Purchase Price, Buyer may, within 3 days after receipt of a copy of lender's appraisal, give notice of low appraisal, which shall include a copy of lender's appraisal. NWMLS Form 22AN may be used for the notices in this Paragraph 7.
- b. **Seller's Response to Notice of Low Appraisal.** Seller shall, within 10 days after Buyer's notice of low appraisal, give notice of:
- (i) A reappraisal or reconsideration of value, at Seller's expense, by the same appraiser or another appraiser acceptable to lender, in an amount not less than the Purchase Price. Buyer shall promptly seek lender's approval of such reappraisal or reconsideration of value. The parties are advised that lender may elect not to accept a reappraisal or reconsideration of value;
- (ii) Seller's consent to reduce the Purchase Price to an amount not more than the amount specified in the appraisal or reappraisal by the same appraiser, or an appraisal by another appraiser acceptable to lender, whichever is higher. (This provision is not applicable if this Agreement is conditioned on FHA, VA, or USDA financing. FHA, VA, and USDA financing does not permit the Buyer to be obligated to buy if the Seller reduces the Purchase Price to the appraised value. Buyer, however, has the option to buy at the reduced price.); or
- (iii) Seller's rejection of Buyer's notice of low appraisal.
- If Seller timely delivers notice of reappraisal, reconsideration of value, or consent to reduce the Purchase Price, and lender accepts Seller's response, then Buyer shall be bound by Seller's response.
- c. **Buyer's Reply.** Buyer shall have 3 days from either Seller's notice of rejection of low appraisal or, if Seller fails to respond, the day Seller's response period ends, whichever is earlier, to (a) waive the Financing Contingency or (b) terminate the Agreement, in which event the Earnest Money shall be refunded to Buyer. Buyer's inaction during this reply period shall result in termination of the Agreement and return of the Earnest Money to Buyer. The Closing date shall be extended as necessary to accommodate the foregoing times for notices.
8. **FHA/VA/USDA - Appraisal Certificate.** If this Agreement is contingent on Buyer obtaining FHA, VA, or USDA financing, notwithstanding any other provisions of this Agreement, Buyer is not obligated to complete the purchase of the Property unless Buyer has been given in accordance with HUD/FHA, VA, or USDA requirements a written statement by FHA, VA, USDA or a Direct Endorsement lender, setting forth the appraised value of the Property (excluding closing costs). Buyer shall pay the costs of any appraisal. If the appraised value of the Property is less than the Purchase Price, Paragraph 7 above shall apply.
- Purpose of Appraisal.** The appraised valuation is arrived at only to determine the maximum mortgage FHA, VA, or USDA will insure. FHA, VA, or USDA do not warrant the value or the condition of the Property. Buyer agrees to satisfy himself/herself that the price and condition of the Property are acceptable.
9. **EXTENSION OF CLOSING.** If, through no fault of Buyer, lender is required by 12 CFR 1026 to give corrected disclosures to Buyer due to (a) a change in the Annual Percentage Rate ("APR") of Buyer's Loan(s) by .125% or more for a fixed rate loan or .250% or more for an adjustable rate loan; (b) a change in the loan product; or (c) the addition of a prepayment penalty, then upon notice from Buyer, the Closing Date shall be extended for up to 4 days to accommodate the requirements of Regulation Z of the Truth in Lending Act. This paragraph shall survive Buyer's waiver of this Financing Contingency.

 09/23/2016

Buyer's Initials

Date

Buyer's Initials

Date

 9/24/2016

Seller's Initials

Date

Seller's Initials

Date

Form 22K
Identification of Utilities Addendum
Rev. 5/14
Page 1 of 1

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**IDENTIFICATION OF UTILITIES
ADDENDUM TO PURCHASE AND SALE AGREEMENT**

The following is part of the Purchase and Sale Agreement dated 9/23/2016 1
between [REDACTED] ("Buyer") 2
and Escalade Properties, LLC ("Seller") 3
concerning 2315 W College Ave Spokane WA 99201 (the "Property"). 4

Pursuant to RCW 60.80, Buyer and Seller request the Closing Agent to administer the disbursement of closing funds 5
necessary to satisfy unpaid utility charges, if any, affecting the Property. The names and addresses of all utilities 6
providing service to the Property and having lien rights are as follows: 7

WATER DISTRICT: City of Spokane 8
Name 308 W Spokane Falls Blvd 9
Address Spokane, WA 99256 10
City, State, Zip City of Spokane Fax. No. 11
SEWER DISTRICT: Name 308 W Spokane Falls Blvd 12
Address Spokane, WA 99256 13
City, State, Zip City of Spokane Fax. No. 14
IRRIGATION DISTRICT: Name City of Spokane 15
Address City of Spokane 16
City, State, Zip City of Spokane Fax. No. 17
GARBAGE: Name 308 W Spokane Falls Blvd 18
Address Spokane, WA 99256 19
City, State, Zip City of Spokane Fax. No. 20
ELECTRICITY: Name Avista Utilities 21
Address 1411 E Mission Ave 22
City, State, Zip Spokane, WA 99252 23
Fax. No. Avista Utilities 24
GAS: Name 1411 E Mission Ave 25
Address Spokane, WA 99252 26
City, State, Zip Avista Utilities Fax. No. 27
SPECIAL DISTRICT(S): Name Spokane, WA 99252 28
(local improvement districts or utility local improvement districts) Address City of Spokane 29
City, State, Zip City of Spokane Fax. No. 30

If the above information has not been filled in at the time of mutual acceptance of this Agreement, then (1) 29
within days (5 if not filled in) of mutual acceptance of this Agreement, Seller shall provide the Listing 30
Broker or Selling Broker with the names and addresses of all utility providers having lien rights affecting the Property 31
and (2) Buyer and Seller authorize Listing Broker or Selling Broker to insert into this Addendum the names and 32
addresses of the utility providers identified by Seller. 33

Nothing in this Addendum shall be construed to diminish or alter the Seller's obligation to pay all utility charges 34
(including unbilled charges). Buyer understands that the Listing Broker and Selling Broker are not responsible for, or 35
to insure payment of, Seller's utility charges. 36

[REDACTED] 8/23/16
Buyer's Initials Date Buyer's Initials Date Seller's Initials Date Seller's Initials Date

Form 35
Inspection Addendum
Rev. 7/15
Page 1 of 2

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INSPECTION ADDENDUM TO PURCHASE AND SALE AGREEMENT

The following is part of the Purchase and Sale Agreement dated September 23, 2016 1
between [REDACTED] ("Buyer") 2
and Escalade Properties, LLC ("Seller") 3
concerning 2315 W COLLEGE Ave Spokane WA 99201 (the "Property"). 4
Address City State Zip

1. ☒ a. **INSPECTION CONTINGENCY.** This Agreement is conditioned on Buyer's subjective satisfaction with inspections of the Property and the improvements on the Property. Buyer's inspections may include, at Buyer's option and without limitation, the structural, mechanical and general condition of the improvements to the Property, compliance with building and zoning codes, an inspection of the Property for hazardous materials, a pest inspection, and a soils/stability inspection. The inspection must be performed by Buyer or a person licensed (or exempt from licensing) under Chapter 18.280 RCW. 5
Sewer Inspection. Buyer's inspection of the Property ☒ may; ☐ may not (may, if not checked) include an inspection of the sewer system, which may include a sewer line video inspection and assessment and may require the inspector to remove toilets or other fixtures to access the sewer line. 6
Buyer's Obligations. All inspections are to be (a) ordered by Buyer, (b) performed by inspectors of Buyer's choice, and (c) completed at Buyer's expense. Buyer shall not alter the Property or any improvements on the Property without first obtaining Seller's permission. Buyer is solely responsible for interviewing and selecting all inspectors. Buyer shall restore the Property and all improvements on the Property to the same condition they were in prior to the inspection. Buyer shall be responsible for all damages resulting from any inspection of the Property performed on Buyer's behalf. 7
BUYER'S NOTICE. This inspection contingency SHALL CONCLUSIVELY BE DEEMED WAIVED unless within 10 days (10 days if not filled in) after mutual acceptance of this Agreement (the "Initial Inspection Period"), Buyer gives notice (1) approving the inspection and waiving this contingency; (2) disapproving the inspection and terminating the Agreement; (3) that Buyer will conduct additional inspections; or (4) proposing repairs to the property or modifications to the Agreement. If Buyer disapproves the inspection and terminates the Agreement, the Earnest Money shall be refunded to Buyer. If Buyer proposes repairs to the property or modifications to the Agreement, including adjustments to the purchase price or credits for repairs to be performed after Closing, the parties shall negotiate as set forth in paragraph 1.c, below. The parties may use NWMLS Form 35R to give notices required by this Addendum. 8
ATTENTION BUYER: If Buyer fails to give timely notice, then this inspection contingency shall be deemed waived and Seller shall not be obligated to make any repairs or modifications. 9
b. **Additional Inspections.** If an inspector so recommends, Buyer may obtain further evaluation of any item by a specialist at Buyer's option and expense if, on or before the end of the Initial Inspection Period, Buyer provides Seller a copy of the inspector's recommendation and notice that Buyer will seek additional inspections. If Buyer gives timely notice of additional inspections, Buyer shall have 5 (5 days if not filled in) after giving the notice to obtain the additional inspection(s) by a specialist. 10
c. **Buyer's Requests for Repairs or Modifications.** If Buyer requests repairs or modifications under paragraph 1.a or 1.b. above, the parties shall negotiate as set forth in this paragraph. All requests, responses, and replies made in accordance with the following procedures are irrevocable for the time period provided. 11
(i) **Seller's Response to Request for Repairs or Modifications.** Seller shall have 3 days (3 days if not filled in) after receipt of Buyer's request for repairs or modifications to give notice that Seller (a) agrees to the repairs or modifications proposed by Buyer; (b) agrees to some of the repairs or modifications proposed by Buyer; (c) rejects all repairs or modifications proposed by Buyer; or (d) offers different or additional repairs or modifications. If Seller agrees to the terms of Buyer's request for repairs or modifications, this contingency shall be satisfied and Buyer's Reply shall not be necessary. If Seller does not agree to all of Buyer's repairs or modifications, Buyer shall have an opportunity to reply, as follows: 12

[REDACTED] 09/23/2016 [REDACTED] 9/24/2016
Buyer's Initials Date Buyer's Initials Date Seller's Initials Date

INSPECTION ADDENDUM TO PURCHASE AND SALE AGREEMENT

Continued

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

ATTENTION BUYER: These time periods for negotiating repairs 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 repairs or modifications whatsoever AND THIS CONTINGENCY SHALL BE DEEMED WAIVED.

d. **Repairs.** If Seller agrees to make the repairs proposed by Buyer, then repairs shall be accomplished at Seller's expense in a commercially reasonable manner and in accordance with all applicable laws no fewer than 3 days (3 days if not filled in) prior to the Closing Date. In the case of hazardous materials, "repair" 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 professional selected by Seller. Seller's repairs are subject to re-inspection and approval, prior to Closing, by the inspector who recommended the repair, if Buyer elects to order and pay for such re-inspection. If Buyer agrees to pay for any repairs prior to Closing, the parties are advised to seek the counsel of an attorney to review the terms of that agreement.

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. **On-site Sewage Disposal Systems Advisory:** Buyer is advised that on-site sewage disposal systems, including "septic systems," are subject to strict governmental regulation and occasional malfunction and even failure. Buyer is advised to consider conducting an inspection of any on-site sewage system in addition to the inspection of the Property provided by this Form 35 by including an appropriate on-site sewage disposal inspection contingency such as NWMLS Form 22S (Septic Addendum).

2. ☐ **NEIGHBORHOOD REVIEW CONTINGENCY:** Buyer's inspection includes Buyer's subjective satisfaction that the conditions of the neighborhood in which the Property is located are consistent with the 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, 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 (3 days if not filled 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.

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 Broker or Selling Broker.

4. ☐ **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 Broker or Selling Broker.

 09/23/2016
Buyer's Initials Date

Buyer's Initials Date

 9/24/2016
Initials Date

Seller's Initials Date

Form 22D
Optional Clauses Addendum
Rev. 7/15
Page 1 of 2

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OPTIONAL CLAUSES ADDENDUM TO PURCHASE & SALE AGREEMENT

The following is part of the Purchase and Sale Agreement dated September 23, 2016 1
between [REDACTED] ("Buyer") 2
and Escalade Properties, LLC ("Seller") 3
concerning 2315 W COLLEGE Ave Spokane WA 99201 (the "Property"). 4
Address City State Zip

CHECK IF INCLUDED:

1. ☒ **Square Footage/Lot Size/Encroachments.** The Listing Broker and Selling Broker make no representations concerning: (a) the lot size or the accuracy of any information provided by the Seller; (b) the square footage of any improvements on the Property; (c) whether there are any encroachments (fences, rockeries, buildings) on the Property, or by the Property on adjacent properties. Buyer is advised to verify lot size, square footage and encroachments to Buyer's own satisfaction within the inspection contingency period. 5
2. **Title Insurance.** The Title Insurance clause in the Agreement provides Seller is to provide the then-current ALTA form of Homeowner's Policy of Title Insurance. The parties have the option to provide less coverage by selecting a Standard Owner's Policy or more coverage by selecting an Extended Coverage Policy: 6
☐ **Standard Owner's Policy.** Seller authorizes Buyer's lender or Closing Agent, at Seller's expense, to apply for the then-current ALTA form of Owner's Policy of Title Insurance, together with homeowner's additional protection and inflation protection endorsements, if available at no additional cost, rather than the Homeowner's Policy of Title Insurance. 7
☐ **Extended Policy.** Seller authorizes Buyer's lender or Closing Agent, at Seller's expense to apply for an ALTA or comparable Extended Coverage Policy of Title Insurance, rather than the Homeowner's Policy of Title Insurance. Buyer shall pay the increased costs associated with the Extended Coverage Policy, including the excess premium over that charged for Homeowner's Policy of Title Insurance and the cost of any survey required by the title insurer. 8
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3. ☒ **Systems/Appliances.** If a system or appliance (including, but not limited to plumbing, heat, electrical, and all Included Items) becomes inoperative or malfunctions prior to Closing, Seller shall either repair, or replace the same with a system or appliance of at least equal quality. Buyer reserves the right to reinspect the Property within 5 days prior to Closing to verify that Seller has complied with this Paragraph 3. Buyer and Seller understand and agree that the Listing Broker and Selling Broker shall not be liable for the foregoing or Seller's breach of this Paragraph 3. 23
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4. ☒ **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, Seller shall clean the interiors of any structures and remove all trash, debris and rubbish on the Property prior to Buyer taking possession. 29
30
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32
5. ☒ **Utilities.** To the best of Seller's knowledge, Seller represents that the Property is connected to a: 33
☒ public water main; ☒ public sewer main; ☐ septic tank; ☐ well (specify type) _____; 34
☐ irrigation water (specify provider) _____; ☒ natural gas; ☒ telephone; 35
☒ cable; ☒ electricity; ☐ other _____ 36
6. ☐ **Insulation - New Construction.** If this is new construction, Federal Trade Commission Regulations require the following to be filled in. If insulation has not yet been selected, FTC regulations require Seller to furnish Buyer the information below in writing as soon as available: 37
38
39
WALL INSULATION: TYPE: _____ THICKNESS: _____ R-VALUE: _____ 40
CEILING INSULATION: TYPE: _____ THICKNESS: _____ R-VALUE: _____ 41
OTHER INSULATION DATA: _____ 42

[REDACTED] 9/23/2016 [REDACTED] 9/24/2016
Buyer's Initials Date Buyer's Initials Date Seller's Initials Date Seller's Initials Date

**OPTIONAL CLAUSES ADDENDUM TO
PURCHASE & SALE AGREEMENT**

Continued

7. ☐ **Leased Property Review Period and Assumption.** Buyer acknowledges that Seller leases the following items of personal property that are included with the sale: ☐ propane tank; ☐ security system; ☐ satellite dish and operating equipment; ☐ other _____
- Seller shall provide Buyer a copy of the lease for the selected items within _____ days (5 days if not filled in) of mutual acceptance. If Buyer, in Buyer's sole discretion, does not give notice of disapproval within _____ days (5 days if not filled in) of receipt of the lease(s) or the date that the lease(s) are due, whichever is earlier, then this lease review period shall conclusively be deemed satisfied (waived) and at Closing, Buyer shall assume the lease(s) for the selected item(s) and hold Seller harmless from and against any further obligation, liability, or claim arising from the lease(s), if the lease(s) can be assumed. If Buyer gives timely notice of disapproval, then this Agreement shall terminate and the Earnest Money shall be refunded to Buyer.
8. ☐ **Homeowners' Association Review Period.** If the Property is subject to a homeowners' association or any other association, then Seller shall, at Seller's expense, provide Buyer a copy of the following documents (if available from the Association) within _____ days (10 days if not filled in) of mutual acceptance:
- Association rules and regulations, including, but not limited to architectural guidelines;
 - Association bylaws and covenants, conditions, and restrictions (CC&Rs);
 - Association meeting minutes from the prior two (2) years;
 - Association Board of Directors meeting minutes from the prior six (6) months; and
 - Association financial statements from the prior two (2) years and current operating budget.
- If Buyer, in Buyer's sole discretion, does not give notice of disapproval within _____ days (5 days if not filled in) of receipt of the above documents or the date that the above documents are due, whichever is earlier, then this homeowners' association review period shall conclusively be deemed satisfied (waived). If Buyer gives timely notice of disapproval, then this Agreement shall terminate and the Earnest Money shall be refunded to Buyer.
9. ☐ **Excluded Item(s).** The following item(s), that would otherwise be included in the sale of the Property, is excluded from the sale ("Excluded Item(s)"). Seller shall repair any damage to the Property caused by the removal of the Excluded Item(s). Excluded Item(s): _____
10. ☒ **Home Warranty.** Buyer and Seller acknowledge that home warranty plans are available which may provide additional protection and benefits to Buyer and Seller. Buyer shall order a one-year home warranty as follows:
- Home warranty provider: American Home Shield
 - Seller shall pay up to \$450.00 (\$0.00 if not filled in) of the cost for the home warranty, together with any included options, and Buyer shall pay any balance.
 - Options to be included: _____ (none, if not filled in).
 - Other: _____
11. ☒ **Other.**
Seller to install vinyl fence to enclose back yard.

 9/23/2016

Buyer's Initials

Date

Buyer's Initials

Date

 9/24/16

Seller's Initials

Date

Seller's Initials

Date



Form SAR-SA
Spokane Addendum
Revised 10/15
Page 1 of 2

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SPOKANE ADDENDUM TO PURCHASE AND SALE AGREEMENT

The following is part of the Purchase and Sale Agreement ("Agreement") dated 2016 Sep 23,
between Escalade Properties, LLC ("Buyer"), and [REDACTED] ("Seller") concerning:
2315 W COLLEGE Ave Spokane WA 99201 (the "Property"):

1. **ADVICE TO SEEK EXPERT ADVICE ON MATTERS OUTSIDE BROKER'S EXPERTISE.** Each of the parties to the Agreement acknowledged that brokers are not in a position to offer expert advice on matters outside their expertise and that the parties have been advised to seek expert advice on such matters from qualified experts/professionals having proper licensing in the state of Washington when applicable. Each of the parties acknowledges being advised not to use the services of anyone not licensed in Washington to perform in any matter where a license is required by law. By way of example and not limitation, the parties acknowledge that:

a. If any party has questions or concerns regarding legal issues arising in connection with the Agreement, transaction, Property, or any property or other disclosure, they should consult with an attorney (parties may confirm the licensing and disciplinary history of attorneys at www.wsba.org).

b. If any party has questions or needs advice or assistance in any way related to the Agreement or transaction, they should consult with a CPA, tax attorney or other qualified tax professional (parties may confirm the licensing and disciplinary history of CPAs at www.cpaboard.wa.gov).

c. Brokers are not qualified to advise regarding the condition of any property and recommend that Buyer utilize the services of a licensed professional inspector to inspect the Property (parties may confirm the licensing of a professional home inspector at www.dol.wa.gov/business/homeinspectors).

d. If any inspector or other qualified professional recommends that matters related to the Property or transaction be further investigated, tested or reviewed, the parties are advised to carefully review the recommendations and follow up as suggested.

e. Repair, remodeling and construction of homes and buildings should only be performed in accordance with law (by licensed contractors when a license is required) (parties may confirm the licensing status of a contractor at <https://secure.lni.wa.gov/verify/>).

f. On-site sewage disposal systems, including septic tanks, should be inspected by trained inspectors licensed by the local city or county sewer district having jurisdiction over the subject property and licensing should be able to be confirmed with that agency;

g. Water well tests are customarily performed by inspectors licensed as water well contractors under RCW, Chapter 18.27 or by qualified engineers (contractor registrations may be confirmed as stated in subparagraph e., and engineering licensing can be confirmed at <https://fortress.wa.gov/dol/dolprod/bpdLicenseQuery>).

h. Soil conditions, ground and surface water issues and stability issues are customarily evaluated by qualified geotechnical or soils engineers or hydrologists.

2. **INSPECTIONS AND TESTS.** There may be defects present in any property. None of the real estate Firms or brokers involved in this transaction is an expert regarding the identification of, detection of, presence of, concealed defects. While not an exhaustive list and by way of example and not limitation, Buyer acknowledges having been advised that some matters that can adversely affect a property are as follows:

Initials: BUYER: [REDACTED] DATE: 09/23/2016 SELLER: [REDACTED] DATE: 9/29/2016
BUYER: [REDACTED] DATE: SELLER: [REDACTED] DATE:



a. Smoke detectors are required by law to be installed in all dwelling units (RCW 43.44.110). Parties are advised to install and maintain smoke detectors meeting nationally accepted standards and in accordance with manufacturer recommendations in all dwellings.

b. Carbon monoxide alarms are required by law to be installed in single-family residences before they can be sold (RCW 19.27.5300). Parties are advised to install and maintain carbon monoxide alarms meeting nationally accepted standards and in accordance with manufacturer recommendations in all dwellings.

c. Mold can grow inside dwellings and present health hazards, and the presence of mold may or may not be detected in a professional home inspection and a complete mold assessment may require the services of a mold specialist. Mold Information can be obtained from the Environmental Protection Agency, including its publication "A Brief Guide to Mold, Moisture, and Your Home" that may be obtained via the Internet at www.epa.gov/iaq/molds/index.html

d. Wood destroying organisms (such as termites, carpenter ants and other insects), as well as fungi, that consume, remove or destroy wood products may not be detected in a professional home inspection, and a home inspector will not provide a complete wood destroying organism inspection unless the inspector is also licensed as a structural pest inspector with the Washington Department of Agriculture and your inspection contract also includes this service.


e. Radon is a colorless, odorless gas that can be present inside dwellings and other structures that can severely and adversely affect the health of occupants. A professional home inspection will likely not include testing for the presence of radon and a radon test would require the services of a radon specialist. Radon information can be obtained from the Environmental Protection Agency at www.epa.gov/radon.

f. Asbestos was at one time used in homes and other construction and may be present in existing structures. If inhaled, asbestos fibers can severely and adversely affect people's health. A professional home inspection may not include a complete examination and testing for the presence of asbestos and, if asbestos is present in a home, any removal will require use of a licensed contractor that also has an asbestos contractor's certificate. Asbestos information can be obtained from the Environmental Protection Agency at www.epa.gov/asbestos.


g. Other indoor organic compounds may also be present in a home and you can obtain additional information regarding these from various sources, including the Washington State Department of Health, www.dh.wa.gov/CommunityandEnvironment/Contaminants.

Seller acknowledges that Seller has the sole responsibility for disclosing to Buyer in writing any knowledge Seller has regarding the presence of adverse conditions affecting the Property, including but not limited to the above. Buyer acknowledges that Buyer is solely responsible for determining whether to undertake any professional evaluation or inspection to determine the presence, effect of, and recommended course of treatment or pursuit of treatment for any known, disclosed or potential adverse matters affecting the Property. The above is intended as general advice and not as a substitute for professional advice.

3. LENDER RELEASE OF CONSUMER DISCLOSURE INFORMATION. Each Buyer acknowledges that the Listing Real Estate Brokerage Firm and its assigned broker(s), Selling Real Estate Brokerage Firm and its assigned broker(s), and the Closing Agent may be able to assist in identifying and correcting information contained in any Disclosure Statement or similar document provided to Buyer(s) in connection with any loan being obtained for the purchase of the Property. Accordingly, each Buyer consents to disclosure of any Disclosure Statement or similar document to all of the above and directs the lender(s) involved in this transaction to provide full disclosure of such Disclosure Statement or similar document to each of the above at the same time such information is disclosed to Buyer(s).

Initials: BUYER: 
BUYER: _____

DATE: 09/23/2016
DATE: _____

SELLER: 
SELLER: _____

DATE: 9/24/16
DATE: _____

Form 22T
Title Contingency Addendum
Rev. 7/15
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 September 23, 2016 1
between [REDACTED] ("Buyer") 2
Buyer Buyer
and Escalade Properties, LLC ("Seller") 3
Seller Seller
concerning 2315 W COLLEGE Ave Spokane WA 99201 (the "Property"). 4
Address City State Zip

1. **Title Contingency.** This Agreement is subject to Buyer's review of a preliminary commitment for title insurance, 5
together with any easements, covenants, conditions and restrictions of record. Buyer shall have 5 6
days (5 days if not filled in) from ☒ the date of Buyer's receipt of the preliminary commitment for title insurance; 7
or ☐ mutual acceptance (from the date of Buyer's receipt, if neither box checked) to give notice of Buyer's 8
disapproval of exceptions contained in the preliminary commitment. 9
Seller shall have 5 days (5 days if not filled in) after Buyer's notice of disapproval to give Buyer 10
notice that Seller will clear all disapproved exceptions. Seller shall have until the Closing Date to clear all 11
disapproved exceptions. 12
If Seller does not give timely notice that Seller will clear all disapproved exceptions, Buyer may terminate this 13
Agreement within 3 days after the deadline for Seller's notice. In the event Buyer elects to terminate the 14
Agreement, the Earnest Money shall be returned to Buyer. If Buyer does not timely terminate the Agreement, 15
Buyer shall be deemed to have waived all objections to title, which Seller did not agree to clear. 16
2. **Supplemental Title Reports.** If supplemental title reports disclose new exception(s) to the title commitment, 17
then the above time periods and procedures for notice, correction, and termination for those new exceptions 18
shall apply to the date of Buyer's receipt of the supplemental title report. The Closing date shall be extended as 19
necessary to accommodate the foregoing times for notices. 20
3. **Marketable Title.** This Addendum does not relieve Seller of the obligation to provide marketable title at Closing 21
as provided for in the Agreement. 22

[REDACTED] 09/23/2016
Buyer's Initials Date

Buyer's Initials Date

[REDACTED] 9/24/2016
Seller's Initials Date

Seller's Initials Date

Form 22J
Disclosure Lead Based Paint & Hazards
Rev. 7/10
Page 2 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
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

☒ Waived 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 _____ 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 _____ 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

 09/23/2016
Buyer/Lessee PMDT Date Buyer/Lessee Date 51

Brokers' Acknowledgment

Brokers 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. 52

 09/23/2016
Selling Broker PMDT Date Listing Broker Date 53

 09/23/2016
Buyer/Lessee Initials Date Buyer/Lessee Initials Date Seller/Lessor Initials Date Seller/Lessor Initials Date 54

Form 22VV
Homeowner Insurance Addendum
Rev. 7/15
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HOMEOWNER INSURANCE ADDENDUM TO PURCHASE AND SALE AGREEMENT

The following is part of the Purchase and Sale Agreement dated September 23, 2016 1
between [REDACTED] ("Buyer") 2
and Escalade Properties, LLC ("Seller") 3
concerning 2315 W COLLEGE Ave Spokane WA 99201 (the "Property"). 4
Address City State Zip

Notice to Buyer Concerning Homeowners Insurance. The availability and cost of homeowners insurance depends 5
on a number of factors, including Buyer's personal insurance, Buyer's financial and credit history, the condition of the 6
Property, Buyer's claim history, and the claims history for the Property. At the time of application, most insurance 7
companies will only issue a binder, which is a temporary commitment to provide insurance and not a guarantee that a 8
policy will be issued. After issuing the binder, the insurance company will take additional time to make a final decision 9
about issuing a policy and the amount of the insurance premium. Accordingly, it is important for Buyer to apply for 10
insurance as early as possible. 11

Homeowners Insurance Contingency/Application. This Agreement is conditioned upon Buyer obtaining a binder 12
for a standard policy of homeowners insurance, together with any other property insurance required by Buyer's 13
lender, at an annual premium not to exceed ½ of 1% of the purchase price, with a deductible not to exceed \$1000, 14
exclusive of all additional endorsements, declarations and riders (e.g., art, jewelry, earthquake, etc.). Buyer shall 15
make application for insurance within 5 days (5 days, if not filled in) of mutual acceptance and if Buyer fails 16
to timely make application, then this contingency shall be deemed waived. This insurance contingency shall be 17
deemed satisfied (waived), unless within 15 days (15 days, if not filled in) of mutual acceptance, Buyer 18
gives notice of inability to obtain a binder on the terms set forth above. If Buyer gives such notice, then this Agreement 19
shall terminate and the Earnest Money shall be refunded to Buyer. 20

[REDACTED] 09/23/2016

Buyer's Initials

Date

Buyer's Initials

Date

Seller's Initials

Date

Seller's Initials

Date

Gustafson Law, Inc., PS
ALTA Universal ID:
1500 West Fourth Ave.
Suite 408
Spokane, WA 99201

File No./Escrow No. : XXXXXXXXXX
Print Date & Time: November 1, 2016 8:53 am
Officer/Escrow Officer : Steve Gustafson
Settlement Location : 1500 West Fourth Ave., Suite 408
Spokane, WA 99201

Property Address: 2315 W College Avenue
Spokane, WA 99201

Borrower: XXXXXXXXXX
XXXXXXXXXX
Spokane Valley, WA 99212

Seller: Escalade Properties, LLC
1121 E Mullan Avenue
Coeur D'Alene, ID 83814

Lender: Guild Mortgage Company

Settlement Date: October 31, 2016
Disbursement Date: October 31, 2016

Seller		Description	Borrower	
Debit	Credit		Debit	Credit
		Financial		
	124,900.00	Sale Price of Property	124,900.00	
		Deposit		1,000.00
		Loan Amount		121,153.00
1,873.50		Seller Credit		1,873.50
		Prorations/Adjustments		
	206.87	County Taxes 10/31/16 - 01/01/17	206.87	
		Loan Charges to Guild Mortgage Company		
		Tax Certification Fee	60.00	
		Underwriting Fee	595.00	
		Wire Transfer Fee	30.00	
		Appraisal Fee to Norquist, Kevin Eric	545.00	
		Credit Report Fee to Informative Research	43.00	

Seller		Description	Borrower	
Debit	Credit		Debit	Credit
		Loan Charges to Guild Mortgage Company (continued)		
		Flood Certification Fee to Informative Research	8.50	
		Prepaid Interest \$12.862 per day from 10/31/16 to 11/01/16 Guild Mortgage Company	12.86	
		Impounds		
		Homeowner's Insurance to Guild Mortgage Company 3.000 months at \$55.29/month	165.88	
		Property Taxes to Guild Mortgage Company 3.000 months at \$104.00/month	311.99	
		Aggregate Adjustment to Guild Mortgage Company		0.02
		Title Charges and Escrow/Settlement Charges		
410.00		Closing Fee to Gustafson Law, Inc., PS	410.00	
		lenders policy to First American Title Company	1,010.59	
701.12		owners policy to First American Title Company		
		Sub Escrow Fee to First American Title Company	98.46	
		Commissions		
3,747.00		3%commission to Keller Williams Spokane Main		
3,747.00		3%commission to John L Scott		
		Government Recording and Transfer Charges		
		Recording Fees to First American Title Company	92.00	
2,228.22		1.78%Excise Tax to Spokane County Treasurer		
73.00		City Enforcement Lien Removal to First American Title Company		
		Recording Fee to First American Title Company	74.00	
		Payoff(s)		
80,153.33		Payoff of First Mortgage Loan to Lake City Servicing		
		Loan Payoff 0.00		
		Total Payoff <u>80,153.33</u>		
		Miscellaneous		
		Homeowner's Insurance Premium to Enumclaw P & S Insurance 12 months	663.51	
550.00		Final utility holdback to City of Spokane		

Seller		Description	Borrower	
Debit	Credit		Debit	Credit
		Miscellaneous (continued)		
450.00		Home Warranty to American Home Shield		
		Title Premium Adjustment Amount		466.00
Seller			Borrower	
Debit	Credit		Debit	Credit
93,933.17	125,106.87	Subtotals	129,227.66	124,492.52
		Due from Borrower		4,735.14
31,173.70		Due to Seller		
125,106.87	125,106.87	Totals	129,227.66	129,227.66

Acknowledgement

We/I have carefully reviewed the ALTA Settlement Statement and find it to be a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction and further certify that I have received a copy of the ALTA Settlement Statement. We/I authorize Gustafson Law, Inc., PS to cause the funds to be disbursed in accordance with this statement.

Borrower



Seller

Escalade Properties, LLC

BY: _____
Lee Arnold, Member

Steve Gustafson

INSPECTION RESPONSE FOR FORM 35

The following is part of the Purchase and Sale Agreement dated October 05, 2016 9/23/16 1
between [Redacted] ("Buyer") 2
and Escalade Properties LLC ("Seller") 3
concerning 2315 West College Ave Spokane WA 99201 (the "Property"). 4
Address City State Zip

I. BUYER'S RESPONSE OR REQUEST FOR REPAIRS OR MODIFICATION 5

- ☐ Buyer's inspection of the Property is approved and the inspection contingency is satisfied.* 6
☐ Buyer's inspection of the Property is disapproved and the Agreement is terminated. The Earnest Money shall be 7
refunded to Buyer.* 8
☐ Buyer gives notice of an additional inspection. The inspector's recommendation is attached. The time for Buyer's 9
response to the initial and additional inspection is extended as provided in paragraph 1(b) of Form 35.* 10
☐ Buyer requests the following modifications and/or repairs. If Seller agrees to these modifications or repairs, the 11
inspection contingency shall be deemed satisfied.** 12

Buyer Date Buyer Date 19

If Buyer requests modifications and/or repairs, this Form 35R and any other addenda or notice pertaining to the 20
modifications and/or repairs and amendment to the Agreement related to or resulting from the request for 21
modifications and/or repairs shall become a part of the Agreement. 22

II. SELLER'S RESPONSE TO BUYER'S REQUEST FOR REPAIRS OR MODIFICATION. 23

- Seller acknowledges receipt of Buyer's request for modification or repair, and responds as follows: 24
☐ Seller agrees to all of the modifications or repairs in Buyer's request for modification or repair. The inspection contingency 25
is satisfied, the parties agree to proceed to Closing as provided in the Agreement, and Buyer's reply, below, is not 26
necessary.** 27
☒ Seller offers to correct only the following conditions:** 28
Items 1,2,3,4,5,6,7,8,10,11,12,13,14,15,16,17,18,19,20,21,23,24 listed on 09/23/16 will be corrected by seller. 29
21 will be inspected by Licensed Contractor the carpet will be completely dried and new padding laid. Pictures provided during 30
process. Access to attic through upper window will be removed by seller for inspector on 10/7/16. Refer to Addendum #2 31
☐ Seller rejects all proposals by Buyer.* 32
☐ Seller rejects all proposals by Buyer, but proposes the following alternative modifications or repairs:** 33

Seller Date Seller Date 35

III. BUYER'S REPLY TO SELLER'S RESPONSE. 36

- ☐ Buyer accepts Seller's response and agrees to proceed to Closing as provided in the Agreement.** 37
☐ Buyer rejects Seller's response. Buyer disapproves of the inspection and this Agreement is terminated. The 38
Earnest Money shall be refunded to Buyer.* 39
☐ Buyer rejects Seller's response, but offers the attached alternative proposal for modification or repair. Buyer 40
acknowledges that the inspection contingency will be waived unless Buyer and Seller reach written agreement or 41
Buyer gives notice disapproving the inspection and terminating the Agreement before the deadline in paragraph 42
1(c)(ii) of the inspection contingency (NWMLS Form 35).** 43

Buyer Date Buyer Date 44

* This is a notice which requires only one Buyer's or one Seller's initials.
** This is not a notice and requires all Buyer's or Seller's initials.

ADDENDUM #2 10/13/16 U

ADDENDUM / AMENDMENT TO PURCHASE AND SALE AGREEMENT

The following is part of the Purchase and Sale Agreement dated October 03, 2016 9/23/16 1
between [REDACTED] Buyer ("Buyer") 2
and Escalade Properties, LLC Seller ("Seller") 3
concerning 2315 West College Ave Spokane WA 99201 (the "Property"). 4
Address City State Zip

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

SELLER TO: 6

1. Seal cracks in concrete patio. 6
2. Cut back shrubs and trees so they are at least 5 feet from structure. 7
3. Change soil grade to slope away from foundation, downspouts, window wells and exterior steps. 8
4. Fasten loose siding. 9
5. Install seal around all exterior doorways so that air/moisture isn't allowed to enter home. 10
6. Replace burnt out/missing bulbs inside/out of home, verify all light switches work properly if fixture/switches are not properly working. 11
7. Verify exterior hose bibs are working properly/not leaking. 12
8. Add handrails to all stairways. (interior/exterior) 13
10. Add minimum 6mil barrier in areas where earth is not covered in crawlspace. 14
11. Repair/replace areas of missing/loose insulation in basement/crawlspace. 15
12. Seal heat ducts where they are pulling apart. 16
13. Provide receipt for 2016 furnace service, replace thermostat per inspector's note on furnace. 17
14. Secure loose bathroom sink. 18
15. Repair damaged walls/trim/etc where water entered the home. 19
16. Remedy areas where concrete comes up past the base of the siding so that it does not trap moisture. 20
17. Water seal all windows, gaps, cracks and areas of transitions/penetrations. 21
18. Remove water from carpet where entered the home in front room. 22
19. Correct gaps in fascia. 23
20. Repair garage roof/decking. 24
21. Certify house roof is installed properly, make necessary repairs and replace missing/damaged shingles, repair replace missing/cracked/gapped flashing, replace cracked chimney/plumbing/electrical mast flashing and add nails/ceats where needed. 25
22. Install attic access from inside of home in a location that makes the most sense by seller. 26
23. Verify water heater is installed properly and in good working order. 27
24. Repair shower head connection. 28

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

Buyer's Initials Date Buyer's Initials Date Seller's Initials Date Seller's Initials Date
10/13/16

PRE-INSPECTION AGREEMENT

This Pre-Contract Inspection Agreement ("Agreement") is made this 8/30/16 1
between [Redacted] ("Buyer") 2
and Escalade Properties, LLC ("Seller") 3
in anticipation of the negotiation of a purchase and sale agreement between them for the real property located at 4
2315 W. College Ave Spokane WA 99201 (the "Property"). 5
Address City State Zip

1. **Pre-Contract Inspection.** Seller agrees that Buyer may inspect the Property at a mutually convenient time and date. Buyer's inspection may include, at Buyer's option, the structural, mechanical and general condition of the improvements to the Property, compliance with building and zoning codes, an inspection of the Property for hazardous materials, a pest inspection, and a soils/stability inspection. The inspection must be performed by Buyer or a person licensed (or exempt from licensing) under Chapter 18.280 RCW. 6-10
2. **Buyer's Obligations.** All inspections are to be (a) ordered by Buyer (b) performed by an inspector of Buyer's choice and (c) completed at Buyer's expense. Buyer shall not alter the Property or any improvements on the Property without first obtaining Seller's permission. Buyer is solely responsible for interviewing and selecting all inspectors. Buyer shall restore the Property and all improvements on the Property to the same condition they were in prior to the inspection. Buyer shall be responsible for all damages resulting from any inspection of the Property performed on Buyer's behalf. 11-16
3. **Sewer Inspection.** Buyer's inspection of the Property ☐ may; ☐ may not (may, if not checked) include an inspection of the sewer system, which may include a sewer line video inspection and assessment and may require the inspector to remove toilets or other fixtures to access the sewer line. 17-19
4. **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 to in writing by Buyer and Seller. 20-22
5. **No Further Obligation.** The parties understand that this Agreement does not obligate the Buyer or Seller to consider or enter into a purchase and sale agreement. 23-24
6. **Attorneys' Fees.** If Buyer or Seller institutes suit against the other concerning this Agreement, the prevailing party is entitled to attorneys' fees and expenses. 25-26
7. **Indemnification.** Buyer shall indemnify, defend, and hold Seller harmless from any and all costs and claims for personal injury that arise as a result of Buyer's conducting the inspection, except insofar as any such claims arise from Seller's negligence or intentional misconduct. 27-29

Buyer's Signature

Date

Seller's Signature

Date

Buyer's Signature

Date

Seller's Signature

Date

**COUNTEROFFER ADDENDUM
TO REAL ESTATE PURCHASE AND SALE AGREEMENT**

All terms and conditions of the offer (Real Estate Purchase and Sale Agreement) dated 8/31/2016,
concerning 2315 WEST College Ave Spokane WA 99201 (the "Property"),
by, Escalade Properties, LLC, as Seller
and the undersigned [REDACTED], as Buyer
are accepted, except for the following changes.

☒ The Purchase Price shall be \$ 132,900

☐ Other.

- 1 Seller will insure a 6 foot, white privacy fence surrounding the grassy area on the rear yard. Fence will be completed prior to the opening!!
- 2 Seller is a licensed Washington Real Estate Agent with Keller Williams Spokane.
- 3 Kent Phillips, Buyer Agent, is not the seller's firm agent "the Lee Arnold firm". Keller Williams Spokane will be acting on the behalf of both agents.

This counteroffer shall expire at 9:00 p.m. on 9/1/2016 (if not filled in, two days after it is delivered), unless it is sooner withdrawn. Acceptance shall not be effective until a signed copy is received by the counterofferor, their broker or at the licensed office of their broker. If this counteroffer is not so accepted, it shall lapse and the Earnest Money shall be refunded to Buyer.

All other terms and conditions of the above offer are incorporated herein by reference as though fully set forth.

Signature

Date

Signature

Date

The above counteroffer is accepted.

Signature

Date

Signature

Date

RESIDENTIAL REAL ESTATE PURCHASE AND SALE AGREEMENT
SPECIFIC TERMS

1. Date: 8/30/16 MLS No.: _____ Offer Expiration Date: 8/31/16 5pm
2. Buyer: _____
Buyer _____ Status _____
3. Seller: Escalade Properties LLC
Seller _____ Seller _____
4. Property: Tax Parcel No(s): 25133.0710 (Spokane County)
2315 W College Ave. Spokane WA 99201
Address City State Zip
Legal Description: Attached as Exhibit A.
5. Included Items: ☒ stove/range; ☒ refrigerator; ☐ washer; ☐ dryer; ☐ dishwasher; ☐ hot tub; ☐ fireplace insert;
☐ wood stove; ☐ satellite dish; ☐ security system; ☐ attached television(s); ☐ attached speaker(s); ☐ microwave;
☐ other _____
6. Purchase Price: \$ 130,400.00 Dollars
7. Earnest Money: \$ 500.00 ☐ Check; ☐ Note; ☒ Other Cashier Check (held by ☐ Selling Firm; ☒ Closing Agent)
8. Default: (check only one) ☒ Forfeiture of Earnest Money; ☐ Seller's Election of Remedies
9. Title Insurance Company: First American Title
10. Closing Agent: ☐ a qualified closing agent of Buyer's choice; ☒ Gustafson Law Allisa
11. Closing Date: 9/30/16; Possession Date: ☒ on Closing; ☐ Other _____
12. Services of Closing Agent for Payment of Utilities: ☒ Requested (attach NWMLS Form 22K); ☐ Waived
13. Charges/Assessments Levied Before but Due After Closing: ☒ assumed by Buyer; ☐ prepaid in full by Seller at Closing
14. Seller Citizenship (FIRPTA): Seller ☐ is; ☒ is not a foreign person for purposes of U.S. income taxation
15. Agency Disclosure: Selling Broker represents: ☐ Buyer; ☒ Seller; ☒ both parties; ☐ neither party
Listing Broker represents: ☐ Seller; ☒ both parties
16. Addenda: 22A, 22J, TITLE LEGAL DESCRIPTION Exhibit A, 17, SAR-BR
TO Enclose Backyard with white vinyl Fencing at Sellers
Expense Grass Area only

Buyer's Signature _____ Date 8/30/16

Seller's Signature _____ Date 8/31/16

Buyer's Signature _____ Date _____

Seller's Signature _____ Date _____

Buyer's Address
Spokane WA 99201
City, State, Zip

Seller's Address
1121 Mullan Ave
City, State, Zip

Phone No. _____ Fax No. _____

Phone No. _____ Fax No. _____

Buyer's E-mail Address _____

Seller's E-mail Address _____

Selling Firm _____ MLS Office No. 812
K.W. The Lee Arnold Team
Selling Broker (Print) _____ MLS LAG No. _____

Listing Firm _____ MLS Office No. 812
Lee Arnold
Listing Broker (Print) _____ MLS LAG No. 15079

Phone No. _____ Firm Fax No. _____

Phone No. _____ Firm Fax No. _____

Selling Firm Document E-mail Address _____

Listing Firm Document E-mail Address _____

Selling Broker's E-mail Address _____

Listing Broker's E-mail Address _____

Selling Broker DOL License No. _____ Selling Firm DOL License No. _____

Listing Broker DOL License No. _____ Listing Firm DOL License No. _____

RESIDENTIAL REAL ESTATE PURCHASE AND SALE AGREEMENT
GENERAL TERMS

Continued

a. **Purchase Price.** Buyer shall 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, including funds from loans, the sale of other property, gifts, retirement, or future earnings, except to the extent otherwise specified in this Agreement.

b. **Earnest Money.** Buyer shall deliver the Earnest Money within 2 days after mutual acceptance to Selling Broker or to Closing Agent. If Buyer delivers the Earnest Money to Selling Broker, Selling Broker will deposit any check to be held by Selling Firm, 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 Firm and is over \$10,000.00 it shall be deposited into an interest bearing trust account in Selling Firm'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 shall reimburse Selling Firm for bank charges and fees in excess of the interest earned, if any. If the Earnest Money held by Selling Firm is over \$10,000.00 Buyer has the option to require Selling Firm 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 Firm 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 Firm 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 Firm or Closing Agent may deduct and pay them therefrom. The parties instruct Closing Agent to provide written verification of receipt of the Earnest Money and notice of dishonor of any check to the parties and Brokers at the addresses and/or fax numbers provided herein.

Upon termination of this Agreement, a party or the Closing Agent may deliver a form authorizing the release of Earnest Money to the other party or the parties. The party(s) shall execute such form and deliver the same to the Closing Agent. If either party fails to execute the release form, a party may make a written demand to the Closing Agent for the Earnest Money. Pursuant to RCW 64.04, Closing Agent shall deliver notice of the demand to the other party within 15 days. If the other party does not object to the demand within 20 days of Closing Agent's notice, Closing Agent shall disburse the Earnest Money to the party making the demand within 10 days of the expiration of the 20 day period. If Closing Agent timely receives an objection or an inconsistent demand from the other party, Closing Agent shall commence an interpleader action within 60 days of such objection or inconsistent demand, unless the parties provide subsequent consistent instructions to Closing Agent to disburse the earnest money or refrain from commencing an interpleader action for a specified period of time. Pursuant to RCW 4.28.080, the parties consent to service of the summons and complaint for an interpleader action by first class mail, postage prepaid at the party's usual mailing address or the address identified in this Agreement. If the Closing Agent complies with the preceding process, each party shall be deemed to have released Closing Agent from any and all claims or liability related to the disbursement of the Earnest Money. If either party fails to authorize the release of the Earnest Money to the other party when required to do so under this Agreement, that party shall be in breach of this Agreement. For the purposes of this section, the term Closing Agent includes a Selling Firm holding the Earnest Money. The parties authorize the party commencing an interpleader action to deduct up to \$500.00 for the costs thereof.

c. **Included Items.** Any of the following items, including items identified in Specific Term No. 5 if the corresponding box is checked, 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 other fixtures; and all associated operating remote controls. Unless otherwise agreed, if any of the above items are leased or encumbered, Seller shall acquire clear title before Closing.

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 or liens not assumed by Buyer, shall be paid or discharged 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.

e. **Title Insurance.** Seller authorizes Buyer's lender or Closing Agent, at Seller's expense, to apply for the then-current ALTA form of Homeowner's Policy of Title Insurance for One-to-Four Family Residence, from the Title Insurance Company. If Seller previously received a preliminary commitment from a Title Insurance Company that Buyer declines to use, Buyer shall pay any cancellation fees owing to the original Title Insurance Company. Otherwise, the party applying for title insurance shall pay any title cancellation fee, in the event such a fee is assessed. 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 the then-current ALTA standard form Owner's Policy, together with homeowner's additional protection and inflation protection endorsements, if available. The Title Insurance Company

Buyer's Initials

Date

Buyer's Initials

Date

Seller's Initials

Date

Seller's Initials

Date

RESIDENTIAL REAL ESTATE PURCHASE AND SALE AGREEMENT
GENERAL TERMS

Continued

shall send a copy of the preliminary commitment to Seller, Listing Broker, Buyer and Selling Broker. 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.

- f. **Closing and Possession.** This sale shall be closed by the Closing Agent on the Closing Date. If the Closing Date falls on a Saturday, Sunday, legal holiday as defined in RCW 1.16.050, or day when the county recording office is closed, the Closing Agent shall close the transaction on the next day that is not a Saturday, Sunday, legal holiday, or day when the county recording office is closed. "Closing" means the date on which all documents are recorded and the sale proceeds are available to Seller. Seller shall deliver keys and garage door remotes to Buyer on the Closing Date or on the Possession Date, whichever occurs first. Buyer shall be entitled to possession at 9:00 p.m. on the Possession Date. Seller shall maintain the Property in its present condition, normal wear and tear excepted, until the Buyer is entitled to possession. Seller shall not enter into or modify existing leases or rental agreements, 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. If possession transfers at a time other than Closing, the parties shall execute NWMLS Form 65A (Rental Agreement/Occupancy Prior to Closing) or NWMLS Form 65B (Rental Agreement/Seller Occupancy After Closing) (or alternative rental agreements) and are advised of the need to contact their respective insurance companies to assure appropriate hazard and liability insurance policies are in place, as applicable.

RCW 19.27.530 requires the seller of any owner-occupied single-family residence to equip the residence with a carbon monoxide alarm(s) in accordance with the state building code before a buyer or any other person may legally occupy the residence following the sale. The parties acknowledge that the Brokers are not responsible for ensuring that Seller complies with RCW 19.27.530. Buyer and Seller shall hold the Brokers and their Firms harmless from any claim resulting from Seller's failure to install a carbon monoxide alarm(s) in the Property.


- g. **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 shall 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. Notwithstanding the Assignment paragraph of this Agreement, any party completing a Section 1031 like-kind exchange may assign this Agreement to its qualified intermediary or any entity set up for the purposes of completing a reverse exchange.

- h. **Closing Costs and Prorations and Charges and Assessments.** Seller and Buyer shall each pay one-half of the escrow fee unless otherwise required by applicable FHA or VA regulations. Taxes for the current year, rent, interest, and lienable homeowner's association dues shall be prorated as of Closing. Buyer shall 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 such delinquencies at Closing from money due, or to be paid by, Seller. Buyer shall pay for remaining fuel in the fuel tank if, prior to Closing, Seller obtains a written statement from the supplier as to the quantity and current price and provides such statement to the Closing Agent. Seller shall pay all utility charges, including unbilled charges. Unless waived in Specific Term No. 12, 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 shall 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).

Buyer is advised to verify the existence and amount of any local improvement district, capacity or impact charges or other assessments that may be charged against the Property before or after Closing. Seller will pay such charges that are or become due on or before Closing. Charges levied before Closing, but becoming due after Closing shall be paid as agreed in Specific Term No. 13.

- i. **Sale Information.** Listing Broker and Selling Broker are 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 Broker and/or Selling Broker, on request, any and all information and copies of documents concerning this sale.

- j. **Seller Citizenship and FIRPTA.** Seller warrants that the identification of Seller's citizenship status for purposes of U.S. income taxation in Specific Term No. 14 is correct. Seller shall execute a certification (NWMLS Form 22E or equivalent) under the Foreign Investment in Real Property Tax Act ("FIRPTA") at Closing and provide the certification to the Closing Agent. If Seller is a foreign person for purposes of U.S. income taxation, 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.

 Date 20/09/2016 Buyer's Initials Date Seller's Initials Date 8/31/2016 Seller's Initials Date

RESIDENTIAL REAL ESTATE PURCHASE AND SALE AGREEMENT
GENERAL TERMS

Continued

- k. Notices.** In consideration of the license to use this and NWMLS's companion forms and for the benefit of the Listing Broker and the Selling Broker 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 Broker or at the licensed office of Listing Broker. 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 Broker or at the licensed office of Selling Broker. Receipt by Selling Broker of a Form 17, Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards, Public Offering Statement or Resale Certificate, homeowners' association documents provided pursuant to NWMLS Form 22D, or a preliminary commitment for title insurance provided pursuant to NWMLS Form 22T shall be deemed receipt by Buyer. Selling Broker and Listing Broker 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 Broker and Listing Broker advised of their whereabouts in order to receive prompt notification of receipt of a notice.
- 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, except for any time period relating to the Possession Date, 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, legal holiday as defined in RCW 1.16.050, or day when the county recording office is closed, shall occur on the next day that is not a Saturday, Sunday, legal holiday, or day when the county recording office is closed. If the parties agree upon and attach a legal description after this Agreement is signed by the offeree and delivered to the offeror, then for the purposes of computing time, mutual acceptance shall be deemed to be on the date of delivery of an accepted offer or counteroffer to the offeror, rather than on the date the legal description is attached. Time is of the essence of this Agreement.
- 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 signed original document or a direct link to such document, and retransmission of any such e-mail, shall be the same as delivery of an original, provided that the e-mail is sent to both Selling Broker and Selling Firm or both Listing Broker and Listing Firm at the e-mail addresses on page one of this Agreement. At the request of either party, or the Closing Agent, the parties will confirm e-mail transmitted signatures by signing an original document.
- n. Integration and Electronic Signatures.** 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. The parties acknowledge that a signature in electronic form has the same legal effect and validity as a handwritten signature.
- 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.
- 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. 8, 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 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.
- q. Professional Advice and Attorneys' Fees.** Buyer and Seller are advised to seek the counsel of an attorney and a certified public accountant to review the terms of this Agreement. Buyer and Seller shall pay their own fees incurred for such review. However, 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 shall 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 received by Buyer, by Selling Broker or at the licensed office of Selling Broker. If this offer is not so accepted, it shall lapse and any Earnest Money shall be refunded to Buyer.

Buyer's Initials _____ Date _____ Buyer's Initials _____ Date _____ Seller's Initials _____ Date _____

RESIDENTIAL REAL ESTATE PURCHASE AND SALE AGREEMENT
GENERAL TERMS

Continued

- s. **Counteroffer.** Any change in the terms presented in an offer or counteroffer, other than the insertion of the Seller's name and the Seller's warranty of citizenship status, shall be considered a counteroffer. If a party makes a counteroffer, then the other party 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 received by the other party, the other party's broker, or at the licensed office of the other party's broker. If the counteroffer is not so accepted, it shall lapse and any Earnest Money shall be refunded to Buyer.
- t. **Offer and Counteroffer Expiration Date.** If no expiration date is specified for an offer/counteroffer, the offer/counteroffer shall expire 2 days after the offer/counteroffer is delivered by the party making the offer/counteroffer, unless sooner withdrawn.
- u. **Agency Disclosure.** Selling Firm, Selling Firm's Designated Broker, Selling Broker's Branch Manager (if any) and Selling Broker's Managing Broker (if any) represent the same party that Selling Broker represents. Listing Firm, Listing Firm's Designated Broker, Listing Broker's Branch Manager (if any), and Listing Broker's Managing Broker (if any) represent the same party that the Listing Broker represents. If Selling Broker and Listing Broker are different persons affiliated with the same Firm, then both Buyer and Seller confirm their consent to Designated Broker, Branch Manager (if any), and Managing Broker (if any) representing both parties as dual agents. If Selling Broker and Listing Broker are the same person representing both parties then both Buyer and Seller confirm their consent to that person and his/her Designated Broker, Branch Manager (if any), and Managing Broker (if any) representing both parties as dual agents. All parties acknowledge receipt of the pamphlet entitled "The Law of Real Estate Agency."
- v. **Commission.** Seller and Buyer shall pay a commission in accordance with any listing or commission agreement to which they are a party. The Listing Firm's commission shall be apportioned between Listing Firm and Selling Firm as specified in the listing. Seller and Buyer hereby consent to Listing Firm or Selling Firm receiving compensation from more than one party. Seller and Buyer hereby assign to Listing Firm and Selling Firm, 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 Firm(s). In any action by Listing or Selling Firm to enforce this paragraph, the prevailing party is entitled to court costs and reasonable attorneys' fees. Seller and Buyer agree that the Firms are intended third party beneficiaries under this Agreement.
- w. **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.
- x. **Information Verification Period and Property Condition Disclaimer.** Buyer shall have 10 days after mutual acceptance to verify all information provided from Seller or Listing Firm related to the Property. This contingency shall be deemed satisfied unless Buyer gives notice identifying the materially inaccurate information within 10 days of mutual acceptance. If Buyer gives timely notice under this section, then this Agreement shall terminate and the Earnest Money shall be refunded to Buyer.

Buyer and Seller agree, that except as provided in this Agreement, all representations and information regarding the Property and the transaction are solely from the Seller or Buyer, and not from any Broker. The parties acknowledge that the Brokers are not responsible for assuring that the parties perform their obligations under this Agreement and that none of the Brokers has agreed to independently investigate or confirm any matter related to this transaction except as stated in this Agreement, or in a separate writing signed by such Broker. In addition, Brokers do not guarantee the value, quality or condition of the Property and some properties may contain building materials, including siding, roofing, ceiling, insulation, electrical, and plumbing, that have been the subject of lawsuits and/or governmental inquiry because of possible defects or health hazards. Some properties may have other defects arising after construction, such as drainage, leakage, pest, rot and mold problems. Brokers do not have the expertise to identify or assess defective products, materials, or conditions. Buyer is urged to use due diligence to inspect the Property to Buyer's satisfaction and to retain inspectors qualified to identify the presence of defective materials and evaluate the condition of the Property as there may be defects that may only be revealed by careful inspection. Buyer is advised to investigate whether there is a sufficient water supply to meet Buyer's needs. Buyer is advised to investigate the cost of insurance for the Property, including, but not limited to homeowner's, flood, earthquake, landslide, and other available coverage. Buyer and Seller acknowledge that home protection plans may be available which may provide additional protection and benefit to Buyer and Seller. Brokers may assist the parties with locating and selecting third party service providers, such as inspectors or contractors, but Brokers cannot guarantee or be responsible for the services provided by those third parties. The parties shall exercise their own judgment and due diligence regarding third-party service providers.

[Redacted]

Buyer's Initials

Date

Buyer's Initials

Date

[Redacted]

Seller's Initials

Date

Seller's Initials

Date

FINANCING ADDENDUM TO
PURCHASE & SALE AGREEMENT

The following is part of the Purchase and Sale Agreement dated 8/30/16 1
between [REDACTED] ("Buyer") 2
and Escalade Properties LLC ("Seller") 3
concerning 2315 W College Ave Spokane WA 99201 (the "Property"). 4
Address City State Zip

1. LOAN APPLICATION/WAIVER OF CONTINGENCY. 5

- a. **Loan Application.** This Agreement is contingent on Buyer obtaining the following type of loan or loans to purchase 6
the Property (the "Loan(s)"): ☐ Conventional First; ☐ Conventional Second; ☐ Bridge; ☒ VA; ☐ FHA; ☐ USDA; 7
☐ Home Equity Line of Credit; ☐ Other _____ (the "Financing 8
Contingency"). Buyer shall pay ☐ \$ 0; or ☐ 0 % of the Purchase Price down, in addition 9
to the Loans and make application for the Loans to pay the balance of the Purchase Price and pay the application 10
fee, if required, for the subject Property within 5 days (5 days if not filled in) after mutual acceptance of 11
this Agreement. For the purposes of this Addendum, "application" means the submission of Buyer's financial 12
information for the purposes of obtaining an extension of credit including Buyer's name, income, social security 13
number (if required), the Property address, purchase price, and the loan amount. 14
- b. **Waiver of Financing Contingency.** If Buyer (i) fails to make application for financing for the Property within the 15
agreed time; (ii) changes the type of loan at any time without Seller's prior written consent; or (iii) changes the 16
lender without Seller's prior written consent after the agreed upon time to apply for financing expires, then the 17
Financing Contingency shall be deemed waived. Buyer's waiver of the Financing Contingency under this 18
Paragraph 1(b) also constitutes waiver of Paragraph 7 (Appraisal Less Than Sales Price). For purposes of this 19
Addendum, "lender" means either the party to whom the application was submitted or the party funding the loan. 20

2. LOAN INFORMATION. 21

- a. **Seller's Request for Loan Information.** At any time 10 days (10 days if not filled in) after mutual 22
acceptance, Seller may give, once, a notice requesting information related to the status of Buyer's loan 23
application ("Request for Loan Information"). NWMLS Form 22AL may be used for this notice. 24
- b. **Buyer's Loan Information Notice.** Within 3 days (3 days if not filled in) of receiving Seller's Request 25
for Loan Information, Buyer shall give notice of the status of Buyer's loan application ("Loan Information 26
Notice"). Buyer's notice shall be on NWMLS Form 22AP and shall include the date of application, the name 27
of lender, a list of the information that Buyer has provided to lender, and a warranty that Buyer has provided 28
all information requested by lender. 29
- c. **Failure to Provide Loan Information Notice.** If Buyer fails to timely give to Seller a completed Loan 30
Information Notice, Seller may give the Right to Terminate Notice described in Paragraph 3 (Seller's Right to 31
Terminate) at any time after the date that the Loan Information Notice is due. 32

3. SELLER'S RIGHT TO TERMINATE. 33

- a. **Right to Terminate Notice.** At any time 30 days (30 days if not filled in) after mutual acceptance, 34
Seller may give notice that Seller may terminate the Agreement at any time 3 days after delivery of that notice 35
(the "Right to Terminate Notice"). NWMLS Form 22AR may be used for this notice. 36
- b. **Termination Notice.** If Buyer has not previously waived the Financing Contingency, Seller may give notice of 37
termination of this Agreement (the "Termination Notice") any time following 3 days after delivery of the Right 38
to Terminate Notice. If Seller gives the Termination Notice before Buyer has waived the Financing 39
Contingency, this Agreement is terminated and the Earnest Money shall be refunded to Buyer. NWMLS Form 40
22AR shall be used for this notice. If not waived, the Financing Contingency shall survive the Closing Date. 41
- c. **Appraisal Less Than Sales Price.** Buyer's waiver of the Financing Contingency under this Paragraph 3 ☒ will; or 42
☐ will not (will, if not filled in) constitute waiver of Paragraph 7 (Appraisal Less Than Sales Price). 43

4. **LOAN COST PROVISIONS.** Seller shall pay up to ☐ \$ 0; or ☐ 0 % of the Purchase 44
Price (\$0.00 if not filled in), which shall be applied to Buyer's Loan(s) and settlement costs, including prepaids, 45
loan discount, loan fee, interest buy down, financing, closing or other costs allowed by lender. That amount shall 46
include the following costs that lender is prohibited from collecting from Buyer: (a) up to \$300.00 for Buyer's Loan(s) 47

[REDACTED] 30 Aug 16 [REDACTED]
Buyer's Initials Date Buyer's Initials Date Seller's Initials Date Seller's Initials Date

**FINANCING ADDENDUM TO
PURCHASE & SALE AGREEMENT**

Continued

- and settlement costs for FHA/USDA/VA loans; and (b) Buyer's share of the escrow fee for a VA loan. Seller shall pay the costs for (a) and (b), even if the amount agreed upon in this Paragraph 4 is insufficient to pay for those costs.
5. **EARNEST MONEY.** If Buyer has not waived the Financing Contingency, and is unable to obtain financing by Closing after a good faith effort then, on Buyer's notice, this Agreement shall terminate. The Earnest Money shall be refunded to Buyer after lender confirms in writing (a) the date Buyer's loan application for the Property was made, including a copy of the loan estimate that was provided to Buyer; (b) that Buyer possessed sufficient funds to close; and (c) the reasons Buyer was unable to obtain financing by Closing. If Seller terminates this Agreement, the Earnest Money shall be refunded without need for such confirmation.
6. **INSPECTION.** Seller agrees to permit inspections required by lender, including but not limited to structural, pest, heating, plumbing, roof, electrical, septic, and well inspections. Seller is not obligated to pay for such inspections unless otherwise agreed.
7. **APPRAISAL LESS THAN SALE PRICE.**
- a. **Notice of Low Appraisal.** If lender's appraised value of the Property is less than the Purchase Price, Buyer may, within 3 days after receipt of a copy of lender's appraisal, give notice of low appraisal, which shall include a copy of lender's appraisal. NWMLS Form 22AN may be used for the notices in this Paragraph 7.
- b. **Seller's Response to Notice of Low Appraisal.** Seller shall, within 10 days after Buyer's notice of low appraisal, give notice of:
- (i) A reappraisal or reconsideration of value, at Seller's expense, by the same appraiser or another appraiser acceptable to lender, in an amount not less than the Purchase Price. Buyer shall promptly seek lender's approval of such reappraisal or reconsideration of value. The parties are advised that lender may elect not to accept a reappraisal or reconsideration of value;
- (ii) Seller's consent to reduce the Purchase Price to an amount not more than the amount specified in the appraisal or reappraisal by the same appraiser, or an appraisal by another appraiser acceptable to lender, whichever is higher. (This provision is not applicable if this Agreement is conditioned on FHA, VA, or USDA financing. FHA, VA, and USDA financing does not permit the Buyer to be obligated to buy if the Seller reduces the Purchase Price to the appraised value. Buyer, however, has the option to buy at the reduced price.); or
- (iii) Seller's rejection of Buyer's notice of low appraisal.
- If Seller timely delivers notice of reappraisal, reconsideration of value, or consent to reduce the Purchase Price, and lender accepts Seller's response, then Buyer shall be bound by Seller's response.
- c. **Buyer's Reply.** Buyer shall have 3 days from either Seller's notice of rejection of low appraisal or, if Seller fails to respond, the day Seller's response period ends, whichever is earlier, to (a) waive the Financing Contingency or (b) terminate the Agreement, in which event the Earnest Money shall be refunded to Buyer. Buyer's inaction during this reply period shall result in termination of the Agreement and return of the Earnest Money to Buyer. The Closing date shall be extended as necessary to accommodate the foregoing times for notices.
8. **FHA/VA/USDA - Appraisal Certificate.** If this Agreement is contingent on Buyer obtaining FHA, VA, or USDA financing, notwithstanding any other provisions of this Agreement, Buyer is not obligated to complete the purchase of the Property unless Buyer has been given in accordance with HUD/FHA, VA, or USDA requirements a written statement by FHA, VA, USDA or a Direct Endorsement lender, setting forth the appraised value of the Property (excluding closing costs). Buyer shall pay the costs of any appraisal. If the appraised value of the Property is less than the Purchase Price, Paragraph 7 above shall apply.
- Purpose of Appraisal.** The appraised valuation is arrived at only to determine the maximum mortgage FHA, VA, or USDA will insure. FHA, VA, or USDA do not warrant the value or the condition of the Property. Buyer agrees to satisfy himself/herself that the price and condition of the Property are acceptable.
9. **EXTENSION OF CLOSING.** If, through no fault of Buyer, lender is required by 12 CFR 1026 to give corrected disclosures to Buyer due to (a) a change in the Annual Percentage Rate ("APR") of Buyer's Loan(s) by .125% or more for a fixed rate loan or .250% or more for an adjustable rate loan; (b) a change in the loan product; or (c) the addition of a prepayment penalty, then upon notice from Buyer, the Closing Date shall be extended for up to 4 days to accommodate the requirements of Regulation Z of the Truth in Lending Act. This paragraph shall survive Buyer's waiver of this Financing Contingency.

Buyer's Initials

Date

Buyer's Initials

Date

Initials

Date

Seller's Initials

Date



SPOKANE ADDENDUM TO PURCHASE AND SALE AGREEMENT

The following is part of the Purchase and Sale Agreement ("Agreement") dated 8/30/16,
20 16 between [REDACTED] ("Buyer"), and
Escalade Properties, LLC ("Seller") concerning:
2315 W College Ave (the "Property");

1. ADVICE TO SEEK EXPERT ADVICE ON MATTERS OUTSIDE BROKER'S EXPERTISE. Each of the parties to the Agreement acknowledged that brokers are not in a position to offer expert advice on matters outside their expertise and that the parties have been advised to seek expert advice on such matters from qualified experts/professionals having proper licensing in the state of Washington when applicable. Each of the parties acknowledges being advised not to use the services of anyone not licensed in Washington to perform in any matter where a license is required by law. By way of example and not limitation, the parties acknowledge that:

a. If any party has questions or concerns regarding legal issues arising in connection with the Agreement, transaction, Property, or any property or other disclosure, they should consult with an attorney (parties may confirm the licensing and disciplinary history of attorneys at www.wsba.org).

b. If any party has questions or needs advice or assistance in any way related to the Agreement or transaction, they should consult with a CPA, tax attorney or other qualified tax professional (parties may confirm the licensing and disciplinary history of CPAs at www.cpaboard.wa.gov).

c. Brokers are not qualified to advise regarding the condition of any property and recommend that Buyer utilize the services of a licensed professional inspector to inspect the Property (parties may confirm the licensing of a professional home inspector at www.dol.wa.gov/business/homeinspectors).

d. If any inspector or other qualified professional recommends that matters related to the Property or transaction be further investigated, tested or reviewed, the parties are advised to carefully review the recommendations and follow up as suggested.

e. Repair, remodeling and construction of homes and buildings should only be performed in accordance with law (by licensed contractors when a license is required) (parties may confirm the licensing status of a contractor at <https://secure.lni.wa.gov/verify/>).

f. On-site sewage disposal systems, including septic tanks, should be inspected by trained inspectors licensed by the local city or county sewer district having jurisdiction over the subject property and licensing should be able to be confirmed with that agency;

g. Water well tests are customarily performed by inspectors licensed as water well contractors under RCW, Chapter 18.27 or by qualified engineers (contractor registrations may be confirmed as stated in subparagraph e., and engineering licensing can be confirmed at <https://fortress.wa.gov/dol/dolprod/bpdLicenseQuery>).

h. Soil conditions, ground and surface water issues and stability issues are customarily evaluated by qualified geotechnical or soils engineers or hydrologists.

2. INSPECTIONS AND TESTS. There may be defects present in any property. None of the real estate Firms or brokers involved in this transaction is an expert regarding the identification of, detection of, presence of, concealed defects. While not an exhaustive list and by way of example and not limitation, Buyer acknowledges having been advised that some matters that can adversely affect a property are as follows:

Initials: BUYER: [REDACTED] DATE: 30 Aug 16 SELLER: [REDACTED] DATE: 8/30/16
BUYER: _____ DATE: _____ SELLER: _____ DATE: _____



a. Smoke detectors are required by law to be installed in all dwelling units (RCW 43.44.110). Parties are advised to install and maintain smoke detectors meeting nationally accepted standards and in accordance with manufacturer recommendations in all dwellings.

b. Carbon monoxide alarms are required by law to be installed in single-family residences before they can be sold (RCW 19.27.5300). Parties are advised to install and maintain carbon monoxide alarms meeting nationally accepted standards and in accordance with manufacturer recommendations in all dwellings.

c. Mold can grow inside dwellings and present health hazards, and the presence of mold may or may not be detected in a professional home inspection and a complete mold assessment may require the services of a mold specialist. Mold Information can be obtained from the Environmental Protection Agency, including its publication "A Brief Guide to Mold, Moisture, and Your Home" that may be obtained via the Internet at www.epa.gov/iaq/molds/index.html

d. Wood destroying organisms (such as termites, carpenter ants and other insects), as well as fungi, that consume, remove or destroy wood products may not be detected in a professional home inspection, and a home inspector will not provide a complete wood destroying organism inspection unless the inspector is also licensed as a structural pest inspector with the Washington Department of Agriculture and your inspection contract also includes this service.



e. Radon is a colorless, odorless gas that can be present inside dwellings and other structures that can severely and adversely affect the health of occupants. A professional home inspection will likely not include testing for the presence of radon and a radon test would require the services of a radon specialist. Radon information can be obtained from the Environmental Protection Agency at www.epa.gov/radon.

f. Asbestos was at one time used in homes and other construction and may be present in existing structures. If inhaled, asbestos fibers can severely and adversely affect people's health. A professional home inspection may not include a complete examination and testing for the presence of asbestos and, if asbestos is present in a home, any removal will require use of a licensed contractor that also has an asbestos contractor's certificate. Asbestos information can be obtained from the Environmental Protection Agency at www.epa.gov/asbestos.

g. Other indoor organic compounds may also be present in a home and you can obtain additional information regarding these from various sources, including the Washington State Department of Health, www.dh.wa.gov/CommunityandEnvironment/Contaminants.

Seller acknowledges that Seller has the sole responsibility for disclosing to Buyer in writing any knowledge Seller has regarding the presence of adverse conditions affecting the Property, including but not limited to the above. Buyer acknowledges that Buyer is solely responsible for determining whether to undertake any professional evaluation or inspection to determine the presence, effect of, and recommended course of treatment or pursuit of treatment for any known, disclosed or potential adverse matters affecting the Property. The above is intended as general advice and not as a substitute for professional advice.

3. LENDER RELEASE OF CONSUMER DISCLOSURE INFORMATION. Each Buyer acknowledges that the Listing Real Estate Brokerage Firm and its assigned broker(s), Selling Real Estate Brokerage Firm and its assigned broker(s), and the Closing Agent may be able to assist in identifying and correcting information contained in any Disclosure Statement or similar document provided to Buyer(s) in connection with any loan being obtained for the purchase of the Property. Accordingly, each Buyer consents to disclosure of any Disclosure Statement or similar document to all of the above and directs the lender(s) involved in this transaction to provide full disclosure of such Disclosure Statement or similar document to each of the above at the same time such information is disclosed to Buyer(s).

Initials: BUYER:  DATE: 30 Aug 16 SELLER:  DATE: 8/31/2016
BUYER: _____ DATE: _____ SELLER: _____ DATE: _____



CASE STUDY 3



Turning Garbage into Gold!

CASE STUDY 3

How We Found the Property:

- This property came directly from the Spokane City Attorney.
- The city had been working with this property for years trying to remedy the situation.
- They needed help and contacted Lee.



Background

- The original owner had died, which legally left the property to her three adult children.
 - The two sisters had moved out of the house long before their mother died but the adult brother, Michael was living with his mother at the time of her death and continued to do so afterward.
 - Michael's mental health was an issue and drug use only made it worse. He would often yell at and threaten neighbors repeatedly.
 - Police were called to the house more than 50 times from the beginning of 2015, often for mental health issues, disturbances and to check on his welfare.
 - The house had gone without power and water for months, and Michael was using a 5-gallon bucket in the backyard as a toilet.



CASE STUDY 3

- Michael slept in the basement, entering and exiting through a ground-level window, and had tipped the kitchen refrigerator to cover the stairs so no one else could enter the basement.



- His nest in the basement included a board tied to electric wires he had ripped out of the wall.
- Once he was inside, he'd use the wires to pull the board into the window and wind them around hooks, keeping anyone from following him inside.



- For heat, he burned pieces of the wall in a newspaper stand he stole off the street.

CASE STUDY 3

- The two sisters were contacted through information provided by the City Attorney and they were anxious to sell the property because they were getting ready to lose it due to code and health violations.
- The drug addict brother was another story. He could not be found.
- He was squatting in the property and every time a process server showed up to hand him the court order, he wouldn't answer the door. In his defense however, the front door was screwed shut and could not be opened.



- The strategy of _____ was discovered on this house.
- When a person cannot be identified to serve, you can publish the legal notice in the newspaper in the county that the matter is being tried in and they will have to appear in court. If they fail to appear because of the service by publication, the court will award a judgment in your favor allowing you legal possession and the ability to evict. A great and powerful strategy that I did not know prior to this house.

CASE STUDY 3

Definition - Service by Publication – Law.com



- n. serving a summons or other legal document in a lawsuit on a defendant by publishing the document in an advertisement in a newspaper of general circulation. Service by publication is used to give "constructive notice" to a defendant who is intentionally absent, in hiding, unknown (as a possible descendant of a former landowner), and only when allowed by a judge's order based on a sworn declaration of the inability to find the defendant after "due diligence" (trying hard). Service by publication is commonly used in a divorce action to serve a spouse who has disappeared without leaving a forwarding address or to give notice to people who might have a right to object to a "quiet title" action to clear title to real property.
- <http://dictionary.law.com/Default.aspx?selected=1928>

Steps to Service by Publication (may vary)

- First, you need to _____
_____ and document the efforts made. If you are unable to locate the other party, then you must present your documentation to a judge and ask him/her to allow service by publication.

STEP ONE - Prepare the following papers:

- Motion for Service by Publication
 - Affidavit (describing what you have done to locate the other party.) This must be signed in front of a Notary Public.
 - Order for Service by Publication (you complete the proposed order and later ask the clerk to have it signed.)
 - A cover letter to be sent to the newspaper you have chosen to publish your notice.
-

CASE STUDY 3

- A verification form that will be filled out by the newspaper and returned to you.

STEP TWO

- Take the forms, your complaint and any other documentation you have to the court clerk's office. Tell the clerk that you need to have the order signed by the judge and attested by the clerk. You _____ even need to see the judge. If you do, he or she will probably want to ask you about your efforts to find the other party or to ask you about the dates when the legal notices will be published.
- You will not have to prepare a Summons to file with your Complaint. The Judge's Order for Service by Publication and the publication itself will be treated as the Summons.



STEP THREE

- Send a copy of the signed Order for Service by Publication with a filled in cover letter to the newspaper along with the verification for the newspaper to fill out and return to you. You should also include your payment to the newspaper, unless the newspaper will bill you later.
- Publication _____ of the date on which the judge signs your Order. Immediately arrange with the newspaper to be sure that this deadline is met.

STEP FOUR

- You will get verification in the mail from the newspaper. This will include the completed verification form showing that the notice was published for _____.

(The time for verification varies by state.) Copies of the

CASE STUDY 3

notice as it appeared in the newspaper should be included.

- Once you get back the verification, file it with the court clerk's office. Service by Publication is complete _____ after the notice appeared in the paper. Hearing dates can now be scheduled, if you have received the verification back from the newspaper.



- Once the service by publication was complete, the way was clear to move forward with the purchase of the property.

The Opportunity & Potential

- Initially research yield an ARV of \$159,900
- Purchase price was \$25,000



CASE STUDY 3

The Rehab – What We Did to It

- The hauling away of trash is expensive when the condition of the property was so bad that not even professional trash haulers were willing to do the work.



CASE STUDY 3



CASE STUDY 3

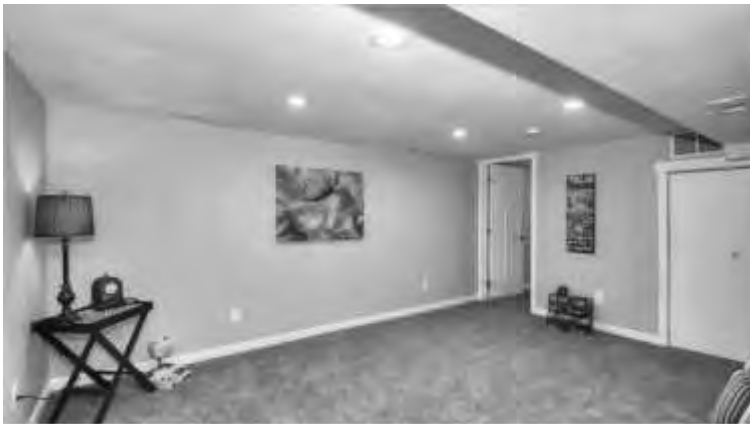
- New siding and windows all the way around



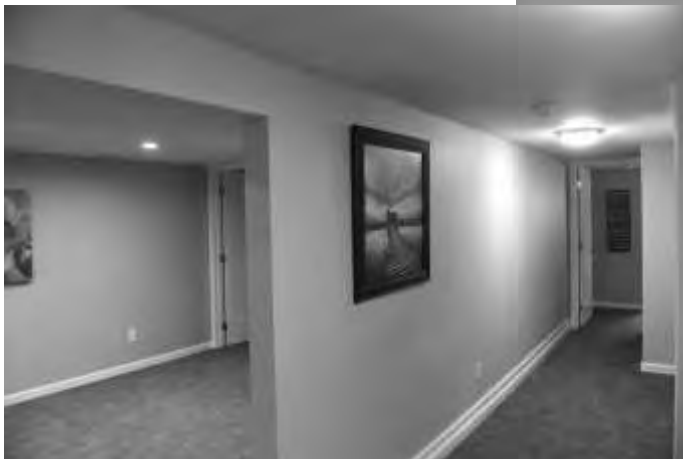
- Completely new kitchen



CASE STUDY 3



- The basement was finished with 2 bedrooms, a bath and a living space turning this 2/1 house into a 4/2 home.

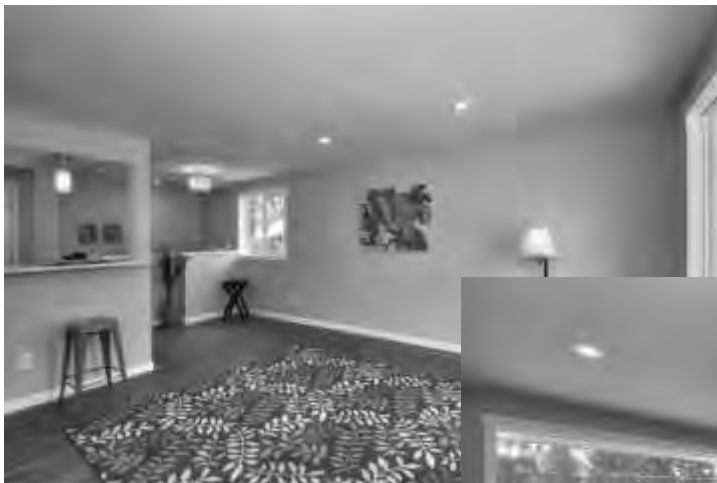


CASE STUDY 3

- Utility room with Laundry downstairs.



- Completely gutted and rebuilt



CASE STUDY 3



- Main floor Master Bedroom



- Main floor Bathroom



- Basement Bathroom



CASE STUDY 3

- Ready for Sale!



Listing the Property

- <http://tours.tourfactory.com/tours/tour.asp?t=1719107>

3 Things We Learned From this Deal!

- Service by Publication!
- I scheduled my time lines on this house too tight and as a result paid a premium to get the house trashed out.
 - Better _____
_____ would have saved about \$4,000 in the trash out process.
- Neighbors can be _____
_____.





-
- A simple line drawing of three houses of varying sizes and styles. The central house is the largest, with a chimney and a circular window. To its left is a smaller house with a chimney, and to its right is another house with a chimney and a window with curtains. Above the houses is a large sun with rays and a few clouds. The houses are set on a small patch of ground with some grass.

This image shows a blank sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

Lori Phillips

From: [REDACTED] Matthew <[REDACTED]>
Sent: Tuesday, July 26, 2016 8:17 AM
To: Lee Arnold; [REDACTED]
Cc: [REDACTED]
Subject: RE: HELP!!!

This is excellent news. Great work Lee! The SPD has not filed a chronic nuisance abatement on 6117 N. Cedar and we will hold off as long as you are making progress. The property has been placed into the building official process and has a status hearing August 16 at 1:30. I would recommend contacting Melissa V [REDACTED] [REDACTED] as she is point on this property for code enforcement.

Please keep me in the loop. I am very interested in how this legal process works for Mr. [REDACTED]

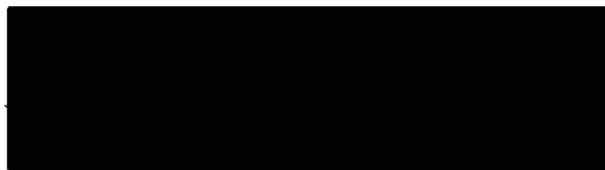
Lee – if we come into contact with Michael, who should we put him into contact with?

Best Regards,



Matthew [REDACTED] City of Spokane | Office of the City Attorney | Assistant City Attorney

808 W. Spokane Falls Blvd. 5th Floor, Municipal Bldg. Spokane, WA 99201-3326



From: Lee Arnold [REDACTED]
Sent: Monday, July 25, 2016 10:55 PM
To: [REDACTED] Matthew; [REDACTED]
Cc: [REDACTED]
Subject: HELP!!!

Hello Matthew, Alissa, John and Dawn,

Attached please find a purchase and sale agreement between my Entity, Escalade Properties, LLC and two Of the three owners of the property located at 6117 North Cedar Street, Spokane WA 99205.

Matthew [REDACTED] The Assistant City Attorney of the City of Spokane asked us to reach out to these individuals as they have a Property that is in significant decline and in need of substantial repair.

It was previously owned by Sharron [REDACTED],
Who passed away in 2013.
Unfortunately, at the time of her passing she did not have a Will, which leaves
The three remaining siblings as the owner(s).

Two of the siblings, Colleen [REDACTED] and Michelle [REDACTED],
would like to sell the property as the city is beginning to assess fines against it for the condition that it is in.
They have agreed to a purchase price of \$25,000, cash, subject to approval of the city,
perfection and transfer of the title, and final removal of any of mom's items that are still present in the house prior to
settlement.
(see Addendum #1 to the Purchase and Sale Agreement)

Unfortunately, they have a brother named "Michael [REDACTED]", who was living in the property.
He was recently arrested on drug charges and is nowhere to be found.
The city has boarded up the property due to its excessive abatement issues and the fact that it is no longer habitable.

The sisters would like to move forward with a sale of the property to avoid further legal action against them.
Unfortunately, they cannot make contact with the brother, nor do they know where he is to get him to sign anything.

John and Dawn – they are hopeful that there is some legal process where the brother can be served as to his rights
under the law, or have service by publication if he cannot be found.
They would also be willing to sell the property and have 1/3rd of the total sales proceeds held in trust until their brother
can be found at which time funds can be released to him.
In the event that the brother is arrested or incarcerated for any period of time, they would be agreeable to having those
proceeds used for any medical treatment or drug rehab that the
City or the State deemed necessary for his recovery and care.

Alissa – I have notified you on this email to bring you up to speed with what is going on. Please open escrow on this
property and know that we are prepared to close as quickly as possible.
You will see a settlement date in the purchase and sale agreement for October 19, 2016. This is not the desired closing
date, it is simply there as a place holder as I was not sure the duration of the legal process that John would require
to take to get the title perfected and able to transfer.
This process could take a couple of weeks, or a couple of months.
John – please manage all of our expectations as to when the sale and/or transfer of this property
from the current owners to me could possibly take place.

Matthew – I have cc'd you on this email string to let you know that we have made contact with the owners and believe
we are moving in the right direction. Any assistance you can provide as it relates to the city giving us some leeway on
time to get this matter settled and closed around would be much appreciated. In the meantime, please let us know if
there is anything you would like to see done with the property between now and settlement to make the property safer
for the surrounding neighbors and less of a burden for the city. While our efforts cannot be to financially excessive or
time intensive until we know that we can and will own the asset, we are willing to do whatever we can, within reason, to
assist the city with this challenging property. Please let us know what you would like to see from us moving forward.

I have attached a preliminary title report from First American Title for everyone's information.

Please let me know what else you require to get this matter resolved quickly.

I look forward to working with all of you on this interesting challenge!

Yours in Success,

Cogo Capital.com

800-341-9918

"Nations Fastest Growing Provider of Private Funds to Real Estate Investors, Nation Wide".

Ask about becoming a private money lender through our nationwide platform!

Sent from my iPhone

On Jul 26, 2016, at 7:51 AM, John L. [REDACTED] wrote:

Lee,

I need one of the sisters to be the Personal Representative. She will need to sign the petition and other documents for the estate. Whoever it is needs to call and make an appointment.

Thanks.

John L. [REDACTED]

8414 N. Wall, Suite A
Spokane, Wa 99208-6171

[REDACTED]

From: Lee Arnold [REDACTED]
Sent: Tuesday, July 26, 2016 7:44 AM
To: [REDACTED]
Subject: Re: HELP!!!

Hi John,

Thanks for the quick response.

I told the sisters that I would cover the legal costs to get this done and then we would take it out of the closing proceeds as they don't have any additional cash to get this taken care of. Let's proceed! What's the next step?!

Lee A. Arnold
CEO
Secured Investment Corp/
Cogo Capital.com

[REDACTED]

"Nations Fastest Growing Provider of Private Funds to Real Estate Investors, Nation Wide".

Ask about becoming a private money lender through our nationwide platform!

Sent from my iPhone

On Jul 26, 2016, at 7:15 AM, John L. [REDACTED] wrote:

Good morning Lee.

This is not a significant great problem although it will take a probate by administration to allow the sale. The probate process without a will (an administration) takes a little more in the way of court approval and may require a Bond which is not a great expense. The administration will require filing fee, publication and attorney's fees of approximately \$3,000.00. This is unfortunate as the estate is so small. Let me know if I may be of assistance here.

John H. [REDACTED]

8414 N. Wall, Suite A
Spokane, Wa 99208-6171

From: Lee Arnold [REDACTED]
Sent: Monday, July 25, 2016 10:55 PM
To: [REDACTED] Matthew [REDACTED]
Dawn [REDACTED]
Cc: [REDACTED]
Subject: HELP!!!

Hello Matthew, Alissa, John and Dawn,

Attached please find a purchase and sale agreement between my Entity, Escalade Properties, LLC and two
Of the three owners of the property located at 6117 North Cedar Street, Spokane WA 99205.

Matthew [REDACTED] The Assistant City Attorney of the City of Spokane asked us to reach out to these individuals as they have a Property that is in significant decline and in need of substantial repair.

It was previously owned by Sharron [REDACTED]
Who passed away in 2013.
Unfortunately, at the time of her passing she did not have a Will, which leaves
The three remaining siblings as the owner(s).

Two of the siblings, Colleen Scott and Michelle Bell, would like to sell the property as the city is beginning to assess fines against it for the condition that it is in. They have agreed to a purchase price of \$25,000, cash, subject to approval of the city, perfection and transfer of the title, and final removal of any of mom's items that are still present in the house prior to settlement. (see Addendum #1 to the Purchase and Sale Agreement)

Unfortunately, they have a brother named "Michael [REDACTED]", who was living in the property. He was recently arrested on drug charges and is nowhere to be found. The city has boarded up the property due to its excessive abatement issues and the fact that it is no longer habitable.

The sisters would like to move forward with a sale of the property to avoid further legal action against them. Unfortunately, they cannot make contact with the brother, nor do they know where he is to get him to sign anything.

John and Dawn – they are hopeful that there is some legal process where the brother can be served as to his rights under the law, or have service by publication if he cannot be found. They would also be willing to sell the property and have 1/3rd of the total sales proceeds held in trust until their brother can be found at which time funds can be released to him. In the event that the brother is arrested or incarcerated for any period of time, they would be agreeable to having those proceeds used for any medical treatment or drug rehab that the City or the State deemed necessary for his recovery and care.

Alissa – I have notified you on this email to bring you up to speed with what is going on. Please open escrow on this property and know that we are prepared to close as quickly as possible. You will see a settlement date in the purchase and sale agreement for October 19, 2016. This is not the desired closing date, it is simply there as a place holder as I was not sure the duration of the legal process that John would require. To take to get the title perfected and able to transfer. This process could take a couple of weeks, or a couple of months. John – please manage all of our expectations as to when the sale and/or transfer of this property. From the current owners to me could possibly take place.

Matthew – I have cc'd you on this email string to let you know that we have made contact with the owners and believe we are moving in the right direction. Any assistance you can provide as it relates to the city giving us some leeway on time to get this matter settled and closed around would be much appreciated. In the meantime, please let us know if there is anything you would like to see done with the property between now and settlement to make the property safer for the surrounding neighbors and less of a burden for the city. While our efforts cannot be to financially excessive or time intensive until we know that we can and will own the asset, we are willing to do whatever we can, within reason, to assist the city with this challenging property. Please let us know what you would like to see from us moving forward.

I have attached a preliminary title report from First American Title for everyone's information.

Please let me know what else you require to get this matter resolved quickly.

I look forward to working with all of you on this interesting challenge!

Yours in Success,

Lee Arnold
CEO

Secured Investment Corp

1121 E Mullan Ave.
Coeur d'Alene ID 83814



<image001.png>

www.SecuredInvestmentCorp.com

<image002.png><image003.png><image004.png><image005.png>

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8414 N. Wall, Suite A
Spokane, Wa 99208-6171

From: Lee Arnold [REDACTED]
Sent: Tuesday, July 26, 2016 8:15 AM
To: [REDACTED]
Subject: Re: HELP!!!

I will coordinate with the sisters to come in and see you. Please give me several times that work for you and I'll set it up to have them come in.

Lee A. Arnold
CEO
Secured Investment Corp/
Cogo Capital.com
800-341-9918

"Nations Fastest Growing Provider of Private Funds to Real Estate Investors, Nation Wide".
Ask about becoming a private money lender through our nationwide platform!
Sent from my iPhone

On Jul 26, 2016, at 8:00 AM, John L [REDACTED] wrote:

Because of the attorney client relationship established, I will need the sister who will be appointed by the court as personal representative to visit with me at my office. Both sisters are welcome to com in.

John L. [REDACTED]

8414 N. Wall, Suite A
Spokane, Wa 99208-6171

From: Lee Arnold [REDACTED]
Sent: Tuesday, July 26, 2016 7:53 AM
To: [REDACTED]
Subject: Re: HELP!!!

Hi John-
Can you send all of these documents to me and we will coordinate a time with the sisters to sign?

Lee A. Arnold
CEO
Secured Investment Corp/

Lori Phillips

From: Lee Arnold
Sent: Tuesday, July 26, 2016 11:06 AM
To: John L
Cc: [REDACTED]
Subject: RE: HELP!!!

Lori – please make contact with Colleen and Michelle and coordinate a time to meet with John at his office in Spokane on the morning of August 1st or August 2nd, 2016 between 8am and 11am.
Also, please plan on being in attendance for that meeting as well.

Please let John and I know which of these days the sellers have agreed to.

Thanks,

Lee Arnold
CEO

Secured Investment Corp

1121 E Mullan Ave.
Coeur d'Alene ID 83814
Tel: 800.341.9918 ext. 1801
Fax: 888.897.0237



www.SecuredInvestmentCorp.com




From: John L [REDACTED]
Sent: Tuesday, July 26, 2016 11:01 AM
To: Lee Arnold [REDACTED]
Subject: RE: HELP!!!

Lee,

I will be available in the morning of 8/1 or 8/2.

John H. [REDACTED]

1st 8 AM


0022
JAN 17 2017

SPOKANE COUNTY CLERK

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

In the Matter of the Estate of:

SHARRON [REDACTED]
d.o.d. May 5, 2013,

Deceased.

NO. 16-4-01177-4

DECLARATION OF COMPLETION OF
PROBATE RESERVING TAX AUTHORITY

TO THE CLERK OF THE COURT:

COMES NOW Colleen [REDACTED] in her capacity as Personal
Representative of the estate of Sharron [REDACTED], Deceased, and
declares as required by law that:

Sharron [REDACTED] died testate on May 5, 2013, in Spokane
County, State of Washington. That at the time of her death she was a
resident of Spokane County, Washington, and left an estate in which an
order was entered on August 15, 2016, appointing Colleen [REDACTED] as
administrator of the estate of Sharron [REDACTED], Deceased, in the
Superior Court of Spokane County, Washington.


That each creditor's claim which was justly due and
properly presented as required by law has been paid or otherwise
disposed of by agreement with the creditor, and that the amount of
estate taxes due as the result of the decedent's death has been
determined.

1 The personal representative has completed the
2 administration of the decedent's estate without court intervention,
3 and the estate is ready to be closed, except for the final payment of
4 taxes and of interest and penalties thereon, if any, as permitted
5 under RCW 11.16.114;

6 The amount of fees and costs advanced paid or to be paid to
7 each of the following: (i) Personal representative or representatives;
8 (ii) attorney's fees and costs advanced; (iii) accountant or
9 accountants; and that the personal representative believes the fees to
10 be reasonable and does not intend to obtain court approval of the
11 amount of the fees or to submit an estate accounting to the court for
12 approval.

13 Unless an heir of Sharron [REDACTED] Deceased, petitions
14 the Court for an Order requiring the Personal Representative to obtain
15 court approval of the amount of fees paid or to be paid to the
16 personal representative, lawyers, appraisers, or accountants, or for
17 an order requiring an accounting, or both, within thirty (30) days of
18 the date of filing a declaration of completion, the Personal
19 Representative will be automatically discharged without further order
20 of the court and the representative's powers will cease thirty (30)
21 days after the filing of the completion of probate, and the
22 declaration of completion of probate shall, at that time, be the
23 equivalent of the entry of a decree of distribution in accordance with
24 chapter 11.76 RCW for all legal intents and purposes and this estate
25 is declared closed.

26 DATED this 10 day of January, 2017.

27
28 
29 COLLEEN [REDACTED]
Personal Representative

JAN 17 2017

SPOKANE COUNTY CLERK

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

In the Matter of the Estate of:

SHARRON [REDACTED]
d.o.d. May 5, 2013,

Deceased.

NO. 16-4-01177-4

INVENTORY AND APPRAISEMENT

1. Real Property @ 6117 N. Cedar St., Spokane, WA:	\$25,000.00
2. Stocks and Bonds:	\$0.00
3. Mortgages, Notes, etc.:	\$0.00
4. Bank Accounts and Money:	\$0.00
5. Furniture and Household Goods:	\$0.00
6. All Other Personal Property:	\$0.00
TOTAL:	\$25,000.00

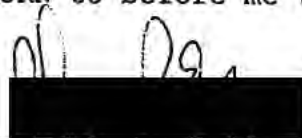
1 STATE OF WASHINGTON)
2 County of Spokane) ss.
3

4 The undersigned Personal Representative or the authorized
5 officer thereof, being first duly sworn upon oath, deposes and says:

6 The Schedules attached hereto are a true inventory of all
7 of the property of this estate which has come into my possession or
8 knowledge, including: 1) Real property with legal description and
9 assessed valuation; 2) Stocks and bonds; 3) Mortgages, notes and other
10 written evidence of debt; 4) Bank accounts and money; 5) Furniture and
11 household goods; 6) All other personal property including partnership
12 interest; 7) A statement of all encumbrances, liens or other secured
13 charges against the items listed thereon, and the appraised values are
14 those of the Personal Representative. The Decedent's date of death
15 was May 5, 2013.

16
17 
18 COLLEEN 

19 SUBSCRIBED AND SWORN to before me this 16 day of
20 January, 2017.

21 
22 NOTARY PUBLIC in and for the State
23 of Washington, residing at Spokane
24 My commission expires:
25
26
27
28
29

JAN 19 2017

SPOKANE COUNTY CLERK

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

In the Matter of the Estate of:

SHARRON [REDACTED]
d.o.d. May 5, 2013,

Deceased.

NO. 16-4-01177-4

AFFIDAVIT OF MAILING NOTICES

STATE OF WASHINGTON)
) ss.
County of Spokane)

DAWN [REDACTED], being first duly sworn upon oath, deposes
and states:

At the request of the Personal Representative of the
above-referenced estate, I mailed on the 17th day of January, 2017, to
each of the heirs and distributees of the Deceased, a copy of the
Declaration of Completion of Probate, Inventory & Appraisement and
Notice of Filing Declaration of Completion of Probate, in accordance
with the provisions of RCW 11.28.237, by placing the copies in sealed
envelopes, stamped and addressed to the persons named below and
deposited them in the United States mail, to wit:

Michelle [REDACTED]
5219 N. Greenwood Blvd
Spokane, WA 99205

Colleen [REDACTED]
5321 N. A Street
Spokane, WA 99205

1 Michael [REDACTED]
2 6117 N. Cedar Street
3 Spokane, WA 99205

4 Dawn [REDACTED]
5 DAWN A. [REDACTED]

6
7 SUBSCRIBED AND SWORN to before me this 17 day of January,
8 2017.



JOHN H. LOEFFLER
NOTARY PUBLIC in and for the State
of Washington, residing at Spokane
My commission expires: 01/23/2020

COPY
ORIGINAL FILED

JAN 19 2017

SPOKANE COUNTY CLERK

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

In the Matter of the Estate of:

SHARRON [REDACTED]
d.o.d. May 5, 2013,

Deceased.

NO. 16-4-01177-4

NOTICE OF FILING OF
DECLARATION OF
COMPLETION OF PROBATE

NOTICE IS GIVEN that the attached Declaration of Completion of Probate was filed by the undersigned in the above-entitled Court on the 17 day of January, 2017; unless you shall file a Petition in the above-entitled Court requesting the Court to approve the reasonableness of the fees, or for an accounting, or both, and serve a copy thereof upon the Personal Representative or the Personal Representative's lawyer, within thirty (30) days after the date of the filing, the amount of fees paid or to be paid will be deemed reasonable, the acts of the Personal Representative will be deemed approved, the Personal Representative will be automatically discharged without further order of the court, and the Declaration of Completion of Probate will be final and deemed the equivalent of a Decree of Distribution entered under Chapter 11.76 RCW.

1 If you file and serve a petition within the period
2 specified, the undersigned will request the Court to fix a time and
3 place for the hearing of your petition, and you will be notified of
4 the time and place thereof, by mail, or personal service, not less
5 than ten (10) days before the hearing on the Petition.

6 DATED this ____ day of January, 2017.

7
8 By: 

9 COLLEEN 

10 Personal Representative
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29

SUPERIOR COURT of WASHINGTON for SPOKANE COUNTY

In the Matter of the Estate of

AFFIDAVIT of PUBLICATION

SHARRON [REDACTED],
Deceased.

NO. 16-4-01177-4

NOTICE TO CREDITORS

STATE of WASHINGTON
County of Spokane

MICHAEL HUFFMAN being first duly sworn on oath deposes and says that he is the **EDITOR** of the Spokane Valley News Herald, a weekly newspaper. That said newspaper is a legal newspaper and it is now and has been for more than six months prior to the date of publication hereinafter referred to, published in the English language continually as a weekly newspaper in Spokane County, Washington, and it is now and during all of said time was printed in an office maintained at the aforesaid place of publication of said newspaper, which said newspaper had been approved as a legal newspaper by order of the Superior Court of the State of Washington in and for Spokane County. That the following is a true copy of a **Legal Notice** as it was published in regular issues commencing on the 2nd day of September, 2016, the 9th day of September, 2016, and ending on the 16th day of September, 2016, all dates inclusive, and that such newspaper was regularly distributed to its subscribers during all of said period:

PROBATE
NOTICE TO CREDITORS
IN THE SUPERIOR COURT OF THE
STATE OF WASHINGTON
IN AND FOR THE
COUNTY OF SPOKANE
RCW 11.40.030
NO. 16-4-01177-4

In the Matter of the Estate of:

SHARRON [REDACTED]
d.o.d. May 5, 2013,
Deceased.

The personal representative named below has been appointed as Personal Representative of this estate. Any person having a claim against the decedent must, before the time the claim would be barred by any otherwise applicable statute of limitations, present the claim in the manner as provided in RCW 11.40.070 by serving on or mailing to the personal representative or the personal representative's attorney at the address stated below a copy of the claim and filing the original of the claim with the court. The claim must be presented within the later of: (1) Thirty days after the personal representative served or mailed the notice to the creditor as provided under RCW 11.40.020(3); or (2) four (4) months after the date of first publication of the Notice. If the claim is not presented within this time frame, the claim is forever barred, except as otherwise provided in Section 11 of this act and RCW 11.40.060. This bar is effective as to claims against both the decedent's probate and non-probate assets.

Date of First Publication:

September 2, 2016

Personal Representative:

Colleen M. Scott

Attorney for the Personal Representative:

John H. Loeffler

Address for Mailing or Service:

John H. Loeffler

Attorney for Estate

8414 North Wall Street, Suite A

SUBSCRIBED and SWORN to before me
this 16th day of September, 2016
State of Washington
County of Spokane

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

Jolene Rae Wentz
Title: Notary Public
My appointment expires: 05-16-2019





First American

First American Title Insurance Company

40 E Spokane Falls Blvd

Spokane, WA 99202

Phn - (509)456-0550

Fax - (866)537-9602

TITLE COMPANY INFORMATION

Title Officer: **Nefty Maldonado**

Phone: (509)835-8954 - Fax: (866)596-2988

To: **Secured Investment Corp**
1121 East Mullan
Coeur D'Alene, ID 83814

File No.: **4259-2812712**
Customer Reference: **6117 N Cedar**
St, Spokane, WA 99205

Attn: Michelle Mendez

Re: Property Address: **6117 N Cedar St, Spokane, WA 99205**

COMMITMENT FOR TITLE INSURANCE

Issued by

FIRST AMERICAN TITLE INSURANCE COMPANY

Agreement to Issue Policy

We agree to issue a policy to you according to the terms of this Commitment.

When we show the policy amount and your name as the proposed insured in Schedule A, this Commitment becomes effective as of the Commitment Date shown in Schedule A.

If the Requirements shown in this Commitment have not been met within six months after the Commitment Date, our obligation under this Commitment will end. Also, our obligation under this Commitment will end when the Policy is issued and then our obligation to you will be under the Policy.

Our obligation under this Commitment is limited by the following:

The Provisions in Schedule A.

The Requirements in Schedule B-I.

The General Exceptions and Exceptions in Schedule B-II.

The Conditions.

This Commitment is not valid without Schedule A and Section I and II of Schedule B.

First American Title Insurance Company

Nefty Maldonado, Title Officer

SCHEDULE A

1. Commitment Date: January 26, 2017 at 7:30 A.M.
2.

Policy or Policies to be issued:	AMOUNT	PREMIUM	TAX
Short Term Rate			
Eagle Owner's Policy	\$ To Follow	\$ To Follow	\$ To Follow
Proposed Insured:			
To Follow			
 Purchase Money Loan Rate			
ALTA Extended Loan Policy	\$ To Follow	\$ To Follow	\$ To Follow
Proposed Insured:			
To Follow			
3. (A) The estate or interest in the land described in this Commitment is:

Fee Simple

(B) Title to said estate or interest at the date hereof is vested in:

ESCALADE PROPERTIES, LLC, A UTAH LIMITED LIABILITY COMPANY
4. The land referred to in this Commitment is described as follows:
Real property in the County of Spokane, State of Washington, described as follows:

THE SOUTH 51 FEET OF LOT 7, BLOCK 1, SPECK'S ADDITION, ACCORDING TO PLAT RECORDED
IN VOLUME 2 OF PLATS, PAGE 28, IN THE CITY OF SPOKANE, SPOKANE COUNTY,
WASHINGTON.

APN: 26361.0108

**SCHEDULE B
SECTION I**

REQUIREMENTS

The following requirements must be met:

- (A) Pay the agreed amounts for the interest in the land and/or the mortgage to be insured.
- (B) Pay us the premiums, fees and charges for the policy.
- (C) Documents satisfactory to us creating the interest in the land and/or the mortgage to be insured must be signed, delivered and recorded:
- (D) You must tell us in writing the name of anyone not referred to in this Commitment who will get an interest in the land or who will make a loan on the land. We may then make additional requirements or exceptions.
- (E) Releases(s) or Reconveyance(s) of Item(s):
- (F) Other:
- (G) You must give us the following information:
 - 1. Any off record leases, surveys, etc.
 - 2. Statement(s) of Identity, all parties.
 - 3. Other:

**SCHEDULE B
SECTION II**

GENERAL EXCEPTIONS

PART ONE:

- A. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.
- B. Any facts, rights, interests, or claims which are not shown by the public records but which could be ascertained by an inspection of said land or by making inquiry of persons in possession thereof.
- C. Easements, claims of easement or encumbrances which are not shown by the public records.
- D. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.
- E. (A) Unpatented mining claims; (B) Reservations or exceptions in patents or in Acts authorizing the issuance thereof; (C) Water rights, claims or title to water; whether or not the matters excepted under (A), (B) or (C) are shown by the public records; (D) Indian Tribal Codes or Regulations, Indian Treaty or Aboriginal Rights, including easements or equitable servitudes.
- F. Any lien, or right to a lien, for services, labor or materials or medical assistance heretofore or hereafter furnished, imposed by law and not shown by the public records.
- G. Any service, installation, connection, maintenance, construction, tap or reimbursement charges/costs for sewer, water, garbage or electricity.
- H. Defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the public records or attaching subsequent to the effective date hereof, but prior to the date the proposed insured acquires of record for value the escrow or interest or mortgage(s) thereon covered by this Commitment.

**SCHEDULE B
SECTION II**

EXCEPTIONS

PART TWO:

Any policy we issue will have the following exceptions unless they are taken care of to our satisfaction. The printed exceptions and exclusions from the coverage of the policy or policies are available from the office which issued this Commitment. Copies of the policy forms should be read.

1. Lien of the Real Estate Excise Sales Tax and Surcharge upon any sale of said premises, if unpaid. As of the date herein, the excise tax rate for the **City of Spokane** is at **1.78 %**.
Levy/Area Code: 0010
2. General taxes and assessments, if any, for the year 2017, in an amount not yet available, which cannot be paid until the **15th day of February** of said year.
Tax Account No.: 26361.0108
Assessed Land Value: \$ 25,010.00
Assessed Improvement Value: \$ 76,900.00

Note: Taxes and charges for 2016 were paid in full in the amount of \$4,441.09.
3. Said premises lie within the boundaries of Spokane Water District No. 3 and are subject to future assessments by said district.
4. Deed of Trust and the terms and conditions thereof.
Grantor/Trustor: Escalade Properties LLC, a(n) Utah Limited Liability Company
Grantee/Beneficiary: AIS Holdings, LLC, a(n) Delaware Limited Liability Company
Trustee: Lukins & Annis, P.S.
Amount: \$100,000.00
Recorded: October 07, 2016
Recording Information: 6542068
5. Evidence of the authority of the individual(s) to execute the forthcoming document for **Escalade Properties, LLC**, copies of the current operating agreement should be submitted prior to closing.
6. Easement, including terms and provisions contained therein:
Recording Information: In Volume 644 of Deeds, Page 359
In Favor of: The Washington Water Power Company
For: An electric distribution line
7. Any and all offers of dedication, conditions, restrictions, easements, boundary discrepancies or encroachments, notes and/or provisions shown or disclosed by Short Plat or Plat of Speck's Addition recorded in Volume 2 of Plats, Page(s) 28.

8. Covenants, conditions, restrictions and/or easements; but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, family status, or national origin to the extent such covenants, conditions or restrictions violate Title 42, Section 3604(c), of the United States Codes:
Recording Information: Volume 45/Page 293

INFORMATIONAL NOTES

This property may be subject to a charge by Spokane County for sewer construction, referred to as a Capital Facilities Rate (CFR). This charge is in addition to the monthly charge for sewer services. Please contact the Division of Utilities Billing Section at (509) 477-3604, for further information.

- A. Effective January 1, 1997, and pursuant to amendment of Washington State Statutes relating to standardization of recorded documents, certain format and content requirements must be met (refer to RCW 65.04.045). Failure to comply may result in rejection of the document by the recorder or additional fees being charged, subject to the Auditor's discretion.
- B. Any sketch attached hereto is done so as a courtesy only and is not part of any title commitment or policy. It is furnished solely for the purpose of assisting in locating the premises and First American expressly disclaims any liability which may result from reliance made upon it.
- C. The description can be abbreviated as suggested below if necessary to meet standardization requirements. The full text of the description must appear in the document(s) to be insured.

PTN LOT 7, BLOCK 1, SPECK'S ADD., VOL. 2, P. 28, SPOKANE COUNTY

APN: 26361.0108

- D. All matters regarding extended coverage have been cleared for mortgagee's policy. The coverage contemplated by this paragraph will not be afforded in any forthcoming owner's standard coverage policy to be issued.
- E. The following deeds affecting the property herein described have been recorded within 36 months of the effective date of this commitment:

Recording Number: 6532963

Recording Date: September 08, 2016

Property Address: **6117 N Cedar St, Spokane, WA 99205**

NOTE: The forthcoming Mortgagee's Policy will be the ALTA 2006 Policy unless otherwise noted on Schedule A herein.

NOTE: A FEE MAY BE CHARGED UPON THE CANCELLATION OF THIS COMMITMENT PURSUANT TO WASHINGTON STATE INSURANCE CODE AND THE FILED RATE SCHEDULE OF THIS COMPANY.

CONDITIONS

1. DEFINITIONS

(a)"Mortgage" means mortgage, deed of trust or other security instrument.

(b)"Public Records" means title records that give constructive notice of matters affecting the title according to the state law where the land is located.

2. LATER DEFECTS

The Exceptions in Schedule B - Section II may be amended to show any defects, liens or encumbrances that appear for the first time in the public records or are created or attached between the Commitment Date and the date on which all of the Requirements (a) and (c) of Schedule B - Section I are met. We shall have no liability to you because of this amendment.

3. EXISTING DEFECTS

If any defects, liens or encumbrances existing at Commitment Date are not shown in Schedule B, we may amend Schedule B to show them. If we do amend Schedule B to show these defects, liens or encumbrances, we shall be liable to you according to Paragraph 4 below unless you knew of this information and did not tell us about it in writing.

4. LIMITATION OF OUR LIABILITY

Our only obligation is to issue to you the Policy referred to in this Commitment, when you have met its Requirements. If we have any liability to you for any loss you incur because of an error in this Commitment, our liability will be limited to your actual loss caused by your relying on this Commitment when you acted in good faith to:

comply with the Requirements shown in Schedule B - Section I
or

eliminate with our written consent any Exceptions shown in Schedule B - Section II.

We shall not be liable for more than the Policy Amount shown in Schedule A of this Commitment and our liability is subject to the terms of the Policy form to be issued to you.

5. CLAIMS MUST BE BASED ON THIS COMMITMENT

Any claim, whether or not based on negligence, which you may have against us concerning the title to the land must be based on this commitment and is subject to its terms.



First American

First American Title Insurance Company
40 E Spokane Falls Blvd
Spokane, WA 99202
Phn - (509)456-0550
Fax - (866)537-9602



First American Title

Privacy Information

We Are Committed to Safeguarding Customer Information

In order to better serve your needs now and in the future, we may ask you to provide us with certain information. We understand that you may be concerned about what we will do with such information - particularly any personal or financial information. We agree that you have a right to know how we will utilize the personal information you provide to us. Therefore, together with our subsidiaries we have adopted this Privacy Policy to govern the use and handling of your personal information.

Applicability

This Privacy Policy governs our use of the information that you provide to us. It does not govern the manner in which we may use information we have obtained from any other source, such as information obtained from a public record or from another person or entity. First American has also adopted broader guidelines that govern our use of personal information regardless of its source. First American calls these guidelines its Fair Information Values.

Types of Information

Depending upon which of our services you are utilizing, the types of nonpublic personal information that we may collect include:

- Information we receive from you on applications, forms and in other communications to us, whether in writing, in person, by telephone or any other means;
- Information about your transactions with us, our affiliated companies, or others; and
- Information we receive from a consumer reporting agency.

Use of Information

We request information from you for our own legitimate business purposes and not for the benefit of any nonaffiliated party. Therefore, we will not release your information to nonaffiliated parties except: (1) as necessary for us to provide the product or service you have requested of us; or (2) as permitted by law. We may, however, store such information indefinitely, including the period after which any customer relationship has ceased. Such information may be used for any internal purpose, such as quality control efforts or customer analysis. We may also provide all of the types of nonpublic personal information listed above to one or more of our affiliated companies. Such affiliated companies include financial service providers, such as title insurers, property and casualty insurers, and trust and investment advisory companies, or companies involved in real estate services, such as appraisal companies, home warranty companies and escrow companies. Furthermore, we may also provide all the information we collect, as described above, to companies that perform marketing services on our behalf, on behalf of our affiliated companies or to other financial institutions with whom we or our affiliated companies have joint marketing agreements.

Former Customers

Even if you are no longer our customer, our Privacy Policy will continue to apply to you.

Confidentiality and Security

We will use our best efforts to ensure that no unauthorized parties have access to any of your information. We restrict access to nonpublic personal information about you to those individuals and entities who need to know that information to provide products or services to you. We will use our best efforts to train and oversee our employees and agents to ensure that your information will be handled responsibly and in accordance with this Privacy Policy and First American's Fair Information Values. We currently maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

Information Obtained Through Our Web Site

First American Financial Corporation is sensitive to privacy issues on the Internet. We believe it is important you know how we treat the information about you we receive on the Internet.

In general, you can visit First American or its affiliates' Web sites on the World Wide Web without telling us who you are or revealing any information about yourself. Our Web servers collect the domain names, not the e-mail addresses, of visitors. This information is aggregated to measure the number of visits, average time spent on the site, pages viewed and similar information. First American uses this information to measure the use of our site and to develop ideas to improve the content of our site.

There are times, however, when we may need information from you, such as your name and email address. When information is needed, we will use our best efforts to let you know at the time of collection how we will use the personal information. Usually, the personal information we collect is used only by us to respond to your inquiry, process an order or allow you to access specific account/profile information. If you choose to share any personal information with us, we will only use it in accordance with the policies outlined above.

Business Relationships

First American Financial Corporation's site and its affiliates' sites may contain links to other Web sites. While we try to link only to sites that share our high standards and respect for privacy, we are not responsible for the content or the privacy practices employed by other sites.

Cookies

Some of First American's Web sites may make use of "cookie" technology to measure site activity and to customize information to your personal tastes. A cookie is an element of data that a Web site can send to your browser, which may then store the cookie on your hard drive.

FirstAm.com uses stored cookies. The goal of this technology is to better serve you when visiting our site, save you time when you are here and to provide you with a more meaningful and productive Web site experience.

Fair Information Values

Fairness We consider consumer expectations about their privacy in all our businesses. We only offer products and services that assure a favorable balance between consumer benefits and consumer privacy.

Public Record We believe that an open public record creates significant value for society, enhances consumer choice and creates consumer opportunity. We actively support an open public record and emphasize its importance and contribution to our economy.

Use We believe we should behave responsibly when we use information about a consumer in our business. We will obey the laws governing the collection, use and dissemination of data.

Accuracy We will take reasonable steps to help assure the accuracy of the data we collect, use and disseminate. Where possible, we will take reasonable steps to correct inaccurate information. When, as with the public record, we cannot correct inaccurate information, we will take all reasonable steps to assist consumers in identifying the source of the erroneous data so that the consumer can secure the required corrections.

Education We endeavor to educate the users of our products and services, our employees and others in our industry about the importance of consumer privacy. We will instruct our employees on our fair information values and on the responsible collection and use of data. We will encourage others in our industry to collect and use information in a responsible manner.

Security We will maintain appropriate facilities and systems to protect against unauthorized access to and corruption of the data we maintain.

FIRST AMERICAN TITLE INSURANCE COMPANY
Exhibit "A"

Vested Owner: ESCALADE PROPERTIES, LLC, A UTAH LIMITED LIABILITY COMPANY

Real property in the County of Spokane, State of Washington, described as follows:

THE SOUTH 51 FEET OF LOT 7, BLOCK 1, SPECK'S ADDITION, ACCORDING TO PLAT RECORDED IN
VOLUME 2 OF PLATS, PAGE 28, IN THE CITY OF SPOKANE, SPOKANE COUNTY, WASHINGTON.

Tax Parcel Number: 26361.0108

Situs Address: 6117 N Cedar St, Spokane, WA 99205

BUYER

SELLER

BUYER

SELLER



First American

159,900

myFirstAm® Combined Report

6117 N Cedar St, Spokane, WA 99205

Property Address:
6117 N Cedar St
Spokane, WA 99205

Combined Report

6117 N Cedar St, Spokane, WA 99205

7/13/2016

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First American

myFirstAm® Property Profile

6117 N Cedar St, Spokane, WA 99205

Property Information

Owner(s):	Dickey Sharron	Mailing Address:	6117 N Cedar St, Spokane, WA 99205
Owner Phone:	Unknown	Property Address:	6117 N Cedar St, Spokane, WA 99205
Vesting Type:		Alt. APN:	
County:	Spokane	APN:	26361.0108
Map Coord:	9I	Census Tract:	000600
Lot#:	7	Block:	1
Subdivision:	Specks Add	Tract:	
Legal:	Specks Add S51ft L7 B1		

Property Characteristics

Use:	Sfr	Year Built / Eff. :	1953 / 1953	Sq. Ft. :	1231
Zoning:		Lot Size Ac / Sq Ft:	0.1581 / 6885	# of Units:	1
Bedrooms:	4	Bathrooms:	1	Fireplace:	
# Rooms:	7	Quality:	Fair	Heating:	Forced Air Oil
Pool:		Air:	Y	Style:	Ranch
Stories:	1	Improvements:		Parking / #:	/
Gross Area:	1607	Garage Area :		Basement Area:	724

Sale and Loan Information

Sale / Rec Date:	*\$/Sq. Ft.:	2nd Mtg.:
Sale Price:	1st Loan:	Prior Sale Amt:
Doc No.:	Loan Type:	Prior Sale Date:
Doc Type:	Transfer Date:	Prior Doc No.:
Seller:	Lender:	Prior Doc Type:

*\$/Sq. Ft. is a calculation of Sale Price divided by Sq. Feet.

APN:	36312.2010	Sale Amount:		Sale Date:	
Beds / Baths:	4 / 2	Square Feet:	1,638	Year Built:	1953
Use Code:	SFR	# Units:	1	Lot Size:	.1435

Address:	1329 W Decatur Ave, Spokane, WA 99205	Owner(s):	Wohrle Rbt (Te) Wohrle Ruby (Te)		
APN:	36312.2019	Sale Amount:		Sale Date:	
Beds / Baths:	2 / 1	Square Feet:	883	Year Built:	1953
Use Code:	SFR	# Units:	1	Lot Size:	.1435

Address:	6215 N Cedar St, Spokane, WA 99205	Owner(s):	Viren Shawna A		
APN:	26361.0103	Sale Amount:	\$106,000	Sale Date:	07/24/2012
Beds / Baths:	2 / 2	Square Feet:	857	Year Built:	1953
Use Code:	SFR	# Units:	1	Lot Size:	.1581

Address:	1334 W Decatur Ave, Spokane, WA 99205	Owner(s):	Thomas Melissa A		
APN:	36312.1908	Sale Amount:	\$129,000	Sale Date:	07/11/2012
Beds / Baths:	4 / 2	Square Feet:	1,820	Year Built:	1958
Use Code:	SFR	# Units:	1	Lot Size:	.1435

Address:	6214 N Walnut St, Spokane, WA 99205	Owner(s):	Ostlund Donald T		
APN:	26361.0119	Sale Amount:		Sale Date:	
Beds / Baths:	3 / 3	Square Feet:	1,540	Year Built:	1970
Use Code:	SFR	# Units:	1	Lot Size:	.1643

Address:	1325 W Decatur Ave, Spokane, WA 99205	Owner(s):	Everett Jeremy W		
APN:	36312.2005	Sale Amount:	\$117,000	Sale Date:	04/19/2012
Beds / Baths:	3 / 1	Square Feet:	1,457	Year Built:	1980
Use Code:	SFR	# Units:	1	Lot Size:	.1435

Address:	6221 N Cedar St, Spokane, WA 99205	Owner(s):	Krauss Kelly J		
APN:	26361.0102	Sale Amount:	\$1,404	Sale Date:	12/09/2015
Beds / Baths:	2 / 1	Square Feet:	883	Year Built:	1953
Use Code:	SFR	# Units:	1	Lot Size:	.1736

Beds / Baths:	2 / 1	Square Feet:	972	Year Built:	1953
Use Code:	SFR	# Units:	1	Lot Size:	.1643

Address:	1408 W Dalke Ave, Spokane, WA 99205	Owner(s):	Ladines David M Ladines Rose S		
APN:	26361.0110	Sale Amount:	\$149,900	Sale Date:	01/29/2015
Beds / Baths:	4 / 2	Square Feet:	2,208	Year Built:	1952
Use Code:	SFR	# Units:	1	Lot Size:	.3657

Address:	6114 N Walnut St, Spokane, WA 99205	Owner(s):	Schmitz Jp		
APN:	26361.0113	Sale Amount:	\$79,000	Sale Date:	04/02/1996
Beds / Baths:	2 / 1	Square Feet:	1,454	Year Built:	1953
Use Code:	SFR	# Units:	1	Lot Size:	.1643

Address:	1337 W Decatur Ave, Spokane, WA 99205	Owner(s):	Mohr Kenneth M		
APN:	36312.2008	Sale Amount:	\$138,900	Sale Date:	10/30/2006
Beds / Baths:	3 / 1	Square Feet:	1,401	Year Built:	1970
Use Code:	SFR	# Units:	1	Lot Size:	.1435

Address:	6203 N Cedar St, Spokane, WA 99205	Owner(s):	Hinchliff Jean A		
APN:	26361.0105	Sale Amount:	Sale Date:		
Beds / Baths:	3 / 1	Square Feet:	1,146	Year Built:	1953
Use Code:	SFR	# Units:	1	Lot Size:	.1581

Address:	6128 N Walnut St, Spokane, WA 99205	Owner(s):	Davidson Tamela		
APN:	26361.0116	Sale Amount:	\$98,000	Sale Date:	09/26/2012
Beds / Baths:	3 / 1	Square Feet:	1,134	Year Built:	1953
Use Code:	SFR	# Units:	1	Lot Size:	.1643

Address:	6108 N Walnut St, Spokane, WA 99205	Owner(s):	Culp Terry L Culp Barbara A		
APN:	26361.0112	Sale Amount:	\$150,000	Sale Date:	06/25/2007
Beds / Baths:	2 / 1	Square Feet:	1,220	Year Built:	1970
Use Code:	SFR	# Units:	1	Lot Size:	.1643

Address:	6204 N Walnut St, Spokane, WA 99205	Owner(s):	Sullivan Michael R Jr Kendall Alisha		
APN:	26361.0117	Sale Amount:	\$121,500	Sale Date:	01/08/2016

School Name:	Browne Elementary School	Grade Span:	Primary & Middle
---------------------	--------------------------	--------------------	------------------

Address:	5102 N Driscoll Blvd, Spokane, WA 99205
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Number of Teachers:

Phone #:	509-354-2400
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Number of Students:	446
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School Name:	Madison Elementary School	Grade Span:	Primary & Middle
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Address:	319 West Nebraska Ave, Spokane, WA 99205
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Number of Teachers:

Phone #:	509-354-3600
-----------------	--------------

Number of Students:	337
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School Name:	Glover Middle School	Grade Span:	Middle
---------------------	----------------------	--------------------	--------

Address:	2404 W Longfellow Ave, Spokane, WA 99205
-----------------	--

Number of Teachers:

Phone #:	509-354-5400
-----------------	--------------

Number of Students:	634
----------------------------	-----

School Name:	Audubon Elementary School	Grade Span:	Primary & Middle
---------------------	---------------------------	--------------------	------------------

Address:	2020 W Carlisle Ave, Spokane, WA 99205
-----------------	--

Number of Teachers:

Phone #:	509-354-2140
-----------------	--------------

Number of Students:	465
----------------------------	-----

School Name:	Havermale Alternative School	Grade Span:	High
---------------------	------------------------------	--------------------	------

Address:	1300 West Knox Ave, Spokane, WA 99205
-----------------	---------------------------------------

Number of Teachers:

Phone #:	509-354-6401
-----------------	--------------

Number of Students:

School Name:	Willard Elementary School	Grade Span:	Primary & Middle
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Address:	500 W Longfellow Ave, Spokane, WA 99205
-----------------	---

Number of Teachers:

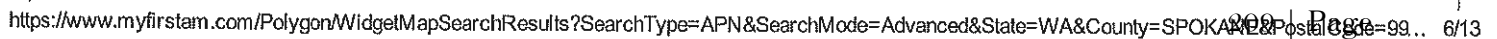
Phone #:	509-354-4444
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Number of Students:	585
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School Name:	Garfield Elementary School	Grade Span:	Primary & Middle
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Address:	222 W Knox Ave, Spokane, WA 99205
-----------------	-----------------------------------

Number of Teachers:



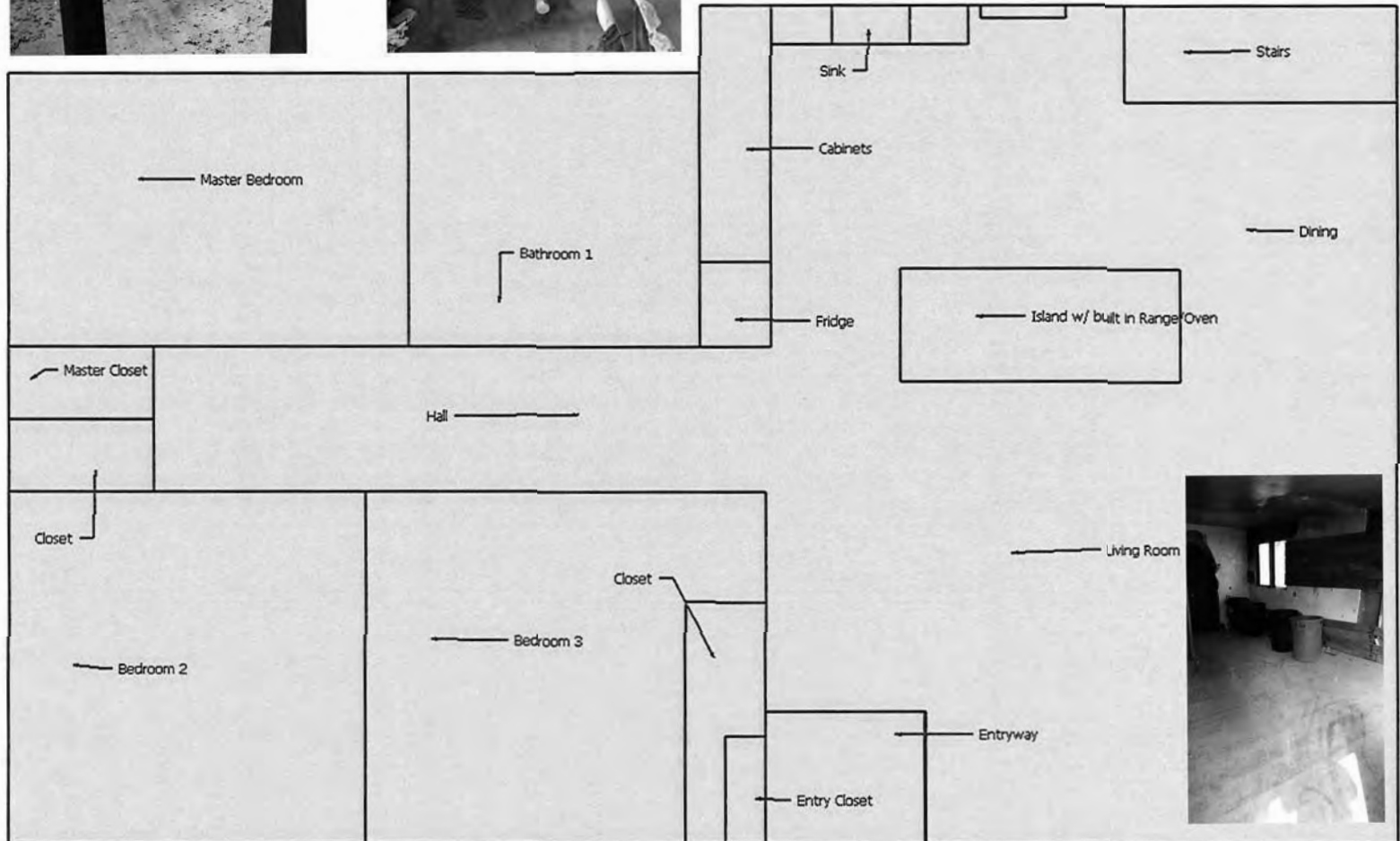
D.	26361.4205	5503 N Walnut ST , Spokane, WA 99205	\$136,000	1952	2	2	1080	04/28/2016	0.42 mi
E.	26361.3006	5525 N Oak ST , Spokane, WA 99205	\$142,500	1952	3	2	1328	06/24/2016	0.45 mi
F.	26364.0321	5418 N Ash ST , Spokane, WA 99205	\$120,500	1943	3	1	1272	05/18/2016	0.48 mi
G.	26362.0101	6215 N Belt ST , Spokane, WA 99205	\$99,000	1951	2	1	1064	05/03/2016	0.50 mi
H.	26211.4314	9223 N Rosebury LN , Spokane, WA 99208	\$250,920	2015	3	2	1329	02/23/2016	0.51 mi
I.	26362.1006	6110 N Nettleton ST , Spokane, WA 99205	\$134,000	1952	3	1.5	1384	02/17/2016	0.53 mi
J.	26364.0316	5324 N Ash ST , Spokane, WA 99205	\$103,000	1943	3	1	1142	02/10/2016	0.53 mi
K.	26362.1010	6022 N Nettleton ST , Spokane, WA 99205	\$132,639	1952	3	1	1080	06/15/2016	0.54 mi
L.	36311.0805	6207 N Howard ST , Spokane, WA 99205	\$145,000	1955	3	1.5	1336	06/01/2016	0.55 mi
M.	26253.1814	2412 W Francis AVE , Spokane, WA 99205	\$114,000	1958	3	1.5	1352	06/10/2016	0.62 mi
N.	26253.2111	2420 W Rosewood AVE , Spokane, WA 99208	\$163,000	1998	3	2.5	1248	04/04/2016	0.64 mi
O.	36311.1119	6012 N Stevens ST , Spokane, WA 99205		1980	2	1	1125	02/23/2016	0.65 mi
P.	26364.1914	5314 N Elgin ST , Spokane, WA 99205	\$138,500	1943	3	2	1332	04/06/2016	0.66 mi
Q.	26364.0709	5107 N Walnut ST , Spokane, WA 99205	\$75,851	1927	3	1	1142	03/11/2016	0.66 mi
R.	36313.0819	5214 N Monroe ST , Spokane, WA 99205	\$145,000	1970	2	1	1380	03/23/2016	0.69 mi
S.	26364.1224	5022 N Oak ST , Spokane, WA 99205	\$163,000	2005	3	2	1392	01/20/2016	0.73 mi
T.	26362.0125	6128 N Alberta ST , Spokane, WA 99205	\$40,000	1950	3	1	1068	06/30/2016	0.74 mi
U.	36304.2116	6608 N Washington ST , Spokane, WA 99208	\$132,000	1958	3	1	1200	04/27/2016	0.75 mi
V.	36304.1106	6717 N Washington ST , Spokane, WA 99208	\$130,000	1958	3	1.5	1248	03/08/2016	0.76 mi
W.	26253.0112	6618 N Alberta ST , Spokane, WA 99208	\$211,000	1959	3	1.5	1138	06/28/2016	0.77 mi
X.	36313.2916	4918 N Cedar ST , Spokane, WA 99205	\$108,000	1948	3	1	1140	04/26/2016	0.77 mi
		7005 N Stevens ST ,							

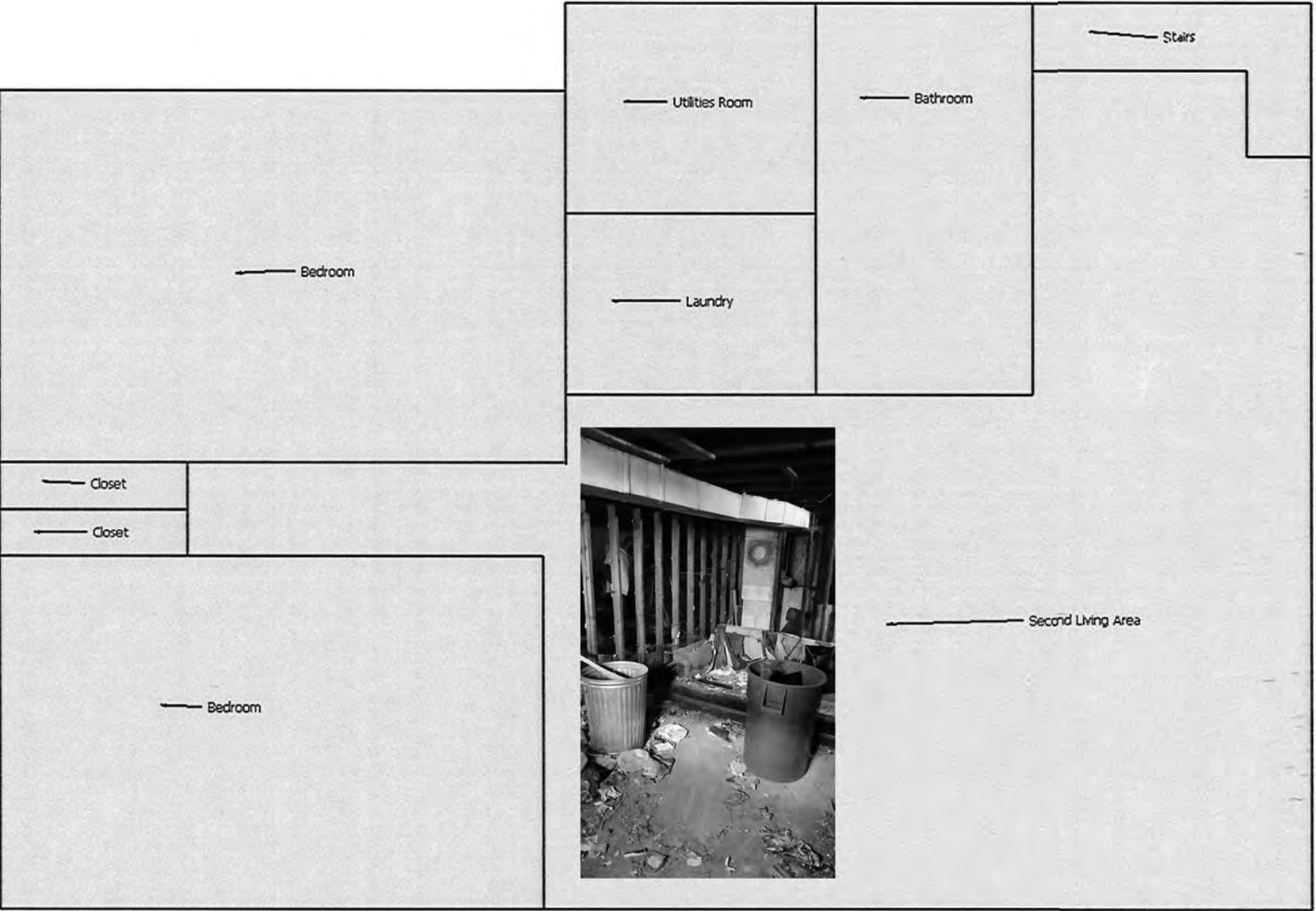
Neighbors**6117 N Cedar St, Spokane, WA 99205****7/13/2016**

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*First American***myFirstAm® Street Map****6117 N Cedar St, Spokane, WA 99205****Street Map****6117 N Cedar St, Spokane, WA 99205****7/13/2016**

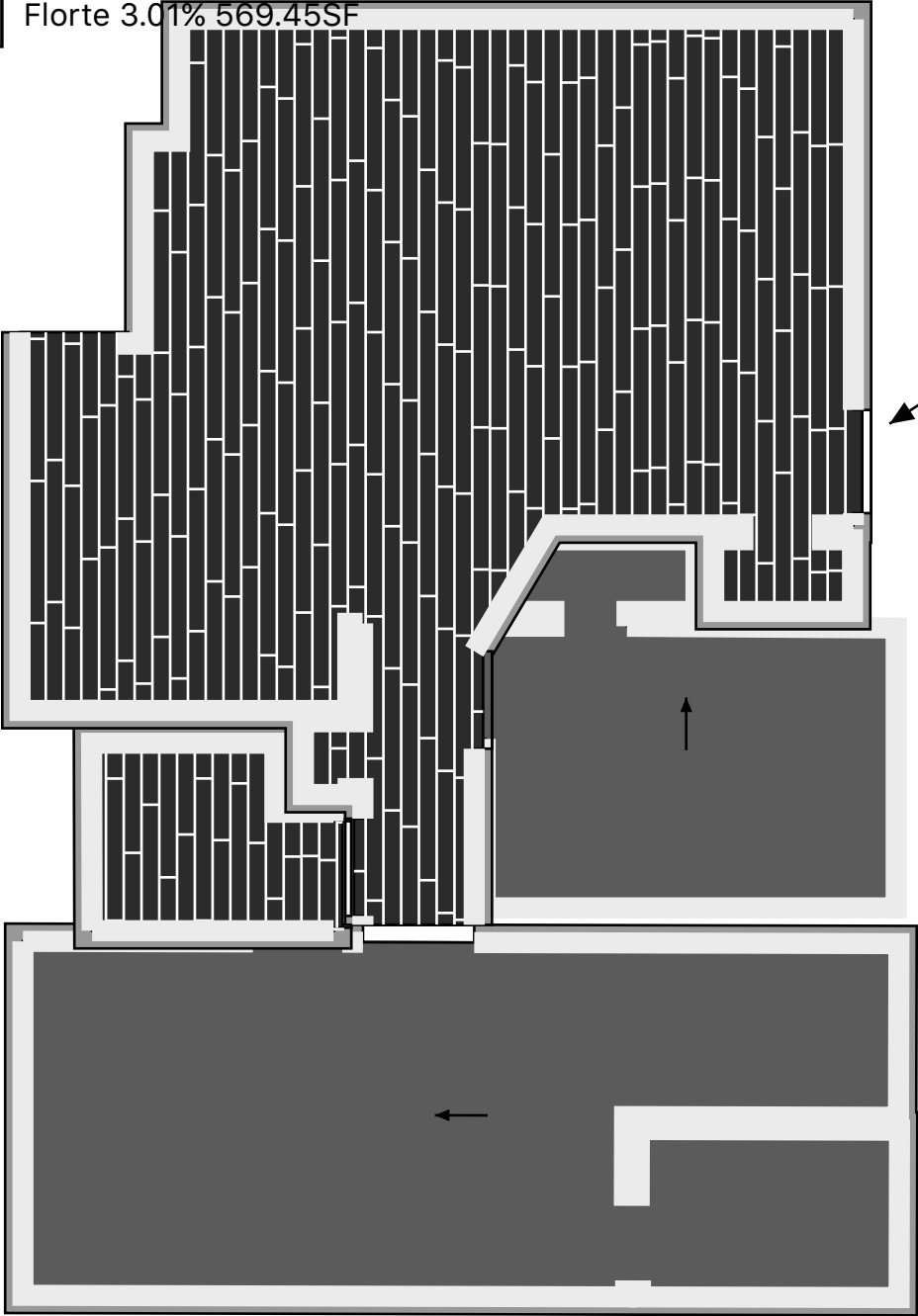
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Cedar (New Floor 1/2)

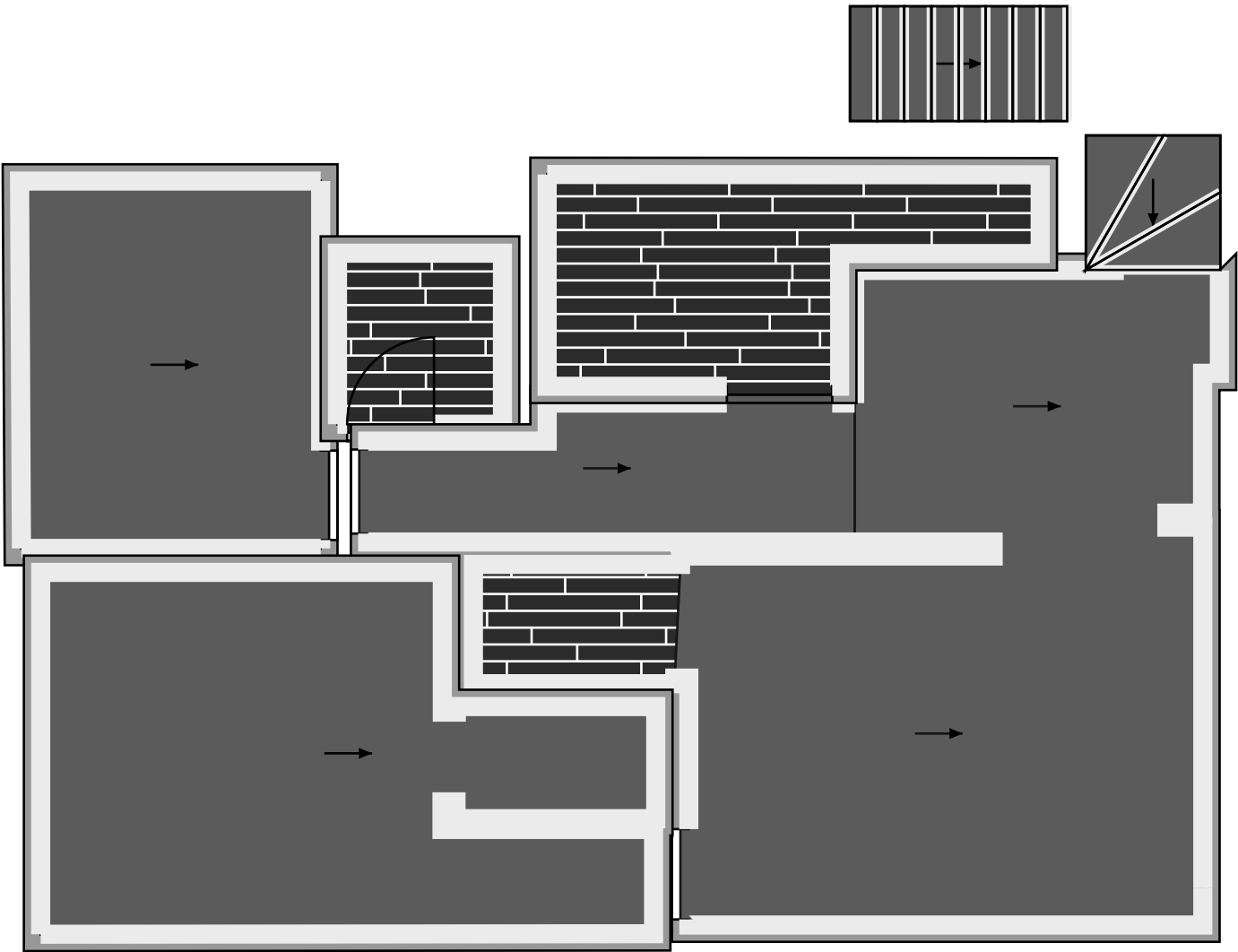
- 19410 20.74% 139.4076SY
- Wood trim 0.00% 569.0LF
- Tack strip 0.00% 131.1LF
- Florte 3.01% 569.45SF



Front door

Cedar (New Floor 2/2)

- 19410 20.74% 139.4076SY
- Wood trim 0.00% 569.0LF
- Tack strip 0.00% 131.1LF
- Florte 3.01% 569.45SF



Rm7



Rm7



From:

From: Michelle [REDACTED]

[REDACTED] Dawn [REDACTED]

Sent: Tuesday, September 20, 2016 9:10 AM

To: Michelle [REDACTED] Lee Arnold

[REDACTED]
Cc: Lori [REDACTED]

Subject: RE: [REDACTED] Estate

For your records, I've attached a conformed copy of the Affidavit of Publication of Notice to Creditors. The time period for any creditors to make any claims on the estate would be up as of January 3, 2017. We will be able to close down the estate any time after that date. I've mailed a hard copy of this document directly to Ms. [REDACTED] for her records. Thanks.

Dawn A. [REDACTED]

John H. [REDACTED]

Olson, Loeffler & Landis, P.S.
Attorneys at Law
8414 North Wall Street, Suite A
Spokane, WA 99208-6171
[REDACTED]

From: Michelle [REDACTED]

Sent: Monday, August 29, 2016 4:30 PM

To: Dawn [REDACTED] Lee Arnold

Cc: Lori [REDACTED]

Subject: RE: [REDACTED] Estate

Hello Dawn,

We will work on getting a copy of the death certificate on our end. Please go ahead and schedule the

closing.

Thank you for the update,

Michelle [REDACTED]
[REDACTED]

Secured Investment Corp
1121 E Mullan Avenue
Coeur d'Alene, ID 83814
800-971-5988 x1805

From: Dawn [REDACTED]
Sent: Monday, August 29, 2016 4:25 PM
To: Lee Arnold <[REDACTED]>
Cc: Michelle [REDACTED] Lori [REDACTED]
[REDACTED]
Subject: [REDACTED] Estate

Lee,

Mr. [REDACTED] asked that I send you this email. I just got off the phone with Colleen [REDACTED] as I was asking for a copy of the death certificate for Sharron [REDACTED] for our file. She indicated to me that she may not have a copy anymore and was going to look for it. If she does not have one, she'll have to request one and until she can get a copy, Mr. [REDACTED] is suggesting that you wait to sign any purchase and sale agreement until we have a copy in our possession. Thanks.

Dawn A. [REDACTED]
[REDACTED] **John** [REDACTED]

Olson, Loeffler & Landis, P.S.
Attorneys at Law
8414 North Wall Street, Suite A
Spokane, WA 99208-6171
[REDACTED]

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STATE OF WASHINGTON
DEPARTMENT OF HEALTH

CERTIFICATE OF DEATH

CERTIFICATE NUMBER: 2013-008140

LOCAL FILE NUMBER: 1705

DATE ISSUED: 08/30/2016

FEE NUMBER: 0003201071

GIVEN NAMES: SHARRON
LAST NAME: [REDACTED]

COUNTY OF DEATH: SPOKANE
DATE OF DEATH: MAY 05, 2013
HOUR OF DEATH: 06:40 P.M.
SEX: FEMALE
AGE: 74 YEARS

SOCIAL SECURITY NUMBER: [REDACTED]

HISPANIC ORIGIN: NO, NOT HISPANIC
RACE: WHITE

BIRTHDATE: DECEMBER 16, 1938
BIRTHPLACE: SPOKANE, WASHINGTON

MARITAL STATUS: DIVORCED
SPOUSE:

OCCUPATION: HOUSEKEEPER
INDUSTRY: HOTEL
EDUCATION: HIGH SCHOOL GRADUATE OR GED COMPLETED
US ARMED FORCES? NO

INFORMANT: COLLEEN [REDACTED]
RELATIONSHIP: DAUGHTER
ADDRESS: 5321 N A STREET, SPOKANE, WA 99205

PLACE OF DEATH: HOSPITAL
FACILITY OR ADDRESS: PROVIDENCE SACRED HEART MEDICAL CENTER
CITY, STATE, ZIP: SPOKANE, WASHINGTON 99204

RESIDENCE STREET: 6117 N CEDAR
CITY, STATE, ZIP: SPOKANE, WASHINGTON 99205
INSIDE CITY LIMITS? YES
COUNTY: SPOKANE
TRIBAL RESERVATION: NOT APPLICABLE
LENGTH OF TIME AT RESIDENCE: 44 YEARS

FATHER/PARENT: WALTER [REDACTED]
MOTHER/PARENT: [REDACTED]

METHOD OF DISPOSITION: CREMATION
PLACE OF DISPOSITION: FOOTHILLS CREMATORY
CITY, STATE: SPOKANE, WA
DISPOSITION DATE: MAY 08, 2013

FUNERAL FACILITY: SPOKANE CREMATION & FUNERAL SERVICE
ADDRESS: 2832 N RUBY
CITY, STATE, ZIP: SPOKANE WA 99207
FUNERAL DIRECTOR: WILLIAM D ROSSEY

- CAUSE OF DEATH:
- A. LEFT LOBAR PNEUMONIA
INTERVAL: HOURS
 - B. UNSTABLE C1-C2 FRACTURES WITH SPINAL CORD SWELLING, SURGICALLY REPAIRED
INTERVAL: 4 DAYS
 - C. BLUNT IMPACT - FALL
INTERVAL: 4 DAYS
 - D.
INTERVAL:

OTHER CONDITIONS CONTRIBUTING TO DEATH:
THROMBOCYTOPENIA, UNKNOWN CAUSE

DATE OF INJURY: MAY 01, 2013
HOUR OF INJURY: UNKNOWN
INJURY AT WORK? NO
PLACE OF INJURY: RESIDENCE

LOCATION OF INJURY: 6117 N CEDAR ST

CITY, STATE, ZIP: SPOKANE, WASHINGTON 99205
COUNTY: SPOKANE
DESCRIBE HOW INJURY OCCURRED:
FELL WHILE WALKING OUTSIDE AT HOME

MANNER OF DEATH: ACCIDENT
AUTOPSY: NO

AVAILABLE TO COMPLETE THE CAUSE OF DEATH? NOT APPLICABLE
DID TOBACCO USE CONTRIBUTE TO DEATH? NO
PREGNANCY STATUS, IF FEMALE: NOT APPLICABLE

ME/CORONER: SALLY S. AIKEN, MD
TITLE: MEDICAL EXAMINER
ME/CORONER
ADDRESS: 5901 N LIDGERWOOD ST STE 24B
CITY, STATE, ZIP: SPOKANE WA 99208
DATE SIGNED: MAY 06, 2013

STATUS OF DECEDENT, IF A TRANSPORTATION INJURY:
NOT APPLICABLE

ITEM(S) AMENDED: NONE

NUMBER(S): NONE
DATE(S): NONE

CASE REFERRED TO ME/CORONER: NO
FILE NUMBER: 13-1485
ATTENDING PHYSICIAN:
NOT APPLICABLE

LOCAL DEPUTY REGISTRAR:
PEGGY WETMORE
DATE RECEIVED: MAY 08, 2013



SPO REG HLTH DIST
1701 COLLEGE AVE RM 1
SPOKANE, WA 99201

al Health District

venue

Invoice	VR-INV-1000050863
Date	8/30/2016
Page	1

08/30/2016 14:49:22

DEBIT CARD

DEBIT SALE

Card # XXXXXXXXXXXX8714
Network: MAESTRO
Chip Card: US DEBIT
AID: A0000000960840
ATC: 000B
TC: ED79AF4C98038AF0
SEQ #: 21
Batch #: 275
INVOICE 22
Approval Code: 932518
Entry Method: Chip Read
Mode: Issuer - PIN Verified

me:

Paid By:

LORI PETERSEN-PHILLI

SALE AMOUNT \$20.00

CUSTOMER COPY

		Due Date	Master No.	
		8/30/2016	78838	
	Fee Description	Discount	Unit Price	Ext. Price
	VR-DEATH - 1ST CERTIFICATE	\$0.00	\$20.00	\$20.00
Total				\$20.00
Payment Received				\$20.00
Balance	222 Page			\$0.00

From: [REDACTED]
Sent: Wednesday, August 24, 2016 9:01 AM
To: Lee Arnold; Accounting
Cc: Lori Phillips; Cheryl Young; Michelle Mendez
Subject: RE: Dickey Estate

Good morning Lee.

We have obtained the court's order appointing Colleen [REDACTED] as administrator of the [REDACTED] estate. The order included nonintervention authority which means the Colleen may sign documents to sell the property at this time. We have sent her copies of the court's order and the letters of administration.

Thank you.

John H. Loeffler

8414 N. Wall, Suite A
Spokane, Wa 99208-6171
Phone: [REDACTED]
[REDACTED]

"ASAP"

8/24/16. Called and left message John will call back

From: Lee Arnold [mailto:[REDACTED]]
Sent: Wednesday, August 10, 2016 7:21 PM
To: John L; Accounting
Cc: Lori Phillips; Cheryl Young; Michelle Mendez
Subject: Re: HELP!!!

Hi John,

I apologize, I thought the retainer had been sent.

Accounting- please
Asked the retainer to John's office.

Thanks,

Lee A. Arnold
CEO
Secured Investment Corp/
Cogo Capital.com
800-341-9918

"Nations Fastest Growing Provider of Private Funds to Real Estate Investors, Nation Wide".
Ask about becoming a private money lender through our nationwide platform!
Sent from my iPhone

*May 5 2013
May Kane
SPK
dskc - Heret*

On Aug 10, 2016, at 4:22 PM, John L. <[REDACTED]> wrote:

Lee,

I will need to file the probate. We do not need to serve Mr. [REDACTED] with the documents. The important thing for us is to file the probate and attempt to get non-intervention authority. We would appreciate the retainer forwarded to our office as we will need the filing fee.

Thanks.

John H. Loeffler

8414 N. Wall, Suite A
Spokane, Wa 99208-6171
Phone [REDACTED]
[REDACTED]

From: Lee Arnold [mailto:[REDACTED]]
Sent: Wednesday, August 10, 2016 3:59 PM
To: [REDACTED] Matthew; [REDACTED] Dawn [REDACTED]
Cc: [REDACTED] Lori [REDACTED] Michelle [REDACTED] Cheryl [REDACTED]
Subject: RE: HELP!!!

Thanks for the heads up Matthew.

John – is there anything we can do with this gentlemen while he is incarcerated to expedite the sales process?

Please let us know,

Lee Arnold
CEO

Secured Investment Corp
1121 E Mullan Ave.
Coeur d'Alene ID 83814
Tel: 800.341.9918 [REDACTED]
Fax: 888.897.0237

<image001.png>
www.SecuredInvestmentCorp.com

<image002.png><image003.png><image004.png><image005.png>

From: [REDACTED], Matthew [mailto:m[REDACTED]]
Sent: Wednesday, August 10, 2016 3:06 PM
To: Lee Arnold <[REDACTED]>; [REDACTED] Dawn [REDACTED]
[REDACTED]
Cc: [REDACTED] Lori [REDACTED]
Subject: RE: HELP!!!
Importance: High

Michael [REDACTED] (6117 N. Cedar) was arrested for 1st degree trespass today. He is being held on a booking exception. Starting immediately there is a likely 24 hour window to contact Mr. [REDACTED] at the Spokane County jail.

<image006.jpg>

Matthew [REDACTED] City of Spokane | Office of the City Attorney | Assistant City Attorney
[REDACTED]
808 W. Spokane Falls Blvd. 5th Floor, Municipal Bldg. Spokane, WA 99201-3326
<image007.png> <image008.png> <image009.png>

Confidential & Privileged
Legal Materials

Your cooperation is requested; no disclosure authorized
without express consent of client(s) and City Attorney.

From: [REDACTED] Matthew
Sent: Tuesday, July 26, 2016 8:17 AM
To: 'Lee Arnold'; [REDACTED]
Cc: [REDACTED]
Subject: RE: HELP!!!

This is excellent news. Great work Lee! The SPD has not filed a chronic nuisance abatement on 6117 N. Cedar and we will hold off as long as you are making progress. The property has been placed into the building official process and has a status hearing August 16 at 1:30. I would recommend contacting Melissa [REDACTED] as she is point on this property for code enforcement.

Please keep me in the loop. I am very interested in how this legal process works for Mr. [REDACTED]

Lee – if we come into contact with Michael, who should we put him into contact with?

Best Regards,

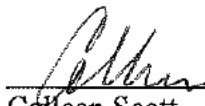


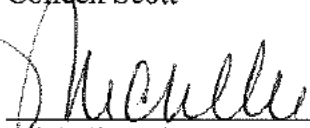


<image006.jpg>

Matthew [REDACTED] City of Spokane | Office of the City Attorney | Assistant City Attorney
[REDACTED]
808 W. Spokane Falls Blvd. 5th Floor, Municipal Bldg. Spokane, WA 99201-3326
<image007.png> <image008.png> <image009.png>

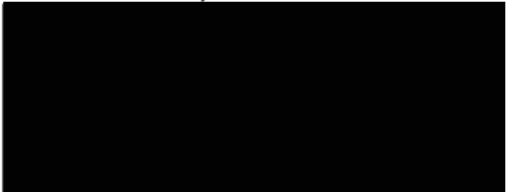
AUTHORIZATION FORM DATED 7/24/2016

I, Colleen [REDACTED] and Michelle [REDACTED], hereby authorize Escalade Properties, LLC, Lee A. Arnold, Washington State Real Estate Agent and Managing Member of Escalade Properties, LLC and Lori [REDACTED] Washington State Licensed Real Estate Agent, to discuss my deceased mother's property located at 6117 North Cedar Ave Spokane WA 99205. Our mother passed away several years ago and did not have a will. We are authorizing the above parties' permission to discuss the property with any state appointed representative, or attorney, or necessary individual to assist us in being able to sell this property to Escalade Properties LLC, Located at 1121 E. Mullan Ave Coeur d'Alene, ID 83814. This Authorization will remain in effect until I (we) specifically notify said parties that this authorization is void or no longer valid.

Property Address: 6117 North Cedar Road Spokane WA 99205

 Colleen Scott		7-25-16 Date	 PH#
 Michelle Bell		7/25/16 Date	 PH#

Lee A. Arnold
Lori Phillips
Secured Investment Corp
1121 E. Mullan Ave
Coeur d' Alene, ID 83814





OFFICE OF
NEIGHBORHOOD SERVICES
CODE ENFORCEMENT
808 W. SPOKANE FALLS BLVD.
SPOKANE, WASHINGTON 99201-3343

July 14, 2016

**NOTICE OF SUMMARY HEARING
CERTIFIED**

Sharon [REDACTED]
6117 N Cedar St
Spokane WA 99205

**RE: BUILDING OFFICIAL'S SUMMARY HEARING OF AN ABANDONED, UNFIT, AND
SUBSTANDARD HOUSE AT 6117 N CEDAR, SPOKANE, WASHINGTON 99205**

PARCEL NO: 26361.0108

LEGAL DESCRIPTION: SPECKS ADD S51FT L7 B1

This letter serves as notice that a Summary Hearing was held before me on July 14, 2016, the Building Official for the City of Spokane, regarding the aforementioned property. At the Summary Hearing, Code Enforcement staff presented evidence of ownership and conditions of this property. The following are the findings of facts that resulted in a Spokane Police Department Civil Enforcement Unit referred complaint June 17, 2016 and evidence provided by SPD resulting from Law Enforcement action on July 6, 2016.

FINDINGS

VIOLATION OF SMC 17F.070.400 SUBSTANDARD BUILDING

- A. Dilapidation: exterior decay, water damage. Findings: Peeling paint, dilapidated eaves and soffits. SPD body cam shows damage to siding.
- B. Structural defects: foundation, wall and roof framing. Findings: SPD reports caving in roof with missing shingles and holes. SPD reports holes in walls and body cam shows holes through siding.
- C. Unsanitary conditions: waste accumulation, health hazards. Findings: Yard waste, scrap wood, possible junk vehicle, and miscellaneous debris in yard. Water off since September 15, 2015, therefore there is no water for sanitation. Garbage collection stopped since September 15, 2015. SPD body cam shows interior full of garbage and waste that almost completely impedes movement in most rooms. SPD report #16-246738 states that black mold was visible throughout the house. SPD body cam shows bottles filled with urine and bathroom demolished with no operable plumbing fixtures. SPD report #16-246738 states residence floor completely covered by debris, garbage, and broken down furniture, and that garbage in the house was piled almost ceiling high to the point of impeding the effectiveness of a K-9 unit.
- D. Defective/inoperable plumbing. Findings: Water off since September 15, 2015, therefore there is no water for sanitation.
- E. Inadequate weatherproofing: siding, roofing, glazing. Findings: Roll roofing may not be effective. Eaves are damaged. SPD reports broken windows and body cam shows windows covered with screens and plastic. Body cam shows holes in siding. SPD report #16-246738 states front door off hinges.
- G. Inoperable or inadequate heating system. Findings: Avista reports power off at meter since January 14, 2016, therefore there is no power for a heating system. SPD reports furnace broken and use of combination of metal newspaper stand, barbeque smoker, and keratin fuel as heat source.
- H. Hazardous electrical conditions. Findings: Avista meter dismantled. SPD body cam shows holes in ceiling where overhead light fixtures likely once were. SPD body cam shows outlets removed from walls inside or otherwise damaged.

- L. Defects increasing the hazards of fire, accident or other calamity. Findings: SPD reports use of combination of metal newspaper stand, barbeque smoker, and kerosene fuel as heat source. SPD report #16-246738 states occupant was having fires inside residence on living room floor. SPD report #16-246738 states residence full of hazardous debris including sharp sticks. SPD reports doors are unable to lock. Yard waste pile in rear yard held together with garden hose. SPD body cam shows and SPD report #16-246738 confirms interior walls either stripped down to studs or have holes through drywall throughout majority of house. Body cam shows door barricaded with large appliance creating obstruction to evacuation in case of fire. Body cam shows house interior filled with garbage and waste that impedes movement and could cause falling or tripping hazards and prevent access and impede movement by first responders or fire fighters. SPD report #16-246738 states the basement stairwell completely filled with debris. SPD report #16-246738 states that evidence of habitation were present including fresh food and a cot. All these defects increase the hazards of fire, accident, or other calamity in the house.

VIOLATION OF SMC 10.08A.020 H(1)(f)(ii)(5) An abandoned or vacant building, structure, or part thereof not securely closed to entry.

VIOLATION OF UNFIT SMC 17F.070.410

The building is unfit due to quantity and extent of substandard conditions. The building official or hearing examiner may determine that the building/structure is unfit for human habitation and order demolition if any of the substandard conditions listed in SMC 17F.070.400 are found to exist to such an extent as to be dangerous or injurious to the health or safety of the building's occupants or community.

The building official or hearing examiner may order demolition if any of the substandard conditions listed in SMC 17F.070.400 are found to exist to such an extent as to be dangerous or injurious to the health or safety of the buildings occupants or community.

BUILDING OFFICIAL'S ORDER

Conditions on the property are substandard due to no water, no power, and other noted conditions as defined by Spokane Municipal Code SMC 17F.070.400, and are a nuisance as defined in SMC 10.08A.020 due to: unsecured buildings, and may be considered abandoned under SMC 17F.070.030.

The conditions noted above warrant a **"DO NOT OCCUPY"** order for the safety and protection of occupants and public. By authority of SMC 17F.070.510 entitled "Emergency Action," I hereby order the occupants to vacate the house and garage and to not allow residency.

By authority of SMC 17F.070.510 entitled "Emergency Action," I hereby order the City of Spokane to securely board the house and garage immediately upon executing the DO NOT OCCUPY order. The charge for boarding will be placed as a lien on the property.

Lifting of the "DO NOT OCCUPY" order may be considered before the hearing date if violations are remedied through reconnection of utilities through legal means including permits and inspections. Call the Inspector Supervisor at 625-6108 for an inspection of the property before re-occupation.

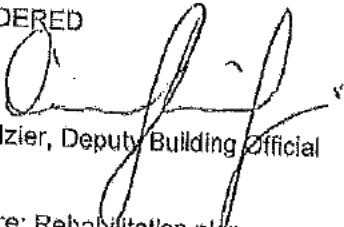
The buildings are to be kept secure and are not to be occupied until such time as repairs are made, permits are issued, and inspections complete.

The charge for boarding will be placed as a lien on the property.

Please note: Prior to any demolition activity, contact Spokane Regional Clean Air Agency at (509) 477-4727. The inspection results are required by the Washington State Department of Labor and

Industries to be maintained on file and available upon request by the Department of Labor and Industries (WAC 296-62-07721).

SO ORDERED


D. Skindzier, Deputy Building Official

Enclosure: Rehabilitation plan
Sharon 

DS:CK:mh\

PC: D.  Deputy Building Official

Rehabilitation or Demolition Plan

****Due no later than one week prior to Hearing****



Office of Neighborhood
Services and Code
Enforcement
808 W Spokane Falls Blvd.
Spokane WA 99201-3333
(509)625-6083
Fax (509)625-6802
beautifyspokane.org

Your Hearing Date _____

I plan to: Rehab <input type="checkbox"/>	Demo <input type="checkbox"/>
Property Address:	

Notarized documentation must be provided for any authorized representative of the property owner.

Property Owner	
Mailing Address	
City, State, Zip	
Phone with area code	
email	

Office Use Only

Plan Approved By

Date

Contractor Name		Business License #	
Address		City, State, Zip	
Phone with area code		Email address	

Home owners *cannot* obtain permits under SMC 17G.010.070 for:

- Structures exceeding 12 units
- Structures exceeding three stories in height
- The purpose of selling a property. Homeowners must own and occupy the house for at least one year before certain permits will be issued.
- Mechanical work such as gas appliances

Building permits can be issued to the owner for occupancies, including rentals.

Permits are issued on condition that all work be done by the owner-permittee and others as allowed by law.

An electrical permit will be issued to an owner on condition that all work be done by the owner. Owner may receive help from a friend, but not for payment. Electrical contractors must apply for their own permit.

Contact the City Building Department at (509) 625-6300 for information on required permits.

_____ Please initial here acknowledging your understanding of the permit requirements.

Please provide Cost estimates on the reverse side of this form. Incomplete forms will not be accepted.

Rehab or Demo Plan page 2. Cost Estimates and Plan to Secure

The Following Section should correspond to the "Findings" section of your Building Official Letter	\$ Cost Estimate \$
A. Dilapidation: Exterior decay, water damage	
B. Structural defects: Foundation, wall and roof framing	
C. Unsanitary Conditions: Waste accumulation, health hazards	
D. Defective/inoperable plumbing	
E. Inadequate Weatherproofing: siding roofing and glazing	
G. Inoperable or inadequate heating system	
H. Hazardous electrical conditions	
J. Structure used in the manufacture of methamphetamine or any other illegal drugs and has been condemned by the Spokane County Health District and the owner has failed to abate the nuisance condition	
K. Fire Damaged structure	
L. Defects increasing the hazards of fire , accident or other calamity	
Demolition Cost	
Other: Please identify _____	
Grand Total:	
**My plan to keep this building secure is:	

_____ (initial) I am aware that an asbestos survey may be required prior to beginning this plan.

I certify by my signature below that I have the financial resources to complete the rehabilitation:

Estimated Starting Date

Estimated Completion

****Required**

AUTHORIZATION FORM DATED 7/24/2016

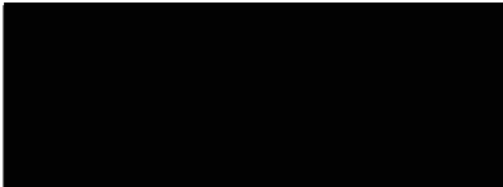
I, Colleen Scott and Michelle Bell, hereby authorize Escalade Properties, LLC, Lee A. Arnold, Washington State Real Estate Agent and Managing Member of Escalade Properties, LLC and Lori Phillips, Washington State Licensed Real Estate Agent, to discuss my deceased mother's property located at 6117 North Cedar Ave Spokane WA 99205. Our mother passed away several years ago and did not have a will. We are authorizing the above parties' permission to discuss the property with any state appointed representative, or attorney, or necessary individual to assist us in being able to sell this property to Escalade Properties LLC, Located at 1121 E. Mullan Ave Coeur d'Alene, ID 83814. This Authorization will remain in effect until I (we) specifically notify said parties that this authorization is void or no longer valid.

Property Address: 6117 North Cedar Road Spokane WA 99205

Colleen Scott	Date	PH#
---------------	------	-----

Michelle Bell	Date	PH#
---------------	------	-----

Lee A. Arnold
Lori Phillips
Secured Investment Corp
1121 E. Mullan Ave
Coeur d' Alene, ID 83814



RESIDENTIAL REAL ESTATE PURCHASE AND SALE AGREEMENT
SPECIFIC TERMS

1. Date: July 25, 2016 MLS No.: _____ Offer Expiration Date: 1/1/17 *see addendum*
2. Buyer: Escalade Properties, LLC A limited liability company
3. Seller: Colleen [redacted] Michelle [redacted] Status
4. Property: Tax Parcel No(s): 26361.0108 (Spokane County)
6117 N Cedar Street Spokane WA 99205
Address City State Zip
Legal Description: Attached as Exhibit A.
5. Included Items: ☐ stove/range; ☐ refrigerator; ☐ washer; ☐ dryer; ☐ dishwasher; ☐ hot tub; ☐ fireplace insert;
☐ wood stove; ☐ satellite dish; ☐ security system; ☐ attached television(s); ☐ attached speaker(s); ☐ microwave;
☒ other Any thing left in the property 5 days after settlement will become the property of the buyer
6. Purchase Price: \$ 25,000.00 Twenty-Five Thousand Dollars
7. Earnest Money: \$ 500.00 ☐ Check; ☐ Note; ☒ Other Promissory Note (held by ☐ Selling Firm; ☒ Closing Agent)
8. Default: (check only one) ☐ Forfeiture of Earnest Money; ☐ Seller's Election of Remedies
9. Title Insurance Company: Alissa Razykowski Gustafson Law
10. Closing Agent: ☐ a qualified closing agent of Buyer's choice; ☒ Alissa Razykowski Gustafson Law
11. Closing Date: 10/19/2016; Possession Date: ☐ on Closing; ☒ Other 5 days after settlement
12. Services of Closing Agent for Payment of Utilities: ☐ Requested (attach NWMLS Form 221C); ☒ Waived
13. Charges/Assessments Levied Before but Due After Closing: ☒ assumed by Buyer; ☐ prepaid in full by Seller at Closing
14. Seller Citizenship (FIRPTA): Seller ☐ is; ☒ is not a foreign person for purposes of U.S. income taxation
15. Agency Disclosure: Selling Broker represents: ☐ Buyer; ☐ Seller; ☐ both parties; ☒ neither party
Listing Broker represents: ☐ Seller; ☐ both parties
16. Addenda: See Addendum #1

Escalade Properties, LLC 9/25/16
Buyer's Signature Date
Colleen Williams, Realty
Buyer's Signature Date
1121 E. Mountain Ave
Buyer's Address
Coeur d'Alene, ID 83814
City, State, Zip
[redacted]
Phone No. [redacted] Fax No. [redacted]
Buyer's E-mail Address
kelor.williams@realtor.com
Selling Firm MLS Office No.
Selling Broker (Print) Colleen Williams MLS LAG No.
[redacted] 9/25/16
Phone No. [redacted] Firm Fax No. [redacted]
Selling Firm Document E-mail Address
Selling Broker's E-mail Address
Selling Broker DOL License No. Selling Firm DOL License No.

Michelle [redacted] 7/25/16
Seller's Signature Date
Alissa 7-25-16
Seller's Signature Date
Spokane WA 99205
Seller's Address
City, State, Zip
[redacted]
Phone No. [redacted] Fax No. [redacted]
Seller's E-mail Address
5321 N. A St.
Listing Firm MLS Office No.
Spokane WA 99205
Listing Broker (Print) Colleen [redacted] MLS LAG No.
[redacted]
Phone No. [redacted] Firm Fax No. [redacted]
Listing Firm Document E-mail Address
Listing Broker's E-mail Address
Listing Broker DOL License No. Listing Firm DOL License No.

RESIDENTIAL REAL ESTATE PURCHASE AND SALE AGREEMENT
GENERAL TERMS

Continued

- a. **Purchase Price.** Buyer shall 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, including funds from loans, the sale of other property, gifts, retirement, or future earnings, except to the extent otherwise specified in this Agreement.
- b. **Earnest Money.** Buyer shall deliver the Earnest Money within 2 days after mutual acceptance to Selling Broker or to Closing Agent. If Buyer delivers the Earnest Money to Selling Broker, Selling Broker will deposit any check to be held by Selling Firm, 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 Firm and is over \$10,000.00 it shall be deposited into an interest bearing trust account in Selling Firm'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 shall reimburse Selling Firm for bank charges and fees in excess of the interest earned, if any. If the Earnest Money held by Selling Firm is over \$10,000.00 Buyer has the option to require Selling Firm 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 Firm 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 Firm 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 Firm or Closing Agent may deduct and pay them therefrom. The parties instruct Closing Agent to provide written verification of receipt of the Earnest Money and notice of dishonor of any check to the parties and Brokers at the addresses and/or fax numbers provided herein.

Upon termination of this Agreement, a party or the Closing Agent may deliver a form authorizing the release of Earnest Money to the other party or the parties. The party(s) shall execute such form and deliver the same to the Closing Agent. If either party fails to execute the release form, a party may make a written demand to the Closing Agent for the Earnest Money. Pursuant to RCW 64.04, Closing Agent shall deliver notice of the demand to the other party within 15 days. If the other party does not object to the demand within 20 days of Closing Agent's notice, Closing Agent shall disburse the Earnest Money to the party making the demand within 10 days of the expiration of the 20 day period. If Closing Agent timely receives an objection or an inconsistent demand from the other party, Closing Agent shall commence an interpleader action within 60 days of such objection or inconsistent demand, unless the parties provide subsequent consistent instructions to Closing Agent to disburse the earnest money or refrain from commencing an interpleader action for a specified period of time. Pursuant to RCW 4.28.080, the parties consent to service of the summons and complaint for an interpleader action by first class mail, postage prepaid at the party's usual mailing address or the address identified in this Agreement. If the Closing Agent complies with the preceding process, each party shall be deemed to have released Closing Agent from any and all claims or liability related to the disbursement of the Earnest Money. If either party fails to authorize the release of the Earnest Money to the other party when required to do so under this Agreement, that party shall be in breach of this Agreement. For the purposes of this section, the term Closing Agent includes a Selling Firm holding the Earnest Money. The parties authorize the party commencing an interpleader action to deduct up to \$500.00 for the costs thereof.

- c. **Included Items.** Any of the following items, including items identified in Specific Term No. 5 if the corresponding box is checked, 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 other fixtures; and all associated operating remote controls. Unless otherwise agreed, if any of the above items are leased or encumbered, Seller shall acquire clear title before Closing.
- 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 or liens not assumed by Buyer, shall be paid or discharged 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.
- e. **Title Insurance.** Seller authorizes Buyer's lender or Closing Agent, at Seller's expense, to apply for the then-current ALTA form of Homeowner's Policy of Title Insurance for One-to-Four Family Residence, from the Title Insurance Company. If Seller previously received a preliminary commitment from a Title Insurance Company that Buyer declines to use, Buyer shall pay any cancellation fees owing to the original Title Insurance Company. Otherwise, the party applying for title insurance shall pay any title cancellation fee, in the event such a fee is assessed. 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 the then-current ALTA standard form Owner's Policy, together with the homeowner's additional protection and inflation protection endorsements, if available. The Title Insurance Company

Buyer's Initials 7/24/16
Date

Buyer's Initials _____
Date

Seller's Initials 7/25/16
Date

Seller's Initials 7-25-16
Date

RESIDENTIAL REAL ESTATE PURCHASE AND SALE AGREEMENT
GENERAL TERMS

Continued

shall send a copy of the preliminary commitment to Seller, Listing Broker, Buyer and Selling Broker. 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.

- f. **Closing and Possession.** This sale shall be closed by the Closing Agent on the Closing Date. If the Closing Date falls on a Saturday, Sunday, legal holiday as defined in RCW 1.16.050, or day when the county recording office is closed, the Closing Agent shall close the transaction on the next day that is not a Saturday, Sunday, legal holiday, or day when the county recording office is closed. "Closing" means the date on which all documents are recorded and the sale proceeds are available to Seller. Seller shall deliver keys and garage door remotes to Buyer on the Closing Date or on the Possession Date, whichever occurs first. Buyer shall be entitled to possession at 9:00 p.m. on the Possession Date. Seller shall maintain the Property in its present condition, normal wear and tear excepted, until the Buyer is entitled to possession. Seller shall not enter into or modify existing leases or rental agreements, 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. If possession transfers at a time other than Closing, the parties shall execute NWMLS Form 65A (Rental Agreement/Occupancy Prior to Closing) or NWMLS Form 65B (Rental Agreement/Seller Occupancy After Closing) (or alternative rental agreements) and are advised of the need to contact their respective insurance companies to assure appropriate hazard and liability insurance policies are in place, as applicable.

RCW 19.27.530 requires the seller of any owner-occupied single-family residence to equip the residence with a carbon monoxide alarm(s) in accordance with the state building code before a buyer or any other person may legally occupy the residence following the sale. The parties acknowledge that the Brokers are not responsible for ensuring that Seller complies with RCW 19.27.530. Buyer and Seller shall hold the Brokers and their Firms harmless from any claim resulting from Seller's failure to install a carbon monoxide alarm(s) in the Property.

- g. **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 shall 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. Notwithstanding the Assignment paragraph of this Agreement, any party completing a Section 1031 like-kind exchange may assign this Agreement to its qualified intermediary or any entity set up for the purposes of completing a reverse exchange.

- h. **Closing Costs and Prorations and Charges and Assessments.** Seller and Buyer shall each pay one-half of the escrow fee unless otherwise required by applicable FHA or VA regulations. Taxes for the current year, rent, interest, and lienable homeowner's association dues shall be prorated as of Closing. Buyer shall 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 such delinquencies at Closing from money due, or to be paid by, Seller. Buyer shall pay for remaining fuel in the fuel tank if, prior to Closing, Seller obtains a written statement from the supplier as to the quantity and current price and provides such statement to the Closing Agent. Seller shall pay all utility charges, including unbilled charges. Unless waived in Specific Term No. 12, 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 shall 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).

Buyer is advised to verify the existence and amount of any local improvement district, capacity or impact charges or other assessments that may be charged against the Property before or after Closing. Seller will pay such charges that are or become due on or before Closing. Charges levied before Closing, but becoming due after Closing shall be paid as agreed in Specific Term No. 13.

- i. **Sale Information.** Listing Broker and Selling Broker are 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 Broker and/or Selling Broker, on request, any and all information and copies of documents concerning this sale.

- j. **Seller Citizenship and FIRPTA.** Seller warrants that the identification of Seller's citizenship status for purposes of U.S. income taxation in Specific Term No. 14 is correct. Seller shall execute a certification (NWMLS Form 22E or equivalent) under the Foreign Investment in Real Property Tax Act ("FIRPTA") at Closing and provide the certification to the Closing Agent. If Seller is a foreign person for purposes of U.S. income taxation, 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.

	<u>7/28/16</u>		<u>7/25/16</u>		<u>7-25-16</u>
Initials	Date	Buyer's Initials	Date	Seller's Initials	Date

RESIDENTIAL REAL ESTATE PURCHASE AND SALE AGREEMENT
GENERAL TERMS

Continued

- k. **Notices.** In consideration of the license to use this and NWMLS's companion forms and for the benefit of the Listing Broker and the Selling Broker 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 Broker or at the licensed office of Listing Broker. 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 Broker or at the licensed office of Selling Broker. Receipt by Selling Broker of a Form 17, Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards, Public Offering Statement or Resale Certificate, homeowners' association documents provided pursuant to NWMLS Form 22D, or a preliminary commitment for title insurance provided pursuant to NWMLS Form 22T shall be deemed receipt by Buyer, Selling Broker and Listing Broker 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 Broker and Listing Broker advised of their whereabouts in order to receive prompt notification of receipt of a notice.
- 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, except for any time period relating to the Possession Date, 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, legal holiday as defined in RCW 1.16.050, or day when the county recording office is closed, shall occur on the next day that is not a Saturday, Sunday, legal holiday, or day when the county recording office is closed. If the parties agree upon and attach a legal description after this Agreement is signed by the offeree and delivered to the offeror, then for the purposes of computing time, mutual acceptance shall be deemed to be on the date of delivery of an accepted offer or counteroffer to the offeror, rather than on the date the legal description is attached. Time is of the essence of this Agreement.
- 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 signed original document or a direct link to such document, and retransmission of any such e-mail, shall be the same as delivery of an original, provided that the e-mail is sent to both Selling Broker and Selling Firm or both Listing Broker and Listing Firm at the e-mail addresses on page one of this Agreement. At the request of either party, or the Closing Agent, the parties will confirm e-mail transmitted signatures by signing an original document.
- n. **Integration and Electronic Signatures.** 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. The parties acknowledge that a signature in electronic form has the same legal effect and validity as a handwritten signature.
- 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.
- 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. 8, 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 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.
- q. **Professional Advice and Attorneys' Fees.** Buyer and Seller are advised to seek the counsel of an attorney and a certified public accountant to review the terms of this Agreement. Buyer and Seller shall pay their own fees incurred for such review. However, 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 shall 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 received by Buyer, by Selling Broker or at the licensed office of Selling Broker. If this offer is not so accepted, it shall lapse and any Earnest Money shall be refunded to Buyer.

Buyer's Initials

Date

Buyer's Initials

Date

Seller's Initials

Date

Seller's Initials

Date

RESIDENTIAL REAL ESTATE PURCHASE AND SALE AGREEMENT
GENERAL TERMS

Continued

- s. **Counteroffer.** Any change in the terms presented in an offer or counteroffer, other than the insertion of the Seller's name and the Seller's warranty of citizenship status, shall be considered a counteroffer. If a party makes a counteroffer, then the other party 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 received by the other party, the other party's broker, or at the licensed office of the other party's broker. If the counteroffer is not so accepted, it shall lapse and any Earnest Money shall be refunded to Buyer. 173 174 175 176 177 178
- t. **Offer and Counteroffer Expiration Date.** If no expiration date is specified for an offer/counteroffer, the offer/counteroffer shall expire 2 days after the offer/counteroffer is delivered by the party making the offer/counteroffer, unless sooner withdrawn. 179 180 181
- u. **Agency Disclosure.** Selling Firm, Selling Firm's Designated Broker, Selling Broker's Branch Manager (if any) and Selling Broker's Managing Broker (if any) represent the same party that Selling Broker represents. Listing Firm, Listing Firm's Designated Broker, Listing Broker's Branch Manager (if any), and Listing Broker's Managing Broker (if any) represent the same party that the Listing Broker represents. If Selling Broker and Listing Broker are different persons affiliated with the same Firm, then both Buyer and Seller confirm their consent to Designated Broker, Branch Manager (if any), and Managing Broker (if any) representing both parties as dual agents. If Selling Broker and Listing Broker are the same person representing both parties then both Buyer and Seller confirm their consent to that person and his/her Designated Broker, Branch Manager (if any), and Managing Broker (if any) representing both parties as dual agents. All parties acknowledge receipt of the pamphlet entitled "The Law of Real Estate Agency." 182 183 184 185 186 187 188 189 190
- v. **Commission.** Seller and Buyer shall pay a commission in accordance with any listing or commission agreement to which they are a party. The Listing Firm's commission shall be apportioned between Listing Firm and Selling Firm as specified in the listing. Seller and Buyer hereby consent to Listing Firm or Selling Firm receiving compensation from more than one party. Seller and Buyer hereby assign to Listing Firm and Selling Firm, 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 Firm(s). In any action by Listing or Selling Firm to enforce this paragraph, the prevailing party is entitled to court costs and reasonable attorneys' fees. Seller and Buyer agree that the Firms are intended third party beneficiaries under this Agreement. 191 192 193 194 195 196 197 198
- w. **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. 199 200 201
- x. **Information Verification Period and Property Condition Disclaimer.** Buyer shall have 10 days after mutual acceptance to verify all information provided from Seller or Listing Firm related to the Property. This contingency shall be deemed satisfied unless Buyer gives notice identifying the materially inaccurate information within 10 days of mutual acceptance. If Buyer gives timely notice under this section, then this Agreement shall terminate and the Earnest Money shall be refunded to Buyer. 202 203 204 205 206

Buyer and Seller agree, that except as provided in this Agreement, all representations and information regarding the Property and the transaction are solely from the Seller or Buyer, and not from any Broker. The parties acknowledge that the Brokers are not responsible for assuring that the parties perform their obligations under this Agreement and that none of the Brokers has agreed to independently investigate or confirm any matter related to this transaction except as stated in this Agreement, or in a separate writing signed by such Broker. In addition, Brokers do not guarantee the value, quality or condition of the Property and some properties may contain building materials, including siding, roofing, ceiling, insulation, electrical, and plumbing, that have been the subject of lawsuits and/or governmental inquiry because of possible defects or health hazards. Some properties may have other defects arising after construction, such as drainage, leakage, pest, rot and mold problems. Brokers do not have the expertise to identify or assess defective products, materials, or conditions. Buyer is urged to use due diligence to inspect the Property to Buyer's satisfaction and to retain inspectors qualified to identify the presence of defective materials and evaluate the condition of the Property as there may be defects that may only be revealed by careful inspection. Buyer is advised to investigate whether there is a sufficient water supply to meet Buyer's needs. Buyer is advised to investigate the cost of insurance for the Property, including, but not limited to homeowner's, flood, earthquake, landslide, and other available coverage. Buyer and Seller acknowledge that home protection plans may be available which may provide additional protection and benefit to Buyer and Seller. Brokers may assist the parties with locating and selecting third party service providers, such as inspectors or contractors, but Brokers cannot guarantee or be responsible for the services provided by those third parties. The parties shall exercise their own judgment and due diligence regarding third-party service providers. 207 208 209 210 211 212 213 214 215 216 217 218 219 220 221 222 223 224

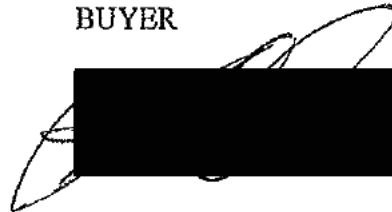

	<u>7/25/16</u>		<u>7/25/16</u>		<u>7-25-16</u>
Buyer's Initials	Date	Buyer's Initials	Date	Seller's Initials	Date

EXHIBIT "A"

THE SOUTH 51 FEET OF LOT 7, BLOCK 1, SPECKS ADDITION, ACCORDING TO
PLAT RECORDED IN VOLUME 2 OF PLATS, PAGE 28, IN THE CITY OF
SPOKANE, SPOKANE COUNTY, WASHINGTON.

SELLER

BUYER



9/2/2016

Form 22J
Disclosure Lead Based Paint & Hazards
Rev. 7/10
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 and Sale Agreement dated July 26, 2016 1
between Estate of Sharon [REDACTED] ("Buyer" and/or "Lessee") 2
Buyer and/or Lessee Buyer and/or Lessee
and Escalada Properties, LLC ("Seller" and/or "Lessor") 3
Seller and/or Lessor Seller and/or Lessor
concerning 6117 N Cedar St Spokane WA 99205 (the "Property"). 4
Address City State Zip

Purchase & Sale Agreement Lead Warning Statement

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

Lease Agreement Lead Warning Statement

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

Cancellation Rights

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

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

Seller's/Lessor's Disclosure

- (a) Presence of lead-based paint and/or lead-based paint hazards (check one below):
- ☐ Known lead-based paint and/or lead-based paint hazards are present in the housing (explain).
- ☒ Seller/Lessor has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.
- (b) Records and reports available to the Seller/Lessor (check one below):
- ☐ Seller/Lessor has provided the Buyer/Lessee with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in the housing (list documents below).
- ☒ Seller/Lessor has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing.

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

[Signature] 10-10-16
Seller/Lessor Date
[Signature] 10-10-16
Buyer/Lessee Initials Date
[Signature] 10-10-16
Buyer/Lessee Initials Date
[Signature] 10-10-16
Seller/Lessor Initials Date
[Signature] 10-10-16
Seller/Lessor Initials Date

Form 22J
Disclosure Lead Based Paint & Hazards
Rev. 7/10
Page 2 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

Continued

Buyer's/Lessee's Acknowledgment

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

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

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

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

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

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

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

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

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

Buyer waives the right to receive an amended Real Property Transfer Disclosure Statement (NWMLS Form No. 17 or equivalent) pursuant to RCW 64.03 based on any conditions identified in inspection and/or risk assessment report(s).

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

Buyer/Lessee

Date

Buyer/Lessee

Date

Brokers' Acknowledgment

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

Selling Broker

Date

Listing Broker

Date

Buyer/Lessee Initials

Date

Buyer/Lessee Initials

Date

Seller/Lessor Initials

Date

Seller/Lessor Initials

Date

\$	500.00	Spokane	Washington	1
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Buyer _____ ("Buyer") 3

the sum of Five Hundred Dollars 5

☒ within 3 days following mutual acceptance of the Purchase and Sale Agreement. 7

□ * _____ . 8

Sale Agreement between the Buyer and The Estate of Sharon 10
Seller

SELLER ("Seller") 11

dated July 25, 2016. Buyer's failure to pay the Earnest Money 12
strictly as above shall constitute default on said Purchase and Sale Agreement as well as on this Note. 13

If this Note shall be placed in the hands of an attorney for collection, or if suit shall be brought to collect 14
any of the balance due on this Note, the Buyer promises to pay reasonable attorneys' fees, and all 15
court and collection costs. 16

Date: July 25, 2016 17

BUYER 18

BUYER _____ 19

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Form 17
Seller Disclosure Statement
Rev. 7/18
Page 1 of 6

SELLER DISCLOSURE STATEMENT IMPROVED PROPERTY

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SELLER: Estate of [REDACTED] Seller [REDACTED] 1

To be used in transfers of improved residential real property, including residential dwellings up to four units, new construction, condominiums not subject to a public offering statement, certain timeshares, and manufactured and mobile homes. See RCW Chapter 64.06 for further information. 2

INSTRUCTIONS TO THE SELLER

Please complete the following form. Do not leave any spaces blank. If the question clearly does not apply to the property check "NA." If the answer is "yes" to any asterisked (*) item(s), please explain on attached sheets. Please refer to the line number(s) of the question(s) when you provide your explanation(s). For your protection you must date and initial each page of this disclosure statement and each attachment. Delivery of the disclosure statement must occur not later than five (5) business days, unless otherwise agreed, after mutual acceptance of a written purchase and sale agreement between Buyer and Seller. 3

NOTICE TO THE BUYER

THE FOLLOWING DISCLOSURES ARE MADE BY THE SELLER ABOUT THE CONDITION OF THE PROPERTY LOCATED AT 6117 N Cedar, CITY Spokane 4

STATE WA, ZIP 99205, COUNTY Spokane ("THE PROPERTY") OR AS LEGALLY DESCRIBED ON THE ATTACHED EXHIBIT A. 5

SELLER MAKES THE FOLLOWING DISCLOSURES OF EXISTING MATERIAL FACTS OR MATERIAL DEFECTS TO BUYER BASED ON SELLER'S ACTUAL KNOWLEDGE OF THE PROPERTY AT THE TIME SELLER COMPLETES THIS DISCLOSURE STATEMENT. UNLESS YOU AND SELLER OTHERWISE AGREE IN WRITING, YOU HAVE THREE (3) BUSINESS DAYS FROM THE DAY SELLER OR SELLER'S AGENT DELIVERS THIS DISCLOSURE STATEMENT TO YOU TO RESCIND THE AGREEMENT BY DELIVERING A SEPARATELY SIGNED WRITTEN STATEMENT OF RESCISSION TO SELLER OR SELLER'S AGENT. IF THE SELLER DOES NOT GIVE YOU A COMPLETED DISCLOSURE STATEMENT, THEN YOU MAY WAIVE THE RIGHT TO RESCIND PRIOR TO OR AFTER THE TIME YOU ENTER INTO A PURCHASE AND SALE AGREEMENT. 6

THE FOLLOWING ARE DISCLOSURES MADE BY SELLER AND ARE NOT THE REPRESENTATIONS OF ANY REAL ESTATE LICENSEE OR OTHER PARTY. THIS INFORMATION IS FOR DISCLOSURE ONLY AND IS NOT INTENDED TO BE A PART OF ANY WRITTEN AGREEMENT BETWEEN BUYER AND SELLER. 7

FOR A MORE COMPREHENSIVE EXAMINATION OF THE SPECIFIC CONDITION OF THIS PROPERTY YOU ARE ADVISED TO OBTAIN AND PAY FOR THE SERVICES OF QUALIFIED EXPERTS TO INSPECT THE PROPERTY, WHICH MAY INCLUDE, WITHOUT LIMITATION, ARCHITECTS, ENGINEERS, LAND SURVEYORS, PLUMBERS, ELECTRICIANS, ROOFERS, BUILDING INSPECTORS, ON-SITE WASTEWATER TREATMENT INSPECTORS, OR STRUCTURAL PEST INSPECTORS. THE PROSPECTIVE BUYER AND SELLER MAY WISH TO OBTAIN PROFESSIONAL ADVICE OR INSPECTIONS OF THE PROPERTY OR TO PROVIDE APPROPRIATE PROVISIONS IN A CONTRACT BETWEEN THEM WITH RESPECT TO ANY ADVICE, INSPECTION, DEFECTS OR WARRANTIES. 8

SELLER ☐ IS/ ☒ IS NOT OCCUPYING THE PROPERTY. 9

I. SELLER'S DISCLOSURES:

If you answer "Yes" to a question with an asterisk (), please explain your answer and attach documents, if available and not otherwise publicly recorded. If necessary, use an attached sheet. 10

1. TITLE

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

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Date

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	YES	NO	DON'T KNOW	N/A	
*I. Are there any zoning violations, nonconforming uses, or any unusual restrictions on the property that would affect future construction or remodeling?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	52
					53
*J. Is there a boundary survey for the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	54
					55
*K. Are there any covenants, conditions, or restrictions recorded against the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	56
					57
PLEASE NOTE: Covenants, conditions, and restrictions which purport to forbid or restrict the conveyance, encumbrance, occupancy, or lease of real property to individuals based on race, creed, color, sex, national origin, familial status, or disability are void, unenforceable, and illegal. RCW 49.60.224.					58
					59
					60
					61
2. WATER					62
A. Household Water					63
(1) The source of water for the property is: <input type="checkbox"/> Private or publicly owned water system					64
<input type="checkbox"/> Private well serving only the subject property <input checked="" type="checkbox"/> Other water system					65
*If shared, are there any written agreements?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	66
(2) Is there an easement (recorded or unrecorded) for access to and/or maintenance of the water source?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	67
					68
(3) Are there any problems or repairs needed?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	69
(4) During your ownership, has the source provided an adequate year-round supply of potable water?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	70
If no, please explain:					71
(5) Are there any water treatment systems for the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	72
If yes, are they: <input type="checkbox"/> Leased <input type="checkbox"/> Owned					73
(6) Are there any water rights for the property associated with its domestic water supply, such as a water right permit, certificate, or claim?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	74
(a) If yes, has the water right permit, certificate, or claim been assigned, transferred, or changed?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	75
(b) If yes, has all or any portion of the water right not been used for five or more successive years?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	76
(7) Are there any defects in the operation of the water system (e.g. pipes, tank, pump, etc.)?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	77
					78
B. Irrigation Water					79
(1) Are there any irrigation water rights for the property, such as a water right permit, certificate, or claim?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	80
(a) If yes, has all or any portion of the water right not been used for five or more successive years?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	81
(b) If so, is the certificate available? (If yes, please attach a copy.)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	82
(c) If so, has the water right permit, certificate, or claim been assigned, transferred, or changed?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	83
(2) Does the property receive irrigation water from a ditch company, irrigation district, or other entity?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	84
If so, please identify the entity that supplies water to the property:					85
					86
					87
					88
C. Outdoor Sprinkler System					89
(1) Is there an outdoor sprinkler system for the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	90
(2) If yes, are there any defects in the system?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	91
(3) If yes, is the sprinkler system connected to irrigation water?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	92
3. SEWER/ON-SITE SEWAGE SYSTEM					93
A. The property is served by:					94
<input type="checkbox"/> Public sewer system <input type="checkbox"/> On-site sewage system (including pipes, tanks, drainfields, and all other component parts)					95
<input type="checkbox"/> Other disposal system					96
Please describe:					97

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	YES	NO	DON'T KNOW	NA	88
B. If public sewer system service is available to the property, is the house connected to the sewer main?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	99
If no, please explain:					100
					101
*C. Is the property subject to any sewage system fees or charges in addition to those covered in your regularly billed sewer or on-site sewage system maintenance service?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	102
					103
D. If the property is connected to an on-site sewage system:					104
*(1) Was a permit issued for its construction, and was it approved by the local health department or district following its construction?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	105
(2) When was it last pumped?					106
*(3) Are there any defects in the operation of the on-site sewage system?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	107
(4) When was it last inspected?					108
By whom:					109
(5) For how many bedrooms was the on-site sewage system approved? _____ bedrooms					110
E. Are all plumbing fixtures, including laundry drain, connected to the sewer/on-site sewage system?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	111
If no, please explain:					112
					113
*F. Have there been any changes or repairs to the on-site sewage system?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	114
G. Is the on-site sewage system, including the drainfield, located entirely within the boundaries of the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	115
If no, please explain:					116
					117
*H. Does the on-site sewage system require monitoring and maintenance services more frequently than once a year?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	118
					119
					120

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

4. STRUCTURAL

*A. Has the roof leaked within the last 5 years?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	121
*B. Has the basement flooded or leaked?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	122
*C. Have there been any conversions, additions or remodeling?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	123
*(1) If yes, were all building permits obtained?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	124
*(2) If yes, were all final inspections obtained?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	125
D. Do you know the age of the house?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	126
If yes, year of original construction:					127
*E. Has there been any settling, slippage, or sliding of the property or its improvements?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	128
*F. Are there any defects with the following: (If yes, please check applicable items and explain)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	129
<input type="checkbox"/> Foundations	<input type="checkbox"/> Decks	<input type="checkbox"/> Exterior Walls			130
<input type="checkbox"/> Chimneys	<input type="checkbox"/> Interior Walls	<input type="checkbox"/> Fire Alarms			131
<input type="checkbox"/> Doors	<input type="checkbox"/> Windows	<input type="checkbox"/> Patio			132
<input type="checkbox"/> Ceilings	<input type="checkbox"/> Slab Floors	<input type="checkbox"/> Driveways			133
<input type="checkbox"/> Pools	<input type="checkbox"/> Hot Tub	<input type="checkbox"/> Sauna			134
<input type="checkbox"/> Sidewalks	<input type="checkbox"/> Outbuildings	<input type="checkbox"/> Fireplaces			135
<input type="checkbox"/> Garage Floors	<input type="checkbox"/> Walkways	<input type="checkbox"/> Siding			136
<input type="checkbox"/> Wood Stoves	<input type="checkbox"/> Elevators	<input type="checkbox"/> Incline Elevators			137
<input type="checkbox"/> Stairway Chair Lifts	<input type="checkbox"/> Wheelchair Lifts	<input type="checkbox"/> Other			138
					139
*G. Was a structural pest or "whole house" inspection done?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	140
If yes, when and by whom was the inspection completed?					141
					142
H. During your ownership, has the property had any wood destroying organism or pest infestation?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	143
I. Is the attic insulated?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	144
J. Is the basement insulated?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	145

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	YES	NO	DONT KNOW	N/A	148
5. SYSTEMS AND FIXTURES					149
*A. If any of the following systems or fixtures are included with the transfer, are there any defects?					150
If yes, please explain:					151
Electrical system, including wiring, switches, outlets, and service	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	152
Plumbing system, including pipes, faucets, fixtures, and toilets	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	153
Hot water tank	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	154
Garbage disposal	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	155
Appliances	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	156
Sump pump	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	157
Heating and cooling systems	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	158
Security system: <input type="checkbox"/> Owned <input type="checkbox"/> Leased	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	159
Other	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	160
*B. If any of the following fixtures or property is included with the transfer, are they leased? (If yes, please attach copy of lease.)					161
Security System:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	163
Tanks (type):	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	164
Satellite dish:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	165
Other:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	166
*C. Are any of the following kinds of wood burning appliances present at the property?					167
(1) Woodstove?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	168
(2) Fireplace insert?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	169
(3) Pellet stove?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	170
(4) Fireplace?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	171
If yes, are all of the (1) woodstoves or (2) fireplace inserts certified by the U.S. Environmental Protection Agency as clean burning appliances to improve air quality and public health?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	172
D. Is the property located within a city, county, or district or within a department of natural resources fire protection zone that provides fire protection services?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	174
E. Is the property equipped with carbon monoxide alarms? (Note: Pursuant to RCW 19.27.530, Seller must equip the residence with carbon monoxide alarms as required by the state building code.)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	176
F. Is the property equipped with smoke alarms?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	177
6. HOMEOWNERS' ASSOCIATION/COMMON INTERESTS					178
A. Is there a Homeowners' Association?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	179
Name of Association and contact information for an officer, director, employee, or other authorized agent, if any, who may provide the association's financial statements, minutes, bylaws, filing policy, and other information that is not publicly available:					180
B. Are there regular periodic assessments?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	181
\$ _____ per <input type="checkbox"/> month <input type="checkbox"/> year					182
<input type="checkbox"/> Other:					183
*C. Are there any pending special assessments?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	184
*D. Are there any shared "common areas" or any joint maintenance agreements (facilities such as walls, fences, landscaping, pools, tennis courts, walkways, or other areas co-owned in undivided interest with others)?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	185
7. ENVIRONMENTAL					186
*A. Have there been any flooding, standing water, or drainage problems on the property that affect the property or access to the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	187
*B. Does any part of the property contain fill dirt, waste, or other fill material?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	188
*C. Is there any material damage to the property from fire, wind, floods, beach movements, earthquake, expansive soils, or landslides?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	189
D. Are there any shorelines, wetlands, floodplains, or critical areas on the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	190
*E. Are there any substances, materials, or products in or on the property that may be environmental concerns, such as asbestos, formaldehyde, radon gas, lead-based paint, fuel or chemical storage tanks, or contaminated soil or water?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	191
*F. Has the property been used for commercial or industrial purposes?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	192

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	YES	NO	DON'T KNOW	N/A	202
*G. Is there any soil or groundwater contamination?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	203
*H. Are there transmission poles or other electrical utility equipment installed, maintained, or buried on the property that do not provide utility service to the structures on the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	204
*I. Has the property been used as a legal or illegal dumping site?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	205
*J. Has the property been used as an illegal drug manufacturing site?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	206
*K. Are there any radio towers in the area that cause interference with cellular telephone reception?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	207
8. LEAD BASED PAINT (Applicable if the house was built before 1978).					208
A. Presence of lead-based paint and/or lead-based paint hazards (check one below):					209
<input type="checkbox"/> Known lead-based paint and/or lead-based paint hazards are present in the housing (explain).					210
<input type="checkbox"/> Seller has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.					211
B. Records and reports available to the Seller (check one below):					212
<input checked="" type="checkbox"/> Seller has provided the purchaser with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in the housing (list documents below).					213
<input type="checkbox"/> Seller has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing.					214
9. MANUFACTURED AND MOBILE HOMES					215
If the property includes a manufactured or mobile home,					216
*A. Did you make any alterations to the home?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	217
If yes, please describe the alterations:					218
*B. Did any previous owner make any alterations to the home?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	219
*C. If alterations were made, were permits or variances for these alterations obtained?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	220
10. FULL DISCLOSURE BY SELLERS					221
A. Other conditions or defects:					222
*Are there any other existing material defects affecting the property that a prospective buyer should know about?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	223
B. Verification					224
The foregoing answers and attached explanations (if any) are complete and correct to the best of Seller's knowledge and Seller has received a copy hereof. Seller agrees to defend, indemnify and hold real estate licensees harmless from and against any and all claims that the above information is inaccurate. Seller authorizes real estate licensees, if any, to deliver a copy of this disclosure statement to other real estate licensees and all prospective buyers of the property.					225
Seller <u>[Signature]</u> Date <u>10-10-16</u>					226
Seller _____ Date _____					227

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

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II. NOTICES TO THE BUYER	252
1. SEX OFFENDER REGISTRATION	253
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.	254 255 256
2. PROXIMITY TO FARMING	257
THIS NOTICE IS TO INFORM YOU THAT THE REAL PROPERTY YOU ARE CONSIDERING FOR PURCHASE MAY LIE IN CLOSE PROXIMITY TO A FARM. THE OPERATION OF A FARM INVOLVES USUAL AND CUSTOMARY AGRICULTURAL PRACTICES, WHICH ARE PROTECTED UNDER RCW 7.48.305, THE WASHINGTON RIGHT TO FARM ACT.	258 259 260
III. BUYER'S ACKNOWLEDGEMENT	261
1. BUYER HEREBY ACKNOWLEDGES THAT:	262
A. Buyer has a duty to pay diligent attention to any material defects that are known to Buyer or can be known to Buyer by utilizing diligent attention and observation.	263 264
B. The disclosures set forth in this statement and in any amendments to this statement are made only by the Seller and not by any real estate licensee or other party.	265 266
C. Buyer acknowledges that, pursuant to RCW 64.06.050(2), real estate licensees are not liable for inaccurate information provided by Seller, except to the extent that real estate licensees know of such inaccurate information.	267 268
D. This information is for disclosure only and is not intended to be a part of the written agreement between the Buyer and Seller.	269
E. Buyer (which term includes all persons signing the "Buyer's acceptance" portion of this disclosure statement below) has received a copy of this Disclosure Statement (including attachments, if any) bearing Seller's signature(s).	270 271
F. If the house was built prior to 1978, Buyer acknowledges receipt of the pamphlet <i>Protect Your Family From Lead in Your Home</i> .	272 273
DISCLOSURES CONTAINED IN THIS DISCLOSURE STATEMENT ARE PROVIDED BY SELLER BASED ON SELLER'S ACTUAL KNOWLEDGE OF THE PROPERTY AT THE TIME SELLER COMPLETES THIS DISCLOSURE. UNLESS BUYER AND SELLER OTHERWISE AGREE IN WRITING, BUYER SHALL HAVE THREE (3) BUSINESS DAYS FROM THE DAY SELLER OR SELLER'S AGENT DELIVERS THIS DISCLOSURE STATEMENT TO RESCIND THE AGREEMENT BY DELIVERING A SEPARATELY SIGNED WRITTEN STATEMENT OF RESCISSION TO SELLER OR SELLER'S AGENT. YOU MAY WAIVE THE RIGHT TO RESCIND PRIOR TO OR AFTER THE TIME YOU ENTER INTO A SALE AGREEMENT.	274 275 276 277 278 279
BUYER HEREBY ACKNOWLEDGES RECEIPT OF A COPY OF THIS DISCLOSURE STATEMENT AND ACKNOWLEDGES THAT THE DISCLOSURES MADE HEREIN ARE THOSE OF THE SELLER ONLY, AND NOT OF ANY REAL ESTATE LICENSEE OR OTHER PARTY.	280 281 282
_____ Buyer	283
_____ Date	284
2. BUYER'S WAIVER OF RIGHT TO REVOKE OFFER	285
Buyer has read and reviewed the Seller's responses to this Seller Disclosure Statement. Buyer approves this statement and waives Buyer's right to revoke Buyer's offer based on this disclosure.	286 287
_____ Buyer	288
_____ Date	289
3. BUYER'S WAIVER OF RIGHT TO RECEIVE COMPLETED SELLER DISCLOSURE STATEMENT	290
Buyer has been advised of Buyer's right to receive a completed Seller Disclosure Statement. Buyer waives that right. However, if the answer to any of the questions in the section entitled "Environmental" would be "yes," Buyer may not waive the receipt of the "Environmental" section of the Seller Disclosure Statement.	291 292 293
_____ Buyer	294
_____ Date	295

SELLER'S INITIALS 10.10.16 Date
SELLER'S INITIALS _____ Date

ADDENDUM / AMENDMENT TO PURCHASE AND SALE AGREEMENT

The following is part of the Purchase and Sale Agreement dated July 25, 2016 1
between Escalade Properties, LLC ("Buyer") 2
Buyer Buyer
and Colleen [REDACTED] Michelle [REDACTED] ("Seller") 3
Seller Seller
concerning 6117 N Cedar Street Spokane WA 99205 (the "Property"). 4
Address City State Zip

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

1. Purchase is subject to approval by City regarding Abatement liens and fines. 6
 2. Sale is subject approval of the court as to the estate of Sharron Dickey. 7
 3. Sale is Subject to, Buyer, working with title attorney to transfer clear title. 8
 4. Buyer is paying cash and is purchasing the property in its as is condition without representation 9
or warranty as to condition or title from the seller. 10
 5. Buyer will be responsible to report to the city as to the status of the required abatement repairs 11
and condition. 12
 6. Buyer will absorb all fees related to the legal process to obtain clear title to be recovered from the 13
sales proceeds at time of closing. 14
 7. Lee Arnold is the managing member of Escalade Properties, LLC and is a Washington State real 15
estate agent with Keller Williams Spokane. 16
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ALL OTHER TERMS AND CONDITIONS of said Agreement remain unchanged. 31

[REDACTED] 7/25/2016 [REDACTED] 7/25/16 [REDACTED] 7-25-16
Buyer's Initials Date Buyer's Initials Date Date Seller's Initials Date

- THE PARTIES' INTERESTS IN THE DOCUMENTS MAY DIFFER.
- THE PARTIES HAVE A RIGHT TO BE REPRESENTED BY LAWYERS OF THEIR OWN SELECTION.

BY SIGNING THESE INSTRUCTIONS, EACH PARTY ACKNOWLEDGES:

I have been specifically informed that the closing agent is not acting as representative or advocate of either or any party concerning the merits of the transaction or the documents that will be used to close the transaction. The closing agent has not offered any legal advice or referred me to any named attorney, but has clearly requested that I seek legal counsel if I have any doubt concerning the transaction or these instructions. I have had adequate time and opportunity to read and understand these instructions and all other existing documents referred to in these instructions.

Date: August 31, 2016

Es

BY

Lee Arnold
Managing Member

Estate of Sharron

BY:

Colleen M.
Personal Representative

Buyer's Mailing Address:
1121 E Mullan Avenue
Coeur d'Alene, ID 83814

Buyer's phone:

Fax:

Seller's Mailing Address:

Seller's phone:

Fax:

Gustafson Law, Inc., PS

1500 West Fourth Ave., Suite 408
Spokane, WA 99201
Phone: (509)456-0400
Fax: (509)456-0422

**DISCLOSURE TO THE PARTIES
UNDER APR 12**

Date: August 31, 2016

Escrow No.: 16-1063-C

IN ACCORDANCE WITH THE REQUIREMENTS OF A.P.R. 12 OF THE SUPREME COURT OF THE STATE OF WASHINGTON, GUSTAFSON LAW, INC., PS AND THE CLOSING OFFICER SPECIFIED BELOW HAVE THE DUTY TO INFORM YOU OF THE FOLLOWING:

1. The Closing Officer is not acting as the advocate or representative of either of the parties;
2. The Closing Officer will prepare documents which affect the legal rights of both parties;
3. The parties may have differing interest in the documents;
4. The parties have the right to be represented by lawyers of their own selection and each party may have a separate lawyer;
5. The Closing Officer cannot give legal advice to the parties concerning the manner in which the documents affect those parties.

The Closing Officer is only permitted to select and complete documents which have been approved by the Limited Practice Board in accordance with a written Purchase and Sales Agreement which contains all of the basic terms of the transaction. The Closing Officer is not permitted to negotiate terms which are not included in the written Purchase and Sale Agreement. The Closing Officer is not permitted to practice law.

In this transaction your Closing Officer is: Alissa Raczynski

GUSTAFSON LAW, INC., PS

Alt [REDACTED] CRO No. 2843

Please acknowledge receipt of the foregoing Notice of Compliance with A.P.R. 12 and that you have read the same by signing your name(s) to the copy of this Notice on the signature line(s) below. (If such Notice has been hand delivered or mailed to you, please return the copy of the Notice showing your signature(s) in the enclosed, self-addressed envelope.) We will be unable to continue with the closing until we have received the signed Notice from you.

I have received and read a copy of the Disclosure, and understand its contents this 2nd day of September, 2016.

Escalade Properties, LLC

By: [REDACTED] 9/2/2016
Lee Arnold
Managing Member

Estate of Sharron Lea Dickey

By: [REDACTED]
Colleen [REDACTED] Personal Representative

City of Spokane
Code Enforcement
808 W Spokane Falls Blvd
Spokane WA 99201
Ph: 509-625-6083
Fax: 509-625-6802

AUTHORIZATION TO ENTER PROPERTY AND ABATEMENT OF NUISANCE CONDITION

RE: Removal of Car in Back yard

Parcel: 26361.0108

Address: 6117 N Cedar

I (print) Lee Arnold am the

- ☒ Legal owner(s)
- ☐ Resident
- ☐ OMT/Mortgagee
- ☐ Asset manager
- ☐ Property Preservation Company

for the above listed property and hereby consent to provide the City of Spokane employees and their agents access to the above listed property for the purpose of abating/correcting the nuisance conditions(s) existing on the property.

That in providing the City of Spokane and its agents access to the property that I/we by signing this document constitutes a waiver to bring an action against the City of Spokane for the entry and the abatement of the nuisance condition on the property.

I further understand that the abatement of the nuisance conditions(s) can result in costs being assessed as a lien on the property.

(Print) Lee Arnold

(Signature) [Redacted]

Property Owner/Resident/Responsible Party

Date

10/14/16

Contact Information:

Phone: [Redacted]

Owner/Agent Address: 1121 E Mullan Ave
Coeur D Alene ID 83814

5/23/16 Abatement Share/Building/Official Forms



JUNK VEHICLE AFFIDAVIT REQUEST

CITY OF SPOKANE CODE ENFORCEMENT
800 WEST SPOKANE FALLS BLVD
BOX 165
SPOKANE WA 99201-3333
(509)625-6083 FX: 625-6802

DATE

HULK SLIPS ARE FOR DESTRUCTION OF THE VEHICLE ONLY - NOT FOR TITLE

LOCATION OF VEHICLE 6117 N. Cedar Back Yard

VEHICLE ACCESSIBLE? YES ☒ NO ☐ DOGS/ANIMALS? YES ☐ NO ☒

VEHICLE #1:	LICENSE#	STATE:
VIN#:		
DESCRIPTION:		
VEHICLE #2:	LICENSE#	STATE:
VIN#:		
DESCRIPTION:		
VEHICLE #3:	LICENSE#	STATE:
VIN#:		
DESCRIPTION:		

YOU ARE THE: PROPERTY OWNER ☐ RENTER ☐
MANAGER ☐ OTHER ☐

MAILING ADDRESS: (TO SEND HULK SLIP)
NAME Escalade Properties PHONE [REDACTED]
ADDRESS 1121 E. Mullan Ave
CITY Coeur D'Alene STATE ID ZIP CODE 83814

PROPERTY OWNER NAME: Escalade Properties PHONE: [REDACTED]
ADDRESS 1121 E. Mullan Ave
CITY Coeur D'Alene STATE ID ZIP CODE 83814

FOR ADDITIONAL INFORMATION OR TO ADD MORE VEHICLES

SEE OTHER SIDE





JUNK VEHICLE AFFIDAVIT REQUEST

CITY OF SPOKANE CODE ENFORCEMENT

808 WEST SPOKANE FALLS BLVD

BOX 165

SPOKANE WA 99201-3333

(509)625-6083 FX: 625-6802

ADDITIONAL COMMENTS:

A Junk vehicle is a vehicle that meets 3 of the following 4 criteria:

1. Is three years old, or older
2. Is extensively damaged, such as broken windows, missing wheels/tires or missing motor
3. Is apparently inoperable
4. Has an approximate fair market value equal to the value of the scrap in it. Scrap value is approx. \$60.

See RCW 46.12.38 for more information

ATTENTION:

If the vehicle does not meet these criteria, or if it is an abandoned vehicle, please call a towing company for a private impound.

Check the Code Enforcement Website for further information: www.beautifyspokane.org

ALTA Universal ID:

*Purchase
of Cedar*

File No./Escrow No. : 16-1063-C
 Print Date & Time: November 1, 2016 12:17 pm
 Officer/Escrow Officer : Alissa [REDACTED]
 Settlement Location :

Property Address: 6117 N Cedar Street
 Spokane, WA 99205
 Borrower: Escalade Properties, LLC
 1121 E Mullan Avenue
 Coeur d'Alene, ID 83814
 Seller: Estate of Sharron [REDACTED]
 5321 N A Street
 Spokane, WA 99205

Lender:

Settlement Date: August 31, 2016
 Disbursement Date: August 31, 2016

Seller		Description	Borrower	
Debit	Credit		Debit	Credit
		Financial		
	25,000.00	Sale Price of Property	25,000.00	
		Prorations/Adjustments		
252.99		County Taxes 07/01/16 - 08/31/16		252.99
		Title Charges and Escrow/Settlement Charges		
250.00		Closing Fee to Gustafson Law, Inc., PS	250.00	
582.63		Owner's Policy to First American Title Company		
		Commissions		
750.00		Commission to Keller Williams Spokane Main		
		Government Recording and Transfer Charges		
		Recording Fees to First American Title Company	74.00	

Seller		Description	Borrower	
Debit	Credit		Debit	Credit
		Government Recording and Transfer Charges (continued)		
450.00		1.78% Excise Tax to Spokane County Treasurer		
		Miscellaneous		
892.50		2014 Delinquent Taxes to Spokane County Treasurer		
1,823.79		2015 Delinquent Taxes to Spokane County Treasurer		
3,768.67		2106 Delinquent 1st Half Taxes to Spokane County Treasurer		
800.00		Final Utility Bill to City of Spokane		
895.53		Lien Payoff to City of Spokane		
3,500.00		Probate Expenses to Escalade Properties, LLC/John Loeffler		
Seller			Borrower	
Debit	Credit		Debit	Credit
13,966.11	25,000.00	Subtotals	25,324.00	252.99
		Due from Borrower		25,071.01
11,033.89		Due to Seller		
25,000.00	25,000.00	Totals	25,324.00	25,324.00

Acknowledgement

We/I have carefully reviewed the ALTA Settlement Statement and find it to be a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction and further certify that I have received a copy of the ALTA Settlement Statement. We/I authorize to cause the funds to be disbursed in accordance with this statement.

Borrower

Escalade Properties, LLC

BY: _____
Lee Arnold
Managing Member

Seller

Estate of Sharron [REDACTED]

BY: _____
Colleen [REDACTED]
Personal Representative

Alissa [REDACTED]
Escrow Officer

From:

From: Michelle [REDACTED]

Sent: Thursday, September 28, 2017 4:30 PM

To: [REDACTED]

Subject: FW: 6117 N Cedar- Previous owner

From: Danielle [REDACTED]

Sent: Monday, February 06, 2017 10:00 AM

To: Lee Arnold [REDACTED]
[REDACTED] > [REDACTED]
[REDACTED]

Subject: 6117 N Cedar- Previous owner

Hello,

Just got a call from the neighbor at 6117 N Cedar. The guy is back again hanging around the house and trying to get in. He was verbally attacking the neighbor and trying to taunt him to come outside. Crime check has been called. He is very concerned about the safety of the next home owner and this guy hanging around and thinking it is still his home.

I suggest we have a crew member go over to ensure he did not damage any of the property.

Let me know if you need anything else.

Thanks.

Danielle [REDACTED]

Project Manager

Secured Investment Corp

1121 E Mullan Ave.,

Coeur d'Alene ID 83814

Tel: 800.341.9918 ext. 1215

Fax: 866.264.8601

6117 N CEDAR ST | Spokane, Washington 99205
4 Beds, 2 Baths MLS #: 201711446

Raise your family here! NEW kitchen! NEW Stainless Steel Appliances! NEW Bathrooms! NEW hardwood floors! NEW Paint! NEW Carpet! NEW Egress Windows! NEW Finished basement! Large closets! 4 bed/2 bath freshly remodeled home that sparkles. Nice size tree-lined, partially fenced yard for family gatherings. Great neighborhood, close to shopping, good schools. This home is priced to sell quickly, and it will. Make sure you move fast on this one.

LEE ARNOLD
509-953-1000

lee1@securedinvestmentcorp.com



kw SPOKANE
KELLER WILLIAMS
REALTY

\$189,900



- Forced Air
- Hardwood Floors
- Basement - Finished
- SS Appliances
- New Bathrooms
- New Bathroom
- Granite Counters
- New Kitchen
- Large Closets



See the Virtual Tour! www.tourfactory.com/1719107

Equal Housing Opportunity | All Information Deemed Reliable but not Guaranteed 509-953-1000



Lee Arnold
 Keller Williams Realty Spokane
509-953-1000
lee1@securedinvestmentcorp.com
<http://agent-108784.pages.tourfactory.com>



THE SPOKESMAN-REVIEW

SPOKANE

Before and after: House flip in north Spokane turns nuisance into new start

Mon., Feb. 20, 2017, 5:45 a.m.



Lee Arnold, founder and CEO of Cogo Capital walks through the backyard of a known problem house at 6117 N. Cedar St. on Thursday, Sept. 22, 2016, in Spokane, Wash. (/The Spokesman-Review)





By Rachel

When he bought the house last September, Lee Arnold said it was the second-worst one he'd ever been inside.

The two-story ranch house at 6117 N. Cedar St. had fallen far beyond what most people would call disrepair. The original owner had died, leaving her adult son, Michael, living there. His mental health issues and drug use worsened, causing him to yell at and threaten neighbors repeatedly.

Aleah McGinnis, who lives next door with her husband and 2-year-old son, said Michael would scream, break things and tear the house apart day and night.

"It was scary," she said. "He woke us up quite a few nights."

Police were called to the house more than 50 times from the beginning of 2015, often for mental health issues, disturbances and welfare checks. Then Arnold's company bought the house.

Arnold owns Cogo Capital, part of a network of real estate investment companies, and specializes in flipping distressed, foreclosed and abandoned homes. In 2015, he began working with the city to facilitate sales of chronic nuisance houses, often buying them from owners where the city's hands were tied.

The first day inside the house on Cedar was surprising, even for Arnold. The house had gone without power and water for months, and Michael was using a 5-gallon bucket in the backyard as a toilet. Michael slept in the basement, entering and exiting through a ground-level window, and had tipped the kitchen refrigerator to cover the stairs so no one else could enter the basement.

His nest in the basement included a board tied to electric wires he had ripped out of the wall. Once he was inside, he'd use the wires to pull the board into the window and wind them around hooks, keeping anyone from following him inside. For heat, he burned pieces of the walls in a newspaper stand he stole off the street.

It wasn't Arnold's worst house ever. That distinction belongs to a house where he found "250 gallons of urine in the basement," he explained. But it was close.

Spokane City Attorney Matt Folsom, who works with the Police Department on chronic nuisance properties, said officers exhausted their options trying to get Michael help. He didn't want to work with mental health counselors. A judge ruled he didn't meet the criteria for involuntary commitment based on mental illness. Since he technically owned part of the house, he wasn't committing a crime by living there. Every time the city boarded the house up because of substandard conditions, he would break back in.

Shortly before Cogo bought the house, a team of police officers went inside, trying to find Michael with police dogs.

“It was such a mess in there we couldn’t find him,” Folsom said.

After their mother’s death, Michael and his two sisters owned the home. The sisters were willing to sell it, but the city couldn’t offer them real estate advice or work with them to make that happen, so Folsom called Arnold.

Arnold met with the sisters, who said they just wanted the value of the land, about \$26,000. They published notice of the sale, which a judge approved after Michael failed to appear in court. The sisters set up a trust so their brother will get his third of the money from the sale if he’s ever well enough to collect it, Arnold said. Cogo paid the city about \$4,800 to cover outstanding fines and abatement costs on the property.

In September, Cogo hired a crew to begin hauling trash out, part of the process of gutting the house before refurbishing it. The detritus included empty Gatorade bottles, pieces of the walls Michael had torn off, notebook paper with drawings of a robot on it and a book, “Time Traps and Proven Strategies for Swamped Salespeople,” on the kitchen floor.

When the crew finished for the day, a Cogo staff member stayed behind to walk through the property and discovered Michael, covered in insulation, standing out on the porch. He’d apparently been hiding in the attic the whole time, Arnold said.

Cogo gutted the house, finishing the basement and adding a new bathroom, gas heating and egress windows to give the house a total of four bedrooms. The house went on the market for \$189,900 in early February and had a full-price offer within a few days. Cogo put about \$85,000 into the rehabilitation, making it one of the company’s more profitable flips.

The Cedar house is the fourth city nuisance house Cogo has refurbished. The first, a longtime drug den on West College Avenue, was purchased by a retiree from Whidbey Island last spring.

Michael has been around a few times since the sale, Arnold said, but police have been able to get him to leave. He’s currently couch-surfing around north Spokane, Arnold said.

McGinnis, the neighbor, said the neighborhood has been much calmer since the rehabilitation started. She said she hopes Michael is able to get help.

Without the chaos next door, McGinnis said she’ll now be able to sell her home if she ever wants to move.

“They did a really good job on it,” she said.

Robert Tavares

Subject: FW: Another on complete
Attachments: Cedar Flyer.pdf

From: Lee Arnold
Sent:
To: Matt
Cc:
Subject: Another on complete

Hi Matthew,

Wanted to send you the latest home we finished on 6117 North Cedar.
This was the house with the two sisters and the brother,
Colleen [REDACTED], Michelle [REDACTED] and their brother Michael [REDACTED].

This was by far one of the worst houses we've ever had to deal with but it turned out very nice.

The neighbors are very happy with the finished product and are grateful to the City of Spokane for getting this taken care of.

Please let me know if there are any other challenged properties we can help you with.

Looking forward to the meeting in April. Thanks again for the invite.

Here is the virtual tour:
<http://www.tourfactory.com/1719107>

I attached a flyer as well.

Yours in Success,

Lee Arnold
CEO

Secured Investment Corp

Secured Investment Corp is not a provider of legal services or advice, and nothing contained herein is intended to convey or constitute legal advice to you or any other individuals. There is no substitute for obtaining expert legal advice with respect to any legal matters or questions you may have regarding your business transactions, contracts, investments, or other matters in which you have an interest. If you have any legal questions or concerns, you should direct them to your attorney.

REAL ESTATE PURCHASE AND SALE AGREEMENT

PARTIES: _____ ("Seller's Name"),
located at (Sellers Address) : _____,
(Seller's Phone): _____ and
_____ ("Buyer's Name"), as "Buyer"
located at (Buyers Address), _____,
(Buyer's Phone): _____, hereby agree
that the Seller shall sell, and Buyer shall buy the property described as:

I. DESCRIPTION:

a) Legal description:

b) Street address, if any, of the Property being conveyed is:

c) Personal property including all buildings and improvements on the property and all right, title and interest of Seller in and to adjacent streets, roads, alleys and rights-of-way, and: Property to be purchased in its as is condition without representation or warranty from the seller as to condition, function, use, reliability, etc. etc. etc.

II. PURCHASE PRICE: _____

PAYMENT:

a) New Private Money Loan with Cogo Capital, LLC

TOTAL _____

Seller Initials _____ Buyer Initials _____

Page 1 of 8

III. FINANCING: If the purchase price or any part thereof is to be financed by a third-party loan, this Contract for Sale and Purchase ("Contract"), is conditioned upon the Buyer obtaining a firm commitment for said loan by (Insert Date by which you will have lender approval"

IV. TITLE EVIDENCE: Within twenty 20 days from the date of Contract, Seller shall, at Buyers expense, deliver to Buyer or his attorney, in accordance with Paragraph XI, a commitment for title insurance with fee owner's title policy premium to be paid by Seller at closing.

V. TIME FOR ACCEPTANCE AND EFFECTIVE DATE: If this offer is not executed by both parties hereto on or before _____, the aforesaid deposit(s) shall be, at the option of the Buyer, returned to him and this offer shall thereafter be null and void. The date of Contract ("Effective Date") shall be the date when the last one of the Seller and Buyer has signed this offer.

VI. CLOSING DATE: This transaction shall be closed, and the deed and other closing papers delivered on _____, unless extended by other provisions of Contract, or by written agreement of the Parties.

VII. RESTRICTIONS, EASEMENTS, LIMITATIONS: N/A

VIII. OCCUPANCY: Is the property currently occupied, yes or no?

IX. ASSIGNABILITY: Buyer may assign this Contract.

X. TYPEWRITTEN OR HANDWRITTEN PROVISIONS:
Typewritten or handwritten provisions inserted herein or attached hereto as Addenda shall control all printed provisions in conflict therewith.

Seller Initials _____ Buyer Initials _____

Page **2** of 8

XI. EVIDENCE OF TITLE: Within twenty (20) days from the date hereof, Buyer, at Buyer's sole cost and expense, shall cause a title insurance company mutually acceptable to the Parties ("Title Company") to issue and deliver to Buyer an ALTA Form B title commitment ("Title Commitment") accompanied by one copy of all documents affecting the Property, and which constitute exceptions to the Title Commitment.

XII. EXISTING MORTGAGES TO BE ASSUMED: N/A

XIV. CURRENT SURVEY: N/A

XV. TERMITES: N/A

XVI. INGRESS AND EGRESS: Property being sold in its as is condition. Seller has no knowledge of the property or the items inside. Buyer Beware.

XVII. LEASES: N/A

XVIII. LIENS: N/A

XIX. PLACE OF CLOSING: Closing shall be held in the county wherein the Property is located, at the office of the attorney or other closing agent designated by Buyer's lender.

XX. TIME: Time is of the essence of this Contract. Any reference herein to time periods of less than six (6) days shall in the computation thereof, exclude Saturdays, Sundays and legal holidays, and any time provided for herein which shall end on a Saturday, Sunday or legal holiday shall extend to 5:00 p.m. of the next business day.

XXI. DOCUMENTS FOR CLOSING: Seller shall furnish deed, closing statement, mechanic's lien affidavit, assignments of leases, and any corrective instruments that may be required in connection with

Seller Initials _____ Buyer Initials _____

Page **3** of 8

perfecting the title. Buyer shall furnish mortgage, mortgage note, security agreement, and financing statement.

XXII. EXPENSES: State documentary stamps which are required to be affixed to the instrument of conveyance, intangible tax on and recording of purchase money mortgage to Seller, and cost of recording any corrective instruments shall be paid by Seller. Documentary stamps to be affixed to the note or notes secured by the purchase money mortgage, cost of recording the deed and financing statements shall be paid by Buyer.

XXIII. PRORATION OF TAXES: Taxes for the year of the closing shall be paid for by buyer.

XXIV. PERSONAL PROPERTY INSPECTION, REPAIR: Property being sold in its as is condition. Seller has no knowledge of the property or the items inside. Buyer Beware.

XXV. RISK OF LOSS: Property being sold in its as is condition. Seller has no knowledge of the property or the items inside. Buyer Beware.

XXVI. MAINTENANCE: Property being sold in its as is condition. Seller has no knowledge of the property or the items inside. Buyer Beware.

XXVII. PROCEEDS OF SALE AND CLOSING PROCEDURE: The deed shall be recorded upon clearance of funds and evidence of title continued at Buyer's expense, to show title in Buyer, without any encumbrances or change which would render Seller's title unmarketable from the date of the last evidence, and the cash proceeds of sale shall be held in escrow by Seller's attorney or by such other escrow agent as may be mutually agreed upon for a period of no longer than five (5) days from and after closing date.

Seller Initials _____ Buyer Initials _____

Page 4 of 8

XXVIII. ESCROW: Any escrow agent receiving funds is authorized and agrees by acceptance thereof to promptly deposit and to hold same in escrow and to disburse same subject to clearance thereof in accordance with terms and conditions of Contract. Failure of clearance of funds shall not excuse performance by the Buyer.

XXIX. ATTORNEY FEES AND COSTS: All fees and cost associated with settlement or otherwise will be paid for by the buyer.

XXX. (a) DEFAULT BY SELLER: In the event that Seller should fail to consummate the transaction contemplated herein for any reason, except Buyer's default; (i) Buyer may enforce specific performance of this Agreement in a court of competent jurisdiction and in such action shall have the right to recover damages suffered by Buyer by reason of the delay in the acquisition of the Property, or (ii) may bring suit for damages for breach of this Agreement, in which event, the deposit made hereunder shall be forthwith returned to Buyer, or (iii) declare a default, demand and receive the return of the deposit. All rights, powers, options or remedies afforded to Buyer either hereunder or by law shall be cumulative and not alternative and the exercise of one right, power, option or remedy shall not bar other rights, powers, options or remedies allowed herein or by law.

XXX. (b) DEFAULT BY BUYER: In the event Buyer should fail to consummate the transaction contemplated herein for any reason, except default by Seller or the failure of Seller to satisfy any of the conditions to Buyer's obligations, as set forth herein, Seller shall be entitled to retain the earnest money deposit, such sum being agreed upon as liquidated damages for the failure of Buyer to perform the duties and obligations imposed upon it by the terms and provisions of this Agreement and because of the difficulty, inconvenience and uncertainty of ascertaining actual damages, and no other damages, rights or remedies shall in any case be collectible, enforceable or available to Seller other than as provided in this Section, and Seller agrees to accept and take said deposit as Seller's total damages and relief hereunder in such event.

Seller Initials _____ Buyer Initials _____

Page 5 of 8

XXXI. MEMORANDUM OF CONTRACT RECORDABLE, PERSONS BOUND AND NOTICE: Property being sold in its as is condition. Seller has no knowledge of the property or the items inside. Buyer Beware.

XXXII. PRORATIONS AND INSURANCE: Taxes, assessments, rent, interest, insurance and other expenses and revenue of the Property shall be paid by the buyer.

XXXIII. CONVEYANCE: Seller shall convey title to the Property by statutory warranty deed subject only to matters contained in Paragraph VII hereof and those otherwise accepted by Buyer.

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XXXVI. INSPECTION OF PROPERTY: Property being sold in its as is condition. Seller has no knowledge of the property or the items inside. Buyer Beware. Buyer waives inspection period or contingency.

XXXVII. PENDING LITIGATION: Buyer warrants and represents that there are no legal actions, suits or other legal or administrative proceedings, including cases, pending or threatened or similar proceedings affecting the Property or any portion thereof.

XXXVIII. SURVIVAL OF REPRESENTATIONS AND WARRANTIES: The representations and warranties set forth in this Contract shall be continuing and shall be true and correct on and as of the closing date with the same force and effect as if made at that time, and all of such representations and warranties shall survive the closing

Seller Initials _____ Buyer Initials _____

Page 6 of 8

and shall not be affected by any investigation, verification or approval by any party hereto or by anyone on behalf of any party hereto.

XXIX. ACQUIRING APPROVALS: The obligation of Buyer is to close the purchase by _____.

XL. OTHER AGREEMENTS: No prior or present agreements or representations shall be binding upon any of the Parties hereto unless incorporated in this Contract. No modification or change in this Contract shall be valid or binding upon the Parties unless in writing, executed by the Parties to be bound thereby.
property or the items inside.

=====

Executed by Seller(s) on: _____

Signature of Seller

Name of Seller (Printed)

Signature of Seller

Name of Seller (Printed)

Executed by Buyer(s) on: _____

Signature of Buyer

Name of Buyer (Printed)

Signature of Buyer

Name of Buyer (Printed)

Seller Initials _____ Buyer Initials _____

[illegible]

Page 8 of 8

REAL ESTATE PURCHASE AND SALE AGREEMENT

PARTIES: _____ ("Seller's Name"),
located at (Sellers Address) : _____,
(Seller's Phone): _____ and
_____ ("Buyer's Name"), as "Buyer"
located at (Buyers Address), _____,
(Buyer's Phone): _____, hereby agree
that the Seller shall sell, and Buyer shall buy the property described as:

I. DESCRIPTION:

a) Legal description:

b) Street address, if any, of the Property being conveyed is:

c) Personal property including all buildings and improvements on the property and all right, title and interest of Seller in and to adjacent streets, roads, alleys and rights-of-way, and: Property to be purchased in its as is condition without representation or warranty from the seller as to condition, function, use, reliability, etc. etc. etc.

II. PURCHASE PRICE: _____

PAYMENT:

a) New Private Money Loan with Cogo Capital, LLC

TOTAL _____

Seller Initials _____ Buyer Initials _____

Page 1 of 8

III. FINANCING: If the purchase price or any part thereof is to be financed by a third-party loan, this Contract for Sale and Purchase ("Contract"), is conditioned upon the Buyer obtaining a firm commitment for said loan by (Insert Date by which you will have lender approval"

IV. TITLE EVIDENCE: Within twenty 20 days from the date of Contract, Seller shall, at Buyers expense, deliver to Buyer or his attorney, in accordance with Paragraph XI, a commitment for title insurance with fee owner's title policy premium to be paid by Seller at closing.

V. TIME FOR ACCEPTANCE AND EFFECTIVE DATE: If this offer is not executed by both parties hereto on or before _____, the aforesaid deposit(s) shall be, at the option of the Buyer, returned to him and this offer shall thereafter be null and void. The date of Contract ("Effective Date") shall be the date when the last one of the Seller and Buyer has signed this offer.

VI. CLOSING DATE: This transaction shall be closed, and the deed and other closing papers delivered on _____, unless extended by other provisions of Contract, or by written agreement of the Parties.

VII. RESTRICTIONS, EASEMENTS, LIMITATIONS: N/A

VIII. OCCUPANCY: Is the property currently occupied, yes or no?

IX. ASSIGNABILITY: Buyer may assign this Contract.

X. TYPEWRITTEN OR HANDWRITTEN PROVISIONS:
Typewritten or handwritten provisions inserted herein or attached hereto as Addenda shall control all printed provisions in conflict therewith.

Seller Initials _____ Buyer Initials _____

Page **2** of 8

XI. EVIDENCE OF TITLE: Within twenty (20) days from the date hereof, Buyer, at Buyer's sole cost and expense, shall cause a title insurance company mutually acceptable to the Parties ("Title Company") to issue and deliver to Buyer an ALTA Form B title commitment ("Title Commitment") accompanied by one copy of all documents affecting the Property, and which constitute exceptions to the Title Commitment.

XII. EXISTING MORTGAGES TO BE ASSUMED: N/A

XIV. CURRENT SURVEY: N/A

XV. TERMITES: N/A

XVI. INGRESS AND EGRESS: Property being sold in its as is condition. Seller has no knowledge of the property or the items inside. Buyer Beware.

XVII. LEASES: N/A

XVIII. LIENS: N/A

XIX. PLACE OF CLOSING: Closing shall be held in the county wherein the Property is located, at the office of the attorney or other closing agent designated by Buyer's lender.

XX. TIME: Time is of the essence of this Contract. Any reference herein to time periods of less than six (6) days shall in the computation thereof, exclude Saturdays, Sundays and legal holidays, and any time provided for herein which shall end on a Saturday, Sunday or legal holiday shall extend to 5:00 p.m. of the next business day.

XXI. DOCUMENTS FOR CLOSING: Seller shall furnish deed, closing statement, mechanic's lien affidavit, assignments of leases, and any corrective instruments that may be required in connection with

Seller Initials _____ Buyer Initials _____

Page **3** of 8

perfecting the title. Buyer shall furnish mortgage, mortgage note, security agreement, and financing statement.

XXII. EXPENSES: State documentary stamps which are required to be affixed to the instrument of conveyance, intangible tax on and recording of purchase money mortgage to Seller, and cost of recording any corrective instruments shall be paid by Seller. Documentary stamps to be affixed to the note or notes secured by the purchase money mortgage, cost of recording the deed and financing statements shall be paid by Buyer.

XXIII. PRORATION OF TAXES: Taxes for the year of the closing shall be paid for by buyer.

XXIV. PERSONAL PROPERTY INSPECTION, REPAIR: Property being sold in its as is condition. Seller has no knowledge of the property or the items inside. Buyer Beware.

XXV. RISK OF LOSS: Property being sold in its as is condition. Seller has no knowledge of the property or the items inside. Buyer Beware.

XXVI. MAINTENANCE: Property being sold in its as is condition. Seller has no knowledge of the property or the items inside. Buyer Beware.

XXVII. PROCEEDS OF SALE AND CLOSING PROCEDURE: The deed shall be recorded upon clearance of funds and evidence of title continued at Buyer's expense, to show title in Buyer, without any encumbrances or change which would render Seller's title unmarketable from the date of the last evidence, and the cash proceeds of sale shall be held in escrow by Seller's attorney or by such other escrow agent as may be mutually agreed upon for a period of no longer than five (5) days from and after closing date.

Seller Initials _____ Buyer Initials _____

Page 4 of 8

XXVIII. ESCROW: Any escrow agent receiving funds is authorized and agrees by acceptance thereof to promptly deposit and to hold same in escrow and to disburse same subject to clearance thereof in accordance with terms and conditions of Contract. Failure of clearance of funds shall not excuse performance by the Buyer.

XXIX. ATTORNEY FEES AND COSTS: All fees and cost associated with settlement or otherwise will be paid for by the buyer.

XXX. (a) DEFAULT BY SELLER: In the event that Seller should fail to consummate the transaction contemplated herein for any reason, except Buyer's default; (i) Buyer may enforce specific performance of this Agreement in a court of competent jurisdiction and in such action shall have the right to recover damages suffered by Buyer by reason of the delay in the acquisition of the Property, or (ii) may bring suit for damages for breach of this Agreement, in which event, the deposit made hereunder shall be forthwith returned to Buyer, or (iii) declare a default, demand and receive the return of the deposit. All rights, powers, options or remedies afforded to Buyer either hereunder or by law shall be cumulative and not alternative and the exercise of one right, power, option or remedy shall not bar other rights, powers, options or remedies allowed herein or by law.

XXX. (b) DEFAULT BY BUYER: In the event Buyer should fail to consummate the transaction contemplated herein for any reason, except default by Seller or the failure of Seller to satisfy any of the conditions to Buyer's obligations, as set forth herein, Seller shall be entitled to retain the earnest money deposit, such sum being agreed upon as liquidated damages for the failure of Buyer to perform the duties and obligations imposed upon it by the terms and provisions of this Agreement and because of the difficulty, inconvenience and uncertainty of ascertaining actual damages, and no other damages, rights or remedies shall in any case be collectible, enforceable or available to Seller other than as provided in this Section, and Seller agrees to accept and take said deposit as Seller's total damages and relief hereunder in such event.

Seller Initials _____ Buyer Initials _____

Page 5 of 8

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Page 6 of 8

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property or the items inside.

=====

Executed by Seller(s) on: _____

Signature of Seller

Name of Seller (Printed)

Signature of Seller

Name of Seller (Printed)

Executed by Buyer(s) on: _____

Signature of Buyer

Name of Buyer (Printed)

Signature of Buyer

Name of Buyer (Printed)

Seller Initials _____ Buyer Initials _____

[illegible]

Page 8 of 8



FEEDBACK FORM:

Seller, please answer the following questions to provide feedback to the buyer and assist them to improve their negotiation skills.

Buyers Name: _____

How did the buyer make you feel? Were they concerned for you and your situation?

Did the buyer make you feel like they were there to help you or take advantage of you?

What could they have done differently to have helped you want to sell?

Other recommendations to improve their negotiation skills:



FEEDBACK FORM:



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Other recommendations to improve their negotiation skills:



FEEDBACK FORM:



CASE STUDY 4



Turning Garbage into Gold!

CASE STUDY 4

How We Found the Property:

- This property also came directly from the Spokane City Attorney.
- The neighbors banded together to force the city to do something.
- The city needed help and contacted Lee.



Video: Neighbors Band Together to Shut Down Chronic Problem:

Background:



- SPD said officers have responded to the address 57 times over the past year for drugs, possible prostitution, reckless driving, property crimes, and bothering neighbors.
- Neighbors organized and partnered with their Neighborhood Conditions Officer to petition to Spokane County Superior Court to shut the property down.

CASE STUDY 4



- SPD officers were at the house on Thursday while contractors worked to clear, secure, and board up the property. Any returning tenants will be arrested for trespassing.
 - Not all these abandoned, abated or boarded up properties are in bad or questionable neighborhoods. This house was in a very desirable area of town.
 - Ray, the owner of the subject property, 3505 W. Indian Trail, was a painter.
 - He and his wife got divorced which compounded with a rough patch he was having with his business. This led him down the path of drugs to cope.
- He eventually began to sell drugs as well as running a prostitution ring in the basement of the house to make money to pay for drugs.
 - He used to be an active, successful member of the community but drugs got the better of him.





- Ray had been removed from the premise by law enforcement. He was getting ready to lose ownership of the property.
- As a result, I was able to negotiate with his lender to accept the back payments or “arrears” to bring the loan current and then I took over the underlying loan.
- This is known as an _____.
(also referred to as a “subject to financing” deal). This is referred to a “subject to” deal because the deal is subject to financing in place. It is up to the buyer to fix the order of how payments are made.)
- Properties that have equity but still have an underlying mortgage, and have a highly motivated seller, make for great subject to deals.
- As a result, I came in with _____ to bring the arrears current, took over the underlying loan for 6 months until the property sold, and then used cash to fix it up.
- I did not need to get a COGO loan which saved me considerable money in fees resulting in a \$52,000 profit and over a 200% annualized return.
- Part of our deal included me purchasing a _____ for Ray’s vehicle after he came to the office one day to sign some paperwork.

291 | Page

CASE STUDY 4

The Opportunity & Potential

- ARV (Selling Price): _____
- Purchase price: _____
- Rehab: _____
- Selling Costs: _____
- PROFIT: _____

Property Profit and Loss	
Property address:	3505 W Indian Trail
Purchase Date:	11/1/2016
Cash Outflow (Investment)	
Purchase of Property	\$ 79,318.25
Total Fix up and Repair	\$ 47,431.15
Selling Costs	\$ 21,479.29
Est Total Investment	\$ 148,228.69
Target Sale Price	\$ 198,900.00
Est Profit	\$ 50,671.31
Closing Date:	3/1/2017

The Rehab – What we did to it.

- Main floor living space



CASE STUDY 4

- Basement living space



- Kitchen



- Bathroom remodel



CASE STUDY 4

- Bedrooms



- Yard and patio cleaned up



- Ready for sale!





CASE STUDY 4

Listing the Property

- <http://tours.tourfactory.com/tours/tour.asp?t=1706594>

3 Things We Learned From this Deal!

- Abandoned, abated or boarded up properties can be found
-

- Not all abatement properties are free and clear. If a mortgage exists along with a fair amount of equity the property is a good candidate for an
-

- This house could have been discovered long before it was on the cities radar.

- We could have simply pulled a list of mortgages that were written prior to 2008. These loans are
-

Loan of this age or older, like Ray's can have substantial equity in the house and not require short selling with anyone or negotiating with anyone.

- This house easily fell under our category of an Equity deal as it only required bringing the loan current.

- Purchasing a list of _____
-day mortgage lates, would have also produced this deal without involvement from the city. The only caveat to this of course, is if the city was not applying pressure on him and had previously kicked him out I'm not confident he would have been willing to sell.
-

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

Spokane

Neighbors fight to get nuisance house closed

By: [Colleen O'Brien](http://www.kxly.com/meet-the-team/colleen-o'brien/176326542) (http://www.kxly.com/meet-the-team/colleen-o'brien/176326542)

Posted: Feb 21, 2013 07:11 PM PST Updated: Nov 20, 2016 10:22 PM PST



SPOKANE, Wash. - Homeowners in the Indian Trail neighborhood made their final Hail Mary effort Thursday to shut down a suspected drug house that they say has caused problems for them for nearly a year.

Under city municipal code, a judge can rule that a house is a "chronic nuisance" and order it boarded up for a year. The 35 neighbors who showed up in court have kept meticulous notes and surveillance of the so-called problem house and hoped that would be enough to convince a Superior Court Judge.

The house, located at 10150 North Seminole Drive, was last raided in late January and police say they found meth inside the house. Seven people were arrested, but neighbors say those people were back in the house the next day and back to business as usual. More arrests were made two weeks later when a stolen vehicle was discovered.

Neighbors said they've dealt with drug deals, drug-fueled fights, vandalism, threats, burglaries and packed Judge Kathleen O'Conner's courtroom to plead their case, but it would not be a good day for them.

Nuisance house Thursday hearing

City Attorney Mary Muramatsu stood before Judge O'Conner with more than 100 pieces of evidence.

"I'm here before the court today seeking emergency relief on behalf of the Woodridge Neighborhood," Muramatsu said.

With no sign of the owner of the problem house, Marcy Pratt, testimony to deem the property a chronic nuisance under city code, and ultimately shut it down, continued with Spokane Police Officer Paul Taylor. He's been the point of contact for neighbors throughout the year-long ordeal.

As Taylor began to explain his experience with the problem house, jaws dropped as Marcy Pratt walked into the courthouse late and took a seat in the front row. Though she had been subpoenaed Wednesday, Pratt had no lawyer and that was key to what happened next.

"I did try to call some lawyers last night and this morning, but I do feel like I'm entitled to have an attorney present and I would like to have a continuance if possible," Pratt told Judge O'Conner.

Judge O'Conner granted Pratt 24 more hours to get a lawyer, but warned that she is still under a restraining order that restricts her from having, making or selling drugs from her house. It also rules that she cannot have guests inside her house.

"There never has been any drug sales or anything," Pratt stated.

Upon that announcement her neighbors burst out laughing in the audience, to which the judge scolded them for not keeping proper composure in the courthouse.

Neighbors filed out of the courthouse quickly, some saying they needed to rush home for fear of retaliation from the people Pratt associates with. Mostly, they felt let down by Thursday's proceedings.

"It's disappointing yeah, but we do want everyone to have their day in court and I think she does deserve a lawyer to be there, I think she'll still lose," neighbor Dana Moss said.

Pratt maintains her innocence, claiming drugs have been planted in her car and any problems at the home came from poor judgment of people she called friends.

"There's no drugs, there never has been any drugs," Pratt paused. "Okay, I did have someone at my house, he came at five in the morning and him and his girlfriend had a fight out on the front yard."

Judge O'Connor made it very clear to Pratt that she has 24 hours to find a lawyer or the hearing to decide if her home is a chronic nuisance will go on without her.

The next hearing is scheduled for Friday afternoon.

[Spokane](#)

Neighbors band together to shut down chronic problem house

Posted: Oct 09, 2016 06:13 PM PDT Updated: Nov 20, 2016 07:43 PM PST



2:18 / 2:18



Neighbors band together to shut down chronic problem house

SPOKANE, Wash. - Neighbors in Spokane successfully worked together to shut down what police are calling a "chronic problem house."

Neighbors, like Kevin Cash, say the Indian Trail area is normally a peaceful neighborhood.

"It's a wonderful neighborhood. We've lived here for a number of years and we are close with our neighbors," Cash said.

ADVERTISING



Except one home on the corner of Indian Trail Road has been a major problem.

"When it's affecting the neighborhood in negative way, it's affecting all of us. It's going too far," Cash said.

He says his neighbors saw illegal activity often at the home.

"Like drugs and the smell of production of methamphetamine. There are stories of prostitutes going in and out of there. It's spooky. I got kids, I don't want them here with that potential stuff going on," Cash said.

The house sits right across from a school crosswalk zone. Spokane police officers have responded to the home 57 times in the last year.

This isn't the only home like this in Spokane. Back in May, another nuisance home in north Spokane was shut down thanks to a city ordinance which changes the definition of "chronic nuisance property" to include homes that have three nuisance activities in 60 days or seven within 12 months.

Through cooperation with their neighborhood conditions officer and the city attorney's office, Kevin and his neighbors succeeded in shutting down this problem property.

"We banded together as a community and as a neighborhood, looking out for one another and we helped the city take care of it," Cash said.

Officers secured the property. If the tenants return, they will be arrested for trespassing.

"Glad to be over and done with it," Cash said.

Spokane Police say if you have a problem property in your neighborhood, contact your Neighborhood Conditions Officer for more information on the abatement process.

SUPERIOR COURT, STATE OF WASHINGTON, COUNTY OF SPOKANE

CITY OF SPOKANE, a municipal corporation,

Plaintiff,

v.

DARREL [REDACTED], property owner of
3505 W. Indian Trail Road, Spokane,
Washington;

Acceptance Capital Mortgage Corporation, a
lien holder;

Defendants.

No. 16-2-03132-8

COST BILL

TO: CLERK OF THE COURT;

TO: Defendant Darrel [REDACTED].

Comes now Plaintiff City of Spokane, by and through its undersigned attorney of
record and submits the following cost bill pursuant to RCW 7.43.080(1):

//

COST BILL – PAGE 1

Michael J. Piccolo, Interim City Attorney
OFFICE OF THE CITY ATTORNEY
5th Floor Municipal Building
Spokane, WA 99201-3326
[REDACTED]
[REDACTED]

1.	Superior Court Filing Fee	\$ 240.00
2.	Service of Process on Acceptance Capital Mortgage Corporation by Eastern Washington Attorney Service	40.00
3.	Litigation Guarantee	817.42
4.	Boarding of 3505 W. Indian Trail Road by KB Construction on October 6, 2016	714.28
5.	Code Enforcement Clean-up Charges on 10/07/16	345.12
6.	Certified Copy of Lis Penden	6.00
7.	Recording Lis Penden with County Auditor	75.00
8.	Re-Boarding of 3505 W. Indian Trail Road by KB Construction on October 14, 2016	67.37
	TOTAL	\$2,305.19

STATE OF WASHINGTON :
: ss.
County of Spokane :

Matthew [REDACTED], being first duly sworn on oath, deposes and says that he is attorney of record for plaintiff in the above-entitled matter and that the foregoing is a true bill of costs and disbursements necessarily incurred in said cause and court.

Matthew [REDACTED]
Assistant City Attorney
Attorney for City of Spokane

SUBSCRIBED AND SWORN to before me this ____ day of October, 2016.

Notary Public in and for the State
of Washington, residing in _____.
My commission expires _____.

COST BILL – PAGE 2

Michael J. [REDACTED], Interim City Attorney
OFFICE OF THE CITY ATTORNEY
5th Floor Municipal Building
Spokane, WA 99201-3326
[REDACTED]
[REDACTED]

DECLARATION OF SERVICE

I declare, under penalty of perjury, that on the ____ day of October, 2016, I caused a true and correct copy of the foregoing "Cost Bill," to be delivered to the parties below in the manner noted:

Darrel [REDACTED]	<input type="checkbox"/> VIA FACSIMILE
3505 W. Indian Trail Road	<input type="checkbox"/> VIA U.S. MAIL
Spokane, WA 99208	<input type="checkbox"/> VIA OVERNIGHT SERVICE
Defendant	<input type="checkbox"/> VIA HAND DELIVERY

Acceptance Capital Mortgage Corporation	<input type="checkbox"/> VIA FACSIMILE
12810 E. Nora Ave. Ste. F nmls #7671	<input type="checkbox"/> VIA U.S. MAIL
Spokane, WA 99216	<input type="checkbox"/> VIA OVERNIGHT SERVICE
Defendant Lien Holder	<input type="checkbox"/> VIA HAND DELIVERY

Franklin [REDACTED]	<input type="checkbox"/> VIA FACSIMILE
113 E. Magnesium Rd., Unit D	<input type="checkbox"/> VIA U.S. MAIL
Spokane, WA 99208	<input type="checkbox"/> VIA OVERNIGHT SERVICE
Registered Agent for Acceptance Capital Mortgage Corporation	<input type="checkbox"/> VIA HAND DELIVERY

City Attorney's Office
808 W. Spokane Falls Blvd.
Spokane, WA 99201-3326

COST BILL – PAGE 3

Michael [REDACTED] Interim City Attorney
OFFICE OF THE CITY ATTORNEY
5th Floor Municipal Building
Spokane, WA 99201-3326
[REDACTED]
[REDACTED]



First American

myFirstAm® Combined Report

3505 W Indian Trail Rd, Spokane, WA 99208

Property Address:

**3505 W Indian Trail Rd
Spokane, WA 99208**

Combined Report

3505 W Indian Trail Rd, Spokane, WA 99208

10/28/2016

All information contained herein is subject to the Limitation of Liability for Informational Report set forth on the last page hereof. ©2005-2016 First American Financial Corporation and/or its affiliates. All rights reserved.

myFirstAm® Comparable Sales

3505 W Indian Trail Rd, Spokane, WA 99208

Subject Property

APN	Property Address	Sale Price	Year Built	Beds	Baths	Sq. Ft.	Rec. Date	Dist. from Subj.
26264.0902	3505 W Indian Trail Rd, Spokane, WA 99208	\$140,000	1959	5	2	1862		

Comparable Sales

2020

A.	26263.0601	3527 W Indian Trail RD , Spokane, WA 99208	\$176,500	1959	4	2.5	2072	05/17/2016	0.06 mi
B.	26264.2114	6432 N Fotheringham ST , Spokane, WA 99208	\$159,500	1958	4	1	1972	05/27/2016	0.18 mi
C.	26264.1805	3315 W Rosewood AVE , Spokane, WA 99208	\$155,000	1958	4	1.5	2002	07/28/2016	0.19 mi
D.	26264.1712	3228 W Rosewood AVE , Spokane, WA 99208	\$209,900	1957	4	1	1722	05/19/2016	0.25 mi
E.	26263.2903	7106 N Winston DR , Spokane, WA 99208	\$239,500	1965	4	2	1698	05/13/2016	0.34 mi
F.	26264.2705	3025 W Houston AVE , Spokane, WA 99208	\$172,000	1957	4	2.5	1699	07/18/2016	0.38 mi
G.	26262.0708	7130 N Valerie ST , Spokane, WA 99208	\$239,000	1967	4	3	1876	05/09/2016	0.47 mi
H.	26352.1512	6003 N Sutherland ST , Spokane, WA 99205	\$102,900	1954	5	2	2016	09/23/2016	0.50 mi
I.	26351.2316	5929 N Fotheringham ST , Spokane, WA 99205	\$178,370	1959	4	2	1848	05/10/2016	0.51 mi
J.	26352.4111	5708 N Greenwood BLVD , Spokane, WA 99205	\$185,000	1969	4	2	1864	08/05/2016	0.59 mi
K.	26253.1120	2708 W Dell DR , Spokane, WA 99208	\$185,000	1966	4	3	2134	07/06/2016	0.61 mi
L.	26262.1601	4108 W Indian Trail RD , Spokane, WA 99208	\$60,000	1971	4	1	2115	08/31/2016	0.62 mi



First American

RAY

myFirstAm® Property Profile

3505 W Indian Trail Rd, Spokane, WA 99208

Property Information

RAY

Owner(s):	Erickson Darrel R	Mailing Address:	3505 W Indian Trail Rd, Spokane, WA 99208
Owner Phone:	Unknown	Property Address:	3505 W Indian Trail Rd, Spokane, WA 99208
Vesting Type:	Single	Alt. APN:	
County:	Spokane	APN:	26264.0902
Map Coord:	8H	Census Tract:	000800
Lot#:	5	Block:	1
Subdivision:	Pacific Heights 4th Add	Tract:	
Legal:	Pacific Hts 4 L5 B1		

Property Characteristics

Use:	Sfr	Year Built / Eff. :	1959 / 1959	Sq. Ft. :	1862
Zoning:		Lot Size Ac / Sq Ft:	0.2029 / 8837	# of Units:	1
Bedrooms:	5	Bathrooms:	2	Fireplace:	Y
# Rooms:	9	Quality:	Average	Heating:	Forced Air Gas
Pool:		Air:	Y	Style:	Ranch
Stories:	1	Improvements:		Parking / #:	Attached Garage /
Gross Area:	2562	Garage Area :	240	Basement Area:	1150

Sale and Loan Information

Sale / Rec Date:	11/22/2013 / 12/09/2013	*/Sq. Ft.:	\$75.19	2nd Mtg.:	
Sale Price:	\$140,000	1st Loan:	\$70,000	Prior Sale Amt:	
Doc No.:	000006269982	Loan Type:	Conventional	Prior Sale Date:	
Doc Type:	General Warranty Deed	Transfer Date:	12/09/2013	Prior Doc No.:	
Seller:	Grove Donald L & Catherine M	Lender:	Acceptance Cap Mtg	Prior Doc Type:	

*\$/Sq.Ft. is a calculation of Sale Price divided by Sq.Feet.

Tax Information

Imp Value:	\$114,900	Exemption Type:	
Land Value:	\$25,000	Tax Year / Area:	2016 / 0010
Total Value:	\$139,900	Tax Value:	\$139,900
Total Tax Amt:	\$1,955.61	Improved:	82%



First American

myFirstAm® Transaction History

3505 W Indian Trail Rd, Spokane, WA 99208

Transaction History provides records for the past ten years. To request additional information, please contact your local Sales Representative, Customer Service Department, or for an additional fee you may [click here](#).

History Record # 1 : SALE/TRANSFER

Buyer:	Erickson Darrel R	Seller:	Grove Donald L & Catherine M
Transaction Date:	11/22/2013	Sale Price:	\$140,000
Recording Date:	12/09/2013	Sale Price Type:	
Recorded Doc #:	000006269982	Title Company:	Inland Prof Title Llc
Document Type:	Deed Transfer	Vesting Type:	Single

FINANCE

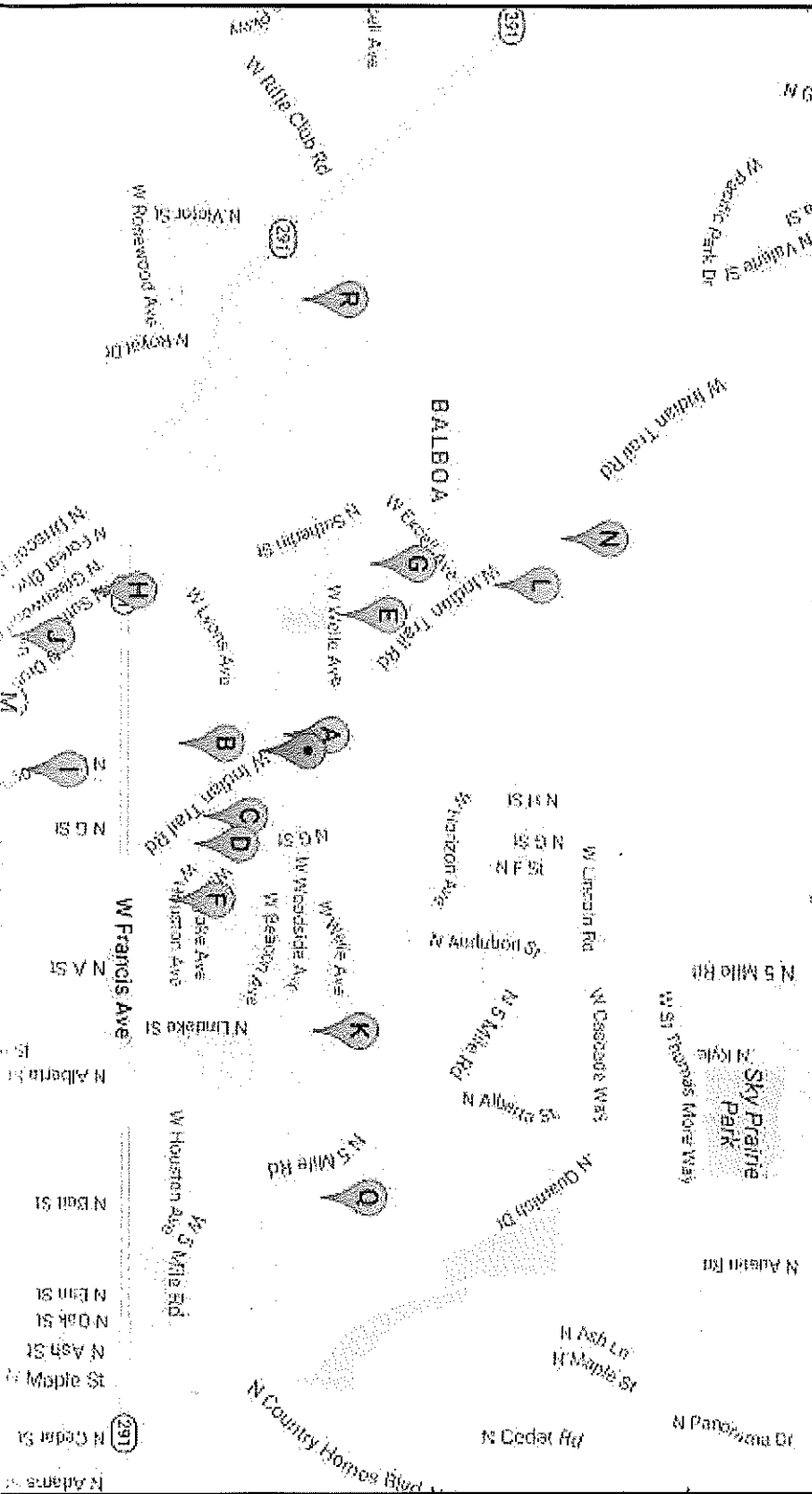
Mortgage Recording Date:	12/09/2013	Mortgage Transfer Type:	Resale
Mortgage Document #:	000006269983	Mortgage Rate Type:	
Lender:	Acceptance Cap Mtg	Mortgage Term:	30
Document Type	Trust Deed/Mortgage	Vesting Type:	Single
Loan Amount:	\$70,000	Mortgage Rate:	
Borrower 1:	Erickson Darrel R	Borrower 2:	
Borrower 3:		Borrower 4:	



First American

myFirstAm® Comparable Sales

3505 W Indian Trail Rd, Spokane, WA 99208



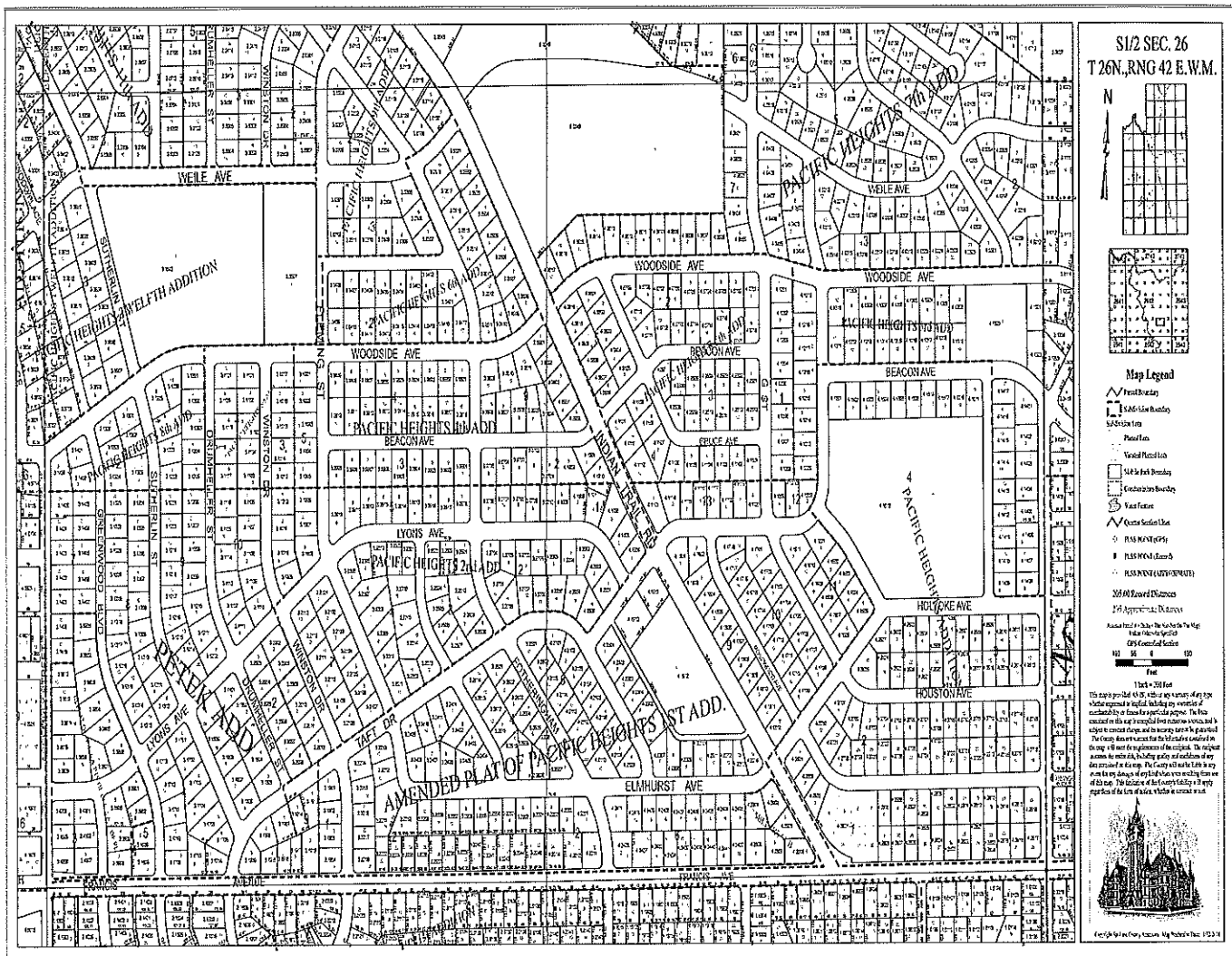
Comparable Statistics

	Average :	Low :	High :
Sale Price:	\$183,976	\$60,000	\$239,500
Loan Amount:	\$174,807	\$80,000	\$234,179
Bedrooms:	4	4	5
Bathrooms:	2	1	3
Sq. Ft.:	1893.5555555556	1631	2134
Sale \$ / Sq. Ft.*:	\$97	\$37	\$112

*\$/Sq. Ft. is a calculation of Sale Price divided by Sq. Ft.



3505 W Indian Trail Rd, Spokane, WA 99208



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First American

myFirstAm® School Information

3505 W Indian Trail Rd, Spokane, WA 99208

School District: Spokane School District

District #: 5308250

Number of Schools: 3

School Name: Indian Trail Elementary School

Grade Span: Primary & Middle

Address: 4102 W Woodside Ave Spokane WA 99208

Number of Teachers:

Phone #: 509-354-3100

Number of Students: 329

School Name: Salk Middle School

Grade Span: Middle

Address: 6411 N Alberta St Spokane WA 99208

Number of Teachers:

Phone #: 509-354-5600

Number of Students: 737

School Name: North Central High School

Grade Span: High

Address: 1600 N Howard St Spokane WA 99201

Number of Teachers:

Phone #: 509-354-6300

Number of Students: 1251

Private Schools (within 5 miles)

School Name: Assumption Elementary School

Grade Span: Elementary

Address: 3618 W Indian Trail Rd Spokane WA 99208

Distance: 0.2 mi.

Phone #: 999-999-9999

School Name: Westgate Christian School

Grade Span: Elementary

Address: 7111 N Nine Mile Rd Spokane WA 99208

Distance: 1.36 mi.

Phone #: 509-325-2252

School Name: St Matthew Lutheran School

Grade Span: Elementary

Address: 6917 N Country Homes Blvd Spokane WA 99208

Distance: 1.45 mi.

Phone #: 509-327-5601

Continued on next page...

School Information 3505 W Indian Trail Rd, Spokane, WA 99208

10/28/2016

Page 1 (of 3)

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Private Schools (within 5 miles)

School Name:	St Charles Catholic School	Grade Span:	Elementary
Address:	4515 N Alberta St Spokane WA 99205	Distance:	1.55 mi.
Phone #:	509-327-9575		
School Name:	Northwest Christian Schools	Grade Span:	Elementary
Address:	1412 W Central Ave Spokane WA 99205	Distance:	1.55 mi.
Phone #:	509-328-4400		
School Name:	Slavic Christian Academy	Grade Span:	Other
Address:	8913 N Nettleton Ln Spokane WA 99208	Distance:	1.66 mi.
Phone #:	999-999-9999		
School Name:	St Thomas More School	Grade Span:	Elementary
Address:	515 W Saint Thomas More Way Spokane WA 99208	Distance:	2.25 mi.
Phone #:	509-466-3811		
School Name:	Kindercare Learning Center #910	Grade Span:	Elementary
Address:	610 W Shasta Way Spokane WA 99208	Distance:	2.25 mi.
Phone #:	509-467-3112		
School Name:	Spokane Montessori School North	Grade Span:	Elementary
Address:	9009 N Wall St Spokane WA 99218	Distance:	2.36 mi.
Phone #:	509-466-6959		
School Name:	North Wall Schools	Grade Span:	Elementary
Address:	9408 N Wall St Spokane WA 99218	Distance:	2.57 mi.
Phone #:	509-466-2695		
School Name:	Can Learn Academy	Grade Span:	Other
Address:	600 W Cora Ave Spokane WA 99205	Distance:	3.03 mi.
Phone #:	999-999-9999		

Continued on next page...

Private Schools (within 5 miles)

School Name:	Spokane Montessori School	Grade Span:	Elementary
Address:	1909 N Wright Dr Spokane WA 99224	Distance:	3.14 mi.
Phone #:	509-328-6466		

School Name:	Palisades Christian Academy	Grade Span:	Other
Address:	1115 N Government Way Spokane WA 99224	Distance:	3.21 mi.
Phone #:	509-325-1985		

School Name:	St George's School	Grade Span:	Other
Address:	2929 W Waikiki Rd Spokane WA 99208	Distance:	3.37 mi.
Phone #:	999-999-9999		

School Name:	Gonzaga Preparatory School	Grade Span:	Secondary
Address:	1224 E Euclid Ave Spokane WA 99207	Distance:	4.1 mi.
Phone #:	509-483-8511		

School Name:	St Aloysius Catholic School	Grade Span:	Elementary
Address:	611 E Mission Ave Spokane WA 99202	Distance:	4.43 mi.
Phone #:	509-489-7825		

School Name:	St Patrick Catholic School	Grade Span:	Elementary
Address:	5021 N Nelson St Spokane WA 99217	Distance:	4.5 mi.
Phone #:	509-487-2830		

School Name:	Little Red School House Children Center	Grade Span:	Elementary
Address:	621 W Sprague Ave Spokane WA 99201	Distance:	4.74 mi.
Phone #:	999-999-9999		



First American

myFirstAm® Neighbors

3505 W Indian Trail Rd, Spokane, WA 99208

Address:	3511 W Indian Trail Rd, Spokane, WA 99208	Owner(s):	Jones Ryan Jones Amber	✓	
APN:	26264.0901	Sale Amount:	\$104,000	Sale Date:	04/16/2010
Beds / Baths:	5 / 2	Square Feet:	2,222	Year Built:	1959
Use Code:	SFR	# Units:	1	Lot Size:	.2196

Address:	3505 W Beacon Ave, Spokane, WA 99208	Owner(s):	Grace Rosemary S	✓	
APN:	26264.1001	Sale Amount:		Sale Date:	
Beds / Baths:	4 / 2.5	Square Feet:	1,568	Year Built:	1959
Use Code:	SFR	# Units:	1	Lot Size:	.2479

Address:	3514 W Beacon Ave, Spokane, WA 99208	Owner(s):	Allbery Steven L Allbery Joan Y	✓	
APN:	26263.0604	Sale Amount:	\$74,500	Sale Date:	
Beds / Baths:	4 / 2	Square Feet:	1,322	Year Built:	1959
Use Code:	SFR	# Units:	1	Lot Size:	.292

Address:	3517 W Indian Trail Rd, Spokane, WA 99208	Owner(s):	Ezzell J A Ezzell T	✓	
APN:	26263.0603	Sale Amount:	\$60,000	Sale Date:	
Beds / Baths:	4 / 2.5	Square Feet:	2,167	Year Built:	1959
Use Code:	SFR	# Units:	1	Lot Size:	.2196

Address:	3515 W Beacon Ave, Spokane, WA 99208	Owner(s):	Castillo Katherine L Castillo Fredis A	✓	
APN:	26264.1003	Sale Amount:	\$180,000	Sale Date:	12/06/2013
Beds / Baths:	3 / 2.5	Square Feet:	2,423	Year Built:	1959
Use Code:	SFR	# Units:	1	Lot Size:	.3468

Address:	3438 W Beacon Ave, Spokane, WA 99208	Owner(s):	McLaughlin Helen L	✓	
APN:	26264.0806	Sale Amount:		Sale Date:	01/25/2012
Beds / Baths:	3 / 2	Square Feet:	1,324	Year Built:	1961
Use Code:	SFR	# Units:	1	Lot Size:	.1632

Continued on next page...

Address:	3510 W Indian Trail Rd, Spokane, WA 99208	Owner(s):	Geno Robert D Geno Ila C
APN:	26264.0807	Sale Amount:	\$127,500
Beds / Baths:	4 / 2.5	Square Feet:	2,819
Use Code:	SFR	# Units:	1
		Sale Date:	10/25/2003
		Year Built:	1961
		Lot Size:	.168

Address:	3521 W Beacon Ave, Spokane, WA 99208	Owner(s):	Winters James J
APN:	26263.0701	Sale Amount:	\$59,000
Beds / Baths:	3 / 2	Square Feet:	1,980
Use Code:	SFR	# Units:	1
		Sale Date:	
		Year Built:	1959
		Lot Size:	.2294

Address:	3516 W Indian Trail Rd, Spokane, WA 99208	Owner(s):	Murphy Theresa L
APN:	26264.0808	Sale Amount:	
Beds / Baths:	3 / 1.5	Square Feet:	1,427
Use Code:	SFR	# Units:	1
		Sale Date:	
		Year Built:	1961
		Lot Size:	.2066

Address:	3520 W Beacon Ave, Spokane, WA 99208	Owner(s):	Allbery Andrea L
APN:	26263.0605	Sale Amount:	\$185,000
Beds / Baths:	5 / 2	Square Feet:	2,510
Use Code:	SFR	# Units:	1
		Sale Date:	09/07/2005
		Year Built:	1959
		Lot Size:	.2619

Address:	3425 W Indian Trail Rd, Spokane, WA 99208	Owner(s):	Kellie Daniel Kellie Leanne
APN:	26264.1010	Sale Amount:	\$114,900
Beds / Baths:	5 / 3	Square Feet:	2,344
Use Code:	SFR	# Units:	1
		Sale Date:	07/30/1998
		Year Built:	1959
		Lot Size:	.3647

Address:	3523 W Indian Trail Rd, Spokane, WA 99208	Owner(s):	Stallones Arlen J Stallones Veronica A
APN:	26263.0602	Sale Amount:	\$175,000
Beds / Baths:	5 / 2	Square Feet:	2,132
Use Code:	SFR	# Units:	1
		Sale Date:	05/26/2015
		Year Built:	1959
		Lot Size:	.2211

Address:	3439 W Beacon Ave, Spokane, WA 99208	Owner(s):	Lunnen Jeremy F Lunnen Laura L
APN:	26264.1121	Sale Amount:	\$183,000
Beds / Baths:	4 / 3	Square Feet:	3,756
Use Code:	SFR	# Units:	1
		Sale Date:	06/18/2010
		Year Built:	1963
		Lot Size:	.232

Continued on next page...

Address:	3520 W Indian Trail Rd, Spokane, WA 99208	Owner(s):	Hurst Jacob W Hurst Rachel E
APN:	26264.0809	Sale Amount:	\$164,000
Beds / Baths:	5 / 3	Square Feet:	2,474
Use Code:	SFR	# Units:	1
		Sale Date:	10/20/2014
		Year Built:	1961
		Lot Size:	.2066

Address:	3527 W Beacon Ave, Spokane, WA 99208	Owner(s):	Hall Scott W
APN:	26263.0702	Sale Amount:	\$160,000
Beds / Baths:	5 / 1.5	Square Feet:	2,176
Use Code:	SFR	# Units:	1
		Sale Date:	10/02/2014
		Year Built:	1959
		Lot Size:	.2295

Address:	3510 W Lyons Ave, Spokane, WA 99208	Owner(s):	Barnes Ryan P
APN:	26264.1008	Sale Amount:	\$207,000
Beds / Baths:	4 / 2	Square Feet:	1,512
Use Code:	SFR	# Units:	1
		Sale Date:	05/12/2016
		Year Built:	1959
		Lot Size:	.2508

Address:	3516 W Lyons Ave, Spokane, WA 99208	Owner(s):	Tapscott Douglas A Tapscott Yvonne M
APN:	26264.1009	Sale Amount:	\$95,000
Beds / Baths:	3 / 2.5	Square Feet:	2,046
Use Code:	SFR	# Units:	1
		Sale Date:	12/24/2008
		Year Built:	1959
		Lot Size:	.2242

Address:	3426 W Indian Trail Rd, Spokane, WA 99208	Owner(s):	Bartol Wanna Lee
APN:	26264.1111	Sale Amount:	
Beds / Baths:	2 / 2	Square Feet:	1,448
Use Code:	SFR	# Units:	1
		Sale Date:	
		Year Built:	1964
		Lot Size:	.2342

Address:	3606 W Beacon Ave, Spokane, WA 99208	Owner(s):	Cash Kevin K
APN:	26263.0606	Sale Amount:	\$195,000
Beds / Baths:	3 / 2	Square Feet:	2,167
Use Code:	SFR	# Units:	1
		Sale Date:	06/05/2008
		Year Built:	1959
		Lot Size:	.2737

Address:	3504 W Lyons Ave, Spokane, WA 99208	Owner(s):	Malek Joseph A Abdel Sanders Tamara T
APN:	26264.1011	Sale Amount:	\$201,900
Beds / Baths:	5 / 3	Square Feet:	2,518
Use Code:	SFR	# Units:	1
		Sale Date:	05/10/2007
		Year Built:	1959
		Lot Size:	.2711

Continued on next page...

Address:	3521 W Woodside Ave, Spokane, WA 99208	Owner(s):	Runeberg
APN:	26263.0611	Sale Amount:	Sale Date:
Beds / Baths:	3 / 1.5	Square Feet:	1,844 Year Built: 1959
Use Code:	SFR	# Units:	1 Lot Size: .3233

Address:	3507 W Bruce Ave, Spokane, WA 99208	Owner(s):	Meier D G Meier L A
APN:	26264.0805	Sale Amount:	\$66,900 Sale Date:
Beds / Baths:	3 / 1.5	Square Feet:	1,542 Year Built: 1960
Use Code:	SFR	# Units:	1 Lot Size: .2128

Address:	3522 W Lyons Ave, Spokane, WA 99208	Owner(s):	Justesen Grady E Justesen Joni L
APN:	26263.0710	Sale Amount:	\$175,000 Sale Date: 06/01/2015
Beds / Baths:	4 / 2	Square Feet:	2,022 Year Built: 1959
Use Code:	SFR	# Units:	1 Lot Size: .2239

Address:	3527 W Indian Trail Rd, Spokane, WA 99208	Owner(s):	Martel Garren M
APN:	26263.0601	Sale Amount:	\$176,500 Sale Date: 05/14/2016
Beds / Baths:	4 / 2.5	Square Feet:	2,072 Year Built: 1959
Use Code:	SFR	# Units:	1 Lot Size: .2212

Address:	3517 W Bruce Ave, Spokane, WA 99208	Owner(s):	Lordan Patrick T Lordan Lisa C
APN:	26264.0804	Sale Amount:	\$119,500 Sale Date: 08/28/2001
Beds / Baths:	3 / 1.5	Square Feet:	1,542 Year Built: 1960
Use Code:	SFR	# Units:	1 Lot Size: .2149



First American

myFirstAm® Street Map

3505 W Indian Trail Rd, Spokane, WA 99208



\$50,000 HALLOWEEN HAUNT GIVEAWAY OCT 1-27

[DETAILS](#)


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SPD, neighbors shut down Indian Trail nuisance house

Published On: Oct 07 2016 02:22:40 PM PDT



SPOKANE, Wash. -A nuisance house in the Indian Trail neighborhood was shut down thanks to neighbors working with Spokane Police officers.

The neighbors near the house, located at 3505 W. Indian Trail, worked with SPD officers, their Neighborhood Conditions Officer, and the Spokane City Attorney's Office.

SPD said officers have responded to the address 57 times over the past year for drugs, possible prostitution, reckless driving, property crimes, and bothering neighbors.

Neighbors organized and partnered with their Neighborhood Conditions Officer to petition to Spokane County Superior Court to shut the property down.

SPD officers were at the house on Thursday while contractors worked to clear, secure, and board up the property. Any returning tenants will be arrested for trespassing.

If you have a problem property in your neighborhood, contact your Neighborhood Conditions Officer.

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UP NEXT // Prosecutor: Bo Kirk shot over road rage

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4 Things To Know Oct 31

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Bundy attorney cited for failing to comply with order

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8103 N Division St
Spokane, WA 99208
509-467-5107

Store: 332
Invoice: 33200290165
Salesperson: Bryan R T

Work Order 33200290162

Customer Information

Customer ID: 506-01001
Name: LEE A ARNOLD
Address: [REDACTED]
City, State, [REDACTED] WA 99019
Phone: [REDACTED]

Vehicle Information

Vehicle:
Color:
Mileage:
License:

Les Schwab Invoice

Qty	Product Code	Product Description	Price/ea	FET	Amount
1	13718	WHEEL SPIN BALANCE	\$13.50	\$0.00	\$13.50
1	126187	215/45R-17 87V SS-595 BW	\$91.99	\$0.00	\$91.99

Parts Subtotal: \$91.99
Labor Subtotal: \$13.50
Sales Tax: \$9.17
Tire Tax: \$1.00

Invoice \$115.66

Payment Method:

\$115.66

DOT: DOTUX0K3616

Qty: 1

WARNING: THE FOLLOWING APPLIES TO VEHICLES WITH MODIFIED SUSPENSION/RIDE HEIGHT

The suspension/ride height of this vehicle has been modified. As a result, this vehicle may handle differently than that of factory equipped vehicles. As with any vehicle, extreme care must be used to prevent loss of control or roll-over during sharp turns or abrupt maneuvers. Always wear seat belts and drive safely, recognizing that reduced speeds and specialized driving techniques may be required. Failure to drive this vehicle safely may result in serious injury or death. Do not drive this vehicle unless you are familiar with its unique handling characteristics and are confident of your ability to maintain control under all driving conditions. Some modifications (and combinations of modifications) are not recommended and may not be permitted in your state. Consult your owner's manual, the instructions accompanying this product and state laws before undertaking these modifications. You are responsible for the legality and safety of the vehicle you modify using these components.

Remember to rotate your tires every 5,000 miles for maximum mileage - and it's free!

Les Schwab electronically registers your tire purchase with the tire manufacturer at no charge to you, in accordance with NHTSA's tire registration requirements.

Your car may have a tire pressure monitoring system that uses a warning light to alert the driver of low tire pressure or system failure. Pursuant to NHTSA, Les Schwab must install all tire and wheel combinations with functioning TPMS sensors; including tires and custom wheels or winter tires and wheels. The TPMS light may illuminate after routine service and require additional action. We offer and recommend monthly air checks.

Free air checks for the life of the tires.

THANK YOU FOR YOUR BUSINESS

Invoice Date/Time: 11-08-2016 04:32 PM

Page 1 of 2



2818 N Government Way
Coeur D Alene, ID 83815
208-765-8505

Store: 83
Invoice: 8300472495
Salesperson: Bobbi L F

Work Order 8300472422

Customer Information

Customer ID: 506-01001
Name: LEE A ARNOLD
Address: [REDACTED]
City, State, WA 99019
Phone: [REDACTED]

Vehicle Information

Vehicle:
Color:
Mileage:
License:

THANK YOU FOR YOUR BUSINESS

Authorized By:

LEE A ARNOLD (801) 574-4020 10-31-16 02:14 PM \$116.59

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Customer Signature X

[REDACTED]



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All parts new unless specified.

Invoice Date/Time: 10-31-2016 04:13 PM

Page 2 of 2

From: Matt
Sent:
To: Lee Arnold
Subject: RE: 3505 W. Indian Trail
Attachments: Cost Bill.doc

Lee – the City's costs on 3505 W. Indian Trail are \$2,305.19, see attached. If you can agree to pay our costs as part of the closing then you save us the trouble of filing the cost bill and receiving a judgment on the 3505 W. Indian Trail. Let me know. Thanks.



Matthew | City of Spokane | Office of the City Attorney | Assistant City Attorney

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Legal Materials

Your cooperation is requested; no disclosure authorized without express consent of client(s) and City Attorney.

From: Lee Arnold
Sent:
To: Matthew
Cc:
Subject: 3505 W. Indian Trail

Hi Matthew,

I wanted to let you know that we met with Ray [REDACTED] the current owner of the property located at 3505 West Indian Trail Road, Spokane WA 99208. Ray has agreed to sell us the property so we can get it cleaned up and back into a good working condition. We have signed around a purchase and sale agreement and are scheduled to close on Friday November 4 2016. I have spoken with Doug about gaining access to the property for a physical inspection prior to closing and he instructed me to contact you for access.

Is it ok with you ok if my crew and I remove the plywood from the back door and access the property for inspection or would you prefer I schedule a showing with an officer of the city present? Either way works as long as I can do it before Friday. We would put the plywood back over the door upon completion of the inspection. Let me know which direction you would prefer we go here.

Thanks Matt!

Lee Arnold
CEO
Secured Investment Corp

From: Matthew
Date:
To: Lee Arnold
Subject: 3505 W. Indian Trail

Hello – we abated a chronic nuisance property (3505 W. Indian Trail) a couple weeks ago. The owner, Ray XXXXXXXXX, expressed an interest to sell. His number is XXX.XXXX. Let me know if something works out. Thanks.

Matthew | City of Spokane | Office of the City Attorney | Assistant City Attorney

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Legal Materials

Your cooperation is requested; no disclosure authorized
without express consent of client(s) and City Attorney.

Robert Tavares

Subject: FW: New property

From: Alissa
Sent:
To: Lee Arnold, Michelle
Cc:
Subject: RE: New property

I have an email into Mathew XXXXXXXX. We will need the lis pendens removed or a letter stating that it will be removed and the injunction is lifted. And they also need to calculate the abatement costs for removal of those two matters on title.

Alissa
Gustafson Law, Inc., P.S.

From: Lee Arnold
Sent:
To: Michelle
Cc: Alissa
Subject: Re: New property

Hi Alissa,

Please let me know what other information you need. I need this to close today. Let me know!

Thanks,

Lee A. Arnold
CEO
Secured Investment Corp/
www.CogoCapital.com
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Sent from my iPhone

Michelle wrote:

Here you go.

From: Alissa
Sent:
To: Michelle
Cc: Lee Arnold
Subject: RE: New property

Okay I will still need the mortgage information to order a statement of account.

Alissa

Gustafson Law, Inc., P.S.

From: Michelle

Sent:

To: Alissa

Cc: Lee Arnold

Subject: RE: New property

Alissa,

Per the P&S agreement, we are not paying off the mortgage, we assumed the payments. As for the other items, please refer to P&S agreement. If you need anything else, please let me know.

Michelle

Executive Assistant

Secured Investment Corp

From: Alissa

Sent:

To: Michelle

Subject: RE: New property

The title on this has quite a few issues so I don't think we'll be closing today. We will need information to order the payoff on the mortgage and then there is a lis pendens and two items filed by the county regarding abatement that will need to be resolved. Has Lee been working with Rob at the City like before on homes with these types of problems?

Alissa

Gustafson Law, Inc., P.S.

From: Michelle

Sent:

To: Alissa

Subject: RE: New property

Hello Alissa,

Can you tell me when this property closes today? The seller is extremely anxious for his check, so I need to stay on top of it.

Thanks!

Michelle

Executive Assistant

Secured Investment Corp

From: Alissa
Sent:
To: Michelle
Subject: RE: New property

Okay thank you Michelle.

Alissa
Gustafson Law, Inc., P.S.

From: Michelle
Sent:
To: Alissa
Cc:
Subject: New property

Hello Alissa,
We have a new property that will need your assistance. The address is 3505 W Indian Trail Road, Spokane, WA 99208.

Let me know if you need anything else.

Michelle
Executive Assistant

Secured Investment Corp

This message and any files or attachments transmitted with it may contain confidential, proprietary or privileged information and are intended for the use of the intended addressee(s) only. All rights are reserved. If you received this message in error or are not an intended recipient, please notify the sender and delete this message immediately. If you are not the intended recipient, you are notified that disclosing, copying, distributing or taking any action in reliance on the contents of this information is strictly prohibited. No obligation, contractual or otherwise, is created by the transmission of this message. Views or opinions presented in this message are solely those of the author and do not necessarily represent those of the organization. This message is being recorded; you have no expectation of privacy in this message. This email transmission cannot be guaranteed to be secure or error-free, as information could be intercepted, corrupted, lost, destroyed, arrive late or incomplete, or contain viruses. The sender, therefore, does not accept liability for any errors or omissions in the contents of this message which arise as a result of email transmission. IRS Circular 230 disclosure: To ensure compliance with requirements imposed by the IRS, we inform you that any tax advice contained in this communication, unless expressly stated otherwise, was not intended or written to be used, and cannot be used, for the purpose of (i) avoiding tax-related penalties

Robert Tavares

Subject: FW: 3505 W. Indian Trail

From: Alissa

Sent:

To: Lee Arnold

Cc: Michelle

Subject: RE: 3505 W. Indian Trail

Okay if this is a wrap of an underlying contract then I need a seller financing addendum and the other addendum needs to say that the property will NOT be transferred free and clear of liens because the mortgage lien is staying on title. Also everyone needs to sign a disclosure that states that if the lender triggers their due on sale clause for selling the property subject to the mortgage without consent that the mortgage will immediately be paid in full. And then I will need proof of insurance, showing the seller as an additional insured/mortgagee and instruction on what is being done with the existing escrow account with the mortgage company, is seller to be credited for the balance in that account? Also how will the payments be serviced? Are we hiring an escrow collection company? Is the seller making the payments on their own each month once you pay him (or the escrow company) or will you pay the monthly amount directly to the mortgage company which will likely alert them to the fact that the property has been sold? Once I have all of that I can apply to the Department of Licensing for a waiver as required by statute for seller financing transactions.

Alissa

Gustafson Law, Inc., P.S.

From: Lee Arnold

Sent:

To: Alissa

Cc: Michelle

Subject: RE: 3505 W. Indian Trail

Ok Alissa –

Here is the math that I have

Ray is responsible for:

County Taxes \$281.65

Lien Releases to Gustafson \$150

Final Hold back City of Spokane \$1,000

Lien Payoff of City of Spokane \$2,383.42

Final Water Bill Paid to City of Spokane \$498.00

For a total closing cost to Ray of: \$4,313.07

His Gross is \$12,500

Net then to Ray is \$8,186.93 However,

He has Received the following

\$200 – Cash on October 31, 2016

\$116.59 – Tire on October 31, 2106 – Les Schwab – paid by buyer

\$300 – Cash on Friday November 4th, 2106.

\$500 Cash today November 8th, 2016

Net to seller is \$7,070.34 – Buyer is taking over underlying payments.

Lee is to bring \$12,500 plus
\$2,379.55 Keller Williams for Commissions
\$870 Escrow closing fee to Gustafson Law
\$727.20 – Owners Policy to First American Title

Total to be brought by buyer Escalade Properties, LLC is
\$16,476.75

Also, Lee wanted to be sure that you've had a chance to see this.
[Click Here Now >>](#)

Lee Arnold
CEO

Secured Investment Corp

www.SecuredInvestmentCorp.com

From: Alissa
Sent:
To: Lee Arnold
Subject: 3505 W. Indian Trail

Hi Lee,

Here's where I'm at with the numbers. I wasn't sure if you have released more than \$300 to the seller or not, please let me know if you have. Once you give the go ahead on the numbers I email my docs to you and get Mr. XXXXXXXX in to sign.

Alissa
Rule 6 Law Clerk



Property Profit and Loss

Property address: 3505 W Indian Trail
Purchase Date: 11/1/2016

Cash Outflow (Investment)		
Purchase of Property	\$	79,318.25
Total Fix up and Repair	\$	47,431.15
Selling Costs	\$	21,479.29
Est Total Investment	\$	148,228.69

Target Sale Price \$ 198,900.00

Est Profit \$ 50,671.31

Closing Date 3/1/2017



December 2, 2016

Dear Neighbors,

We would like to reach out to you and your families to let you know that we are in the process of rehabilitating the home located at 3505 W Indian Trail. We understand that there has been a lot concerning activity at this home in the past. We would like to reassure you that we are working to improve this home to its original glory so that it will no longer be a nuisance to the community.

If you have any concerns, please feel free to contact me, Danielle [REDACTED] or [REDACTED]

We thank you for your patience with us as we improve this home and bring peace back to this beautiful neighborhood.

Sincerely,

Danielle [REDACTED]
Cogo Project Manager

3505 W INDIAN TRAIL | Spokane, Washington 99208

3 Beds, 2 Baths MLS #: 201710736

Outstanding family home in fantastic neighborhood. Beautiful hard wood floors, new paint, carpet and large windows give an open airy feel to this updated rancher. 5 bedrooms (2 basement non-egress) 2 bath with large living room and family room both with beautiful gas fireplaces. Kitchen boasts new stainless steel appliances. Enjoy the large covered patio porch overlooking the peaceful fenced backyard with storage shed. Quiet neighborhood, close to shopping and good schools. This one won't last!

LEE ARNOLD

509-953-1000

lee1@securedinvestmentcorp.com



\$199,900



- Gas Fireplaces
- Hardwood Floors
- Basement - Finished
- Garage - Attached
- Fenced Yard
- Covered Porch
- Large Family Room
- SS Appliances
- Storage Shed



See the Virtual Tour! www.tourfactory.com/1706594

333 | Page

Equal Housing Opportunity | All Information Deemed Reliable but not Guaranteed 509-953-1000



Lee Arnold
 Keller Williams Realty Spokane
509-953-1000
lee1@securedinvestmentcorp.com
<http://agent-108784.pages.tourfactory.com>

334 | Page
 VIEW THE TOUR



Robert Tavares

Subject: FW: Indian Trail update
Attachments: Indian Trail flyer.pdf

From: Lee Arnold
Sent:
To: Matthew, Rob
Cc:
Subject: Update on Ray XXXXXXXXX

Hi Matt and Rob,

I pray you both had a great Christmas holiday and a fantastic New Year!
I'm excited for a very productive 2017.

I wanted to update you on the XXXXXXXX (Ray) XXXXXXXX Property Located at 3505 West Indian Trail Road, Spokane WA 99208.

The house is finally complete and went live on the market today.
Attached is the sales flier as well as the virtual tour video so you can see the transformation.

<http://www.tourfactory.com/1706594>

The other property we have been working on is 6117 North Cedar. This property is also very close to completion and will be going on the market in the next two weeks.

I believe the quality of the construction done to these homes will attract very deserving and respectful homeowners that the "Concerned Neighbors", will be
Very pleased to welcome to the neighborhood!!

Thanks again for allowing us the opportunity to assist the City in cleaning up these troubled properties.

Please let me know if there are any other "challenges" we can help the City address.

Yours in Success,

Lee Arnold
CEO

Secured Investment Corp

www.SecuredInvestmentCorp.com



From: Michelle

Sent:

To: CDA All

Subject: New Home Listed in Spokane! Please share!

Hi Everyone,

We listed a new rehab home at 3505 W Indian Trail, Spokane, WA. This is on a large lot. Perfect for a large family. Has beautiful hard wood floors, lots of light and two gas fireplaces! I'm attaching a flyer and sharing the virtual tour link. Please share with anyone you think may be interested. Let's get this one sold!!!!

<http://www.tourfactory.com/1706594>

Michelle

Executive Assistant

Secured Investment Corp



CASE STUDY 5



Turning Garbage into Gold!

CASE STUDY 5

How We Found the Property:

- This property is 2302 W. College Drive, Spokane WA. (Does that street sound familiar?)
- It is just 5 properties east of our very first Lien Abatement property!
- This Lien Abatement Property was listed on the MLS.



Background:

- _____
- _____
- _____
- _____
- Gwendaleann had some equity in the property and was smart enough to know it. She was attempting to get something out of the sale.
- She very much wanted to retrieve some of her personal belongings from the property, but due to the nuisance abatement order from the court, she could not legally be on the property.
- This was one of her _____.
- She had enlisted the services of a real estate agent in the hopes of selling the property before she lost it all.

CASE STUDY 5



- Druggies & squatters were using the property prior to it being boarded up..



- Like so many lien abatement properties, it was a blight on neighborhood.



CASE STUDY 5



CASE STUDY 5



CASE STUDY 5

Negotiating the Deal

- Gwendaleann was working with a real estate agent making it more difficult be creative with the negotiation.
- In the end she wanted _____ and _____ to her property.

The Opportunity & Potential

- ARV (Selling Price): _____
- Purchase price: _____
- Rehab: _____
- Selling Costs: _____
- PROFIT: _____



3 Things We Learned From this Deal!

- Birds of a feather flock together! – We already knew this, but it reminded us of it once again.
- Not all lien abatement properties necessitate working with the city.
- _____.

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

**RETURN NAME and ADDRESS**

Office of the City Attorney

808 W. Spokane Falls Blvd.

Spokane, WA 99201-3326

Please Type or Print Neatly and Clearly All Information**Document Title(s)**

Notice of Lis Pendens

Reference Number(s) of Related Documents**Grantor(s)** (Last Name, First Name, Middle Initial)

Gwendaleann [REDACTED]

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

City of Spokane

Legal Description (Abbreviated form is acceptable, i.e. Section/Township/Range/Qtr Section or Lot/Block/Subdivision)

LOT 16 BLK 10 NETTLETON'S 1ST ADD

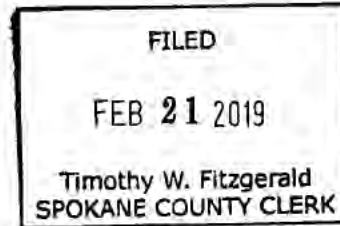
Assessor's Tax Parcel ID Number 25133.0215

The County Auditor will rely on the information provided on this form. The Staff will not read the document to verify the accuracy and completeness of the indexing information provided herein.

Sign below only if your document is Non-Standard.

I am requesting an emergency non-standard recording for an additional fee as provided in RCW 36.18.010. I understand that the recording processing requirements may cover up or otherwise obscure some parts of the text of the original document. Fee for non-standard processing is \$50.

Signature of Requesting Party



SUPERIOR COURT, STATE OF WASHINGTON, COUNTY OF SPOKANE

CITY OF SPOKANE, a municipal corporation,

Plaintiff,

v.

GWENDALEANN ■■■■■■■■■■, a single person, and property owner of 2302 W. College Avenue, Spokane, Washington;

SPOKANE FEDERAL CREDIT UNION, a lienholder; and

PARTIES IN POSSESSION of 2302 W. College Avenue, Spokane, Washington, and all other persons or parties unknown claiming any right, title, estate, lien, or interest in the real estate described in the complaint herein,

Defendants.

No. **19200843-32**

NOTICE OF LIS PENDENS

TO THE ABOVE-NAMED DEFENDANTS AND TO ALL WHOM IT MAY CONCERN.

NOTICE IS HEREBY GIVEN that an action has been commenced and is now pending in the above-entitled Court, brought by the above-named City of Spokane, as Plaintiff, against the above-named defendants; and the purpose and object of said

NOTICE OF LIS PENDENS - 1

Michael C. Ormsby, City Attorney
OFFICE OF THE CITY ATTORNEY
808 W. Spokane Falls Blvd.
Spokane, WA 99201-3326
(509) 625-6225
FAX (509) 625-6277

1 action is to declare the property described below a drug nuisance pursuant to the
2 provisions of Chapter 7.43 RCW and a chronic nuisance pursuant to the provisions of
3 Chapter 10.08A Spokane Municipal Code and enter an order of abatement
4 immediately closing the property against use for any purpose until further order of the
5 court, which property is in the City of Spokane, County of Spokane, State of
6 Washington, identified as tax parcel number 25133.0215 and legally described as:
7

8 LOT 16, BLOCK 10, NETTLETON'S 1ST ADDITION, AS PER PLAT
9 RECORDED IN VOLUME "A" OF PLATS, PAGE 98, RECORDS OF
10 SPOKANE COUNTY;

11 SITUATE IN THE CITY OF SPOKANE, COUNTY OF SPOKANE,
12 STATE OF WASHINGTON.

13 DATED this 20th day of February, 2019.

14  
15 Matthew M. F. [redacted], WSBA #40043
16 Assistant City Attorney
17 Attorney for Plaintiff
18
19
20
21
22
23
24
25

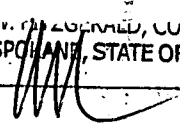
26 NOTICE OF LIS PENDENS - 2

27 Michael C. Ormsby, City Attorney
28 OFFICE OF THE CITY ATTORNEY
808 W. Spokane Falls Blvd.
Spokane, WA 99201-3326
(509) 625-6225
FAX (509) 625-6277

I certify that this document is a true and correct copy
of the original on file and of record in my office.

ATTEST

FEB 21 2019

TIMOTHY W. CALDERHEAD, COUNTY CLERK
COUNTY OF SPOKANE, STATE OF WASHINGTON
BY  DEPUTY



Disbursement Authorization Form
Page 1 of 1



Keller Williams Realty Spokane
799 S Stevens St
Spokane, WA 99204

Expires 06/01/19

DA # 41871
Property Address 2302 College Ave
Spokane, WA 99201
Seller Gwendaleann [REDACTED]
Buyer Escalade Properties
Subdivision

Closing Date 03/29/19
Contract Date 03/25/19
Type of Sale B
Sales Price \$65,325.00
Commission \$3,266.25
Tax \$.00
Commercial Fee \$.00
Loan/GF#
Fax #

Title Company
Closing Officer

When signed below, Keller Williams Realty Spokane authorizes the total commission of \$3,266.25 to be disbursed by separate check and delivered as indicated. If for any reason the amounts on the checks are different from this letter of authorization YOU MUST OBTAIN NEW APPROVAL. Sales associates are not authorized to modify commission agreements.

Keller Williams Realty Spokane.....	\$775.51
Chad Kennedy.....	\$1,251.91 ✓
The Lee Arnold Team.....	\$1,189.84
<small>Agent is on direct deposit, commission is included in check payable to Keller Williams.</small>	
Keller Williams Realty Spokane ~B&O TAX	\$19.59
Keller Williams Realty Spokane ~B&O TAX	\$29.40

Date: 03/29/2019 1:00:48 PM Approved by: Ken [REDACTED] - Designated Broker
Keller Williams Realty Spokane

All checks must be delivered to Keller Williams
Realty Spokane along with copies of the
FINAL HUD statement and a copy of this form.
Questions? [REDACTED]

Please make one check payable to Keller
Williams Realty Spokane for: \$2,014.34 ✓

Gustafson Law, Inc., PS
ALTA Universal ID:
1500 West Fourth Ave.
Suite 408
Spokane, WA 99201

File No./Escrow No. : 19-0367-C
 Print Date & Time: April 1, 2019 12:25 pm
 Officer/Escrow Officer : Alissa Raczynski
 Settlement Location : 1500 West Fourth Ave., Suite 408
 Spokane, WA 99201

Property Address: 2302 W College Ave
 Spokane, WA 99201

Borrower: Escalade Properties, LLC
 701 E Front Ave., 2nd Floor
 Coeur d' Alene, ID 83814

Seller: Gwendaleann [REDACTED]
 2302 W College Ave
 Spokane, WA 99201

Lender:

Settlement Date: March 29, 2019
 Disbursement Date: March 29, 2019

FINAL

Seller		Description	Borrower	
Debit	Credit		Debit	Credit
		Financial		
	65,325.00	Sale Price of Property	65,325.00	
		Deposit		100.00
		Prorations/Adjustments		
	275.37	County Taxes 03/29/19 - 07/01/19	275.37	
		Title Charges and Escrow/Settlement Charges		
410.00		Escrow - Closing Fee to Gustafson Law, Inc., PS	410.00	
473.28		Owner's Policy to WFG Title Company		
		Commissions		
1,306.50		Real Estate Agent Commission to Keller Williams		
1,959.75		Real Estate Agent Commission to Keller Williams		
		Government Recording and Transfer Charges		

Seller			Borrower	
Description		Debit	Credit	
Debit	Credit		Debit	Credit
		Government Recording and Transfer Charges (continued)		
		Recording Fees to WFG Title Company	100.00	
1,167.79		1.78% Excise Tax to Spokane County Treasurer		
		Payoff(s)		
31,744.20		Payoff of First Mortgage Loan to Spokane Federal Credit Union		
		Loan Payoff	0.00	
		Total Payoff	31,744.20	
		Miscellaneous		
2,632.89		2017-2018 Delinquent Taxes to Spokane County Treasurer		
535.93		2019 1st Half Taxes to Spokane County Treasurer		
500.00		Final Utility Holdback to City of Spokane		
7,189.59		Lis Pendens to City of Spokane		
Seller			Borrower	
Debit	Credit		Debit	Credit
47,919.93	65,600.37	Subtotals	66,110.37	100.00
		Due from Borrower		66,010.37
17,680.44		Due to Seller		
65,600.37	65,600.37	Totals	66,110.37	66,110.37

Acknowledgement

We/I have carefully reviewed the ALTA Settlement Statement and find it to be a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction and further certify that I have received a copy of the ALTA Settlement Statement. We/I authorize Gustafson Law, Inc., PS to cause the funds to be disbursed in accordance with this statement.

Borrower

Escalade Properties, LLC

BY: _____

Sarah Tooker
Controller

Seller

Gwendaleann [REDACTED]

Alissa Raczykowski

Gustafson Law, Inc., PS
ALTA Universal ID:
1500 West Fourth Ave.
Suite 408
Spokane, WA 99201

File No./Escrow No. : 19-0447-C
Print Date & Time: May 21, 2019 7:40 am
Officer/Escrow Officer : Alissa Raczykowski
Settlement Location : 1500 West Fourth Ave., Suite 408
Spokane, WA 99201

Property Address: 2302 W College Ave
Spokane, WA 99202

Borrower: TLC4 Houses, LLC
[REDACTED]
Coeur d'Alene, ID 83814

Seller: Escalade Properties, LLC
701 E Front Ave, 2nd Floor
CDA, ID 83814

Lender: Secured Investment High Yield Fund II, LLC

Settlement Date: May 17, 2019
Disbursement Date: May 17, 2019

FINAL

Description	Seller	
	Debit	Credit
Financial		
Sale Price of Property		82,900.00
Prorations/Adjustments		
County Taxes 05/17/19 - 07/01/19		130.28
Title Charges and Escrow/Settlement Charges		
Escrow - Closing Fee to Gustafson Law, Inc., PS	410.00	
Owner's Policy to First American Title Company	701.32	
Government Recording and Transfer Charges		
1.78% Excise Tax to Spokane County Treasurer	1,480.62	
Payoff(s)		
Payoff of First Mortgage Loan to Lake City Servicing Loan Payoff 0.00	121,021.95	
Total Payoff <u>121,021.95</u>		

Description	Seller	
	Debit	Credit
Miscellaneous		
Final Utility Holdback to City of Spokane	300.00	
	Debit	Credit
Subtotals	123,913.89	83,030.28
Due from Seller		40,883.61
Totals	123,913.89	123,913.89

Acknowledgement

We/I have carefully reviewed the ALTA Settlement Statement and find it to be a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction and further certify that I have received a copy of the ALTA Settlement Statement. We/I authorize Gustafson Law, Inc., PS to cause the funds to be disbursed in accordance with this statement.

Seller

Escalade Properties, LLC

BY: _____
 Sarah Tooker
 Controller

 Alissa Raczynowski
 Escrow Officer



THE SPOKESMAN-REVIEW

Saturday, August 3, 2019 Spokane, Washington Est. May 19, 1883

Washington Idaho WA Government

<http://www.spokesman.com/stories/2019/jun/13/five-west-central-zombie-homes-placed-in-receivers/>

Five West Central ‘zombie homes’ placed in receivership as part of affordable housing push

UPDATED: Thu., June 13, 2019, 12:45 p.m.



The city of Spokane has placed five “zombie houses” in the West Central neighborhood, including this one at 2006 W. Boone Ave., into receivership with an eye toward turning them into affordable housing. (Colin Mulvany / The Spokesman-Review)

By **Chad Sokol** chadso@spokesman.com(509) 459-5047

More than three years ago, activists hatched a plan to save five Victorian houses from demolition and turn them into much-needed affordable apartments in Spokane’s West Central neighborhood.

But the project stalled for reasons that remain in dispute, and the houses fell into disrepair after they were moved to new locations. Neighbors complained about squatters, litter, broken windows and other code violations and illegal activity.

Last month, the city filed a lawsuit to seize the “chronic nuisance” homes so they could be torn down. But this month, the parties reached an unusual receivership agreement.

It’s the last hope for a project that promised to add affordable housing to an impoverished neighborhood.

“We have a desperate need for housing in West Central,” said Woody Garvin, a Presbyterian minister and neighborhood activist.

The project began in 2016.

Two years earlier, Sarff Investments, led by Harold Sarff, purchased the entire block between Maple and Ash streets and Boone and Gardner avenues.

Sarff planned to raze the houses to build a car wash until Keith Kelley, a general contractor and affordable-housing advocate who lives in West Central, inquired about purchasing them.

Kelley believed that relocating the structures to vacant lots would be a relatively cheap, environmentally friendly way to keep housing units in the neighborhood while preserving its historic character.

Before starting construction on his car wash, Sarff agreed to sell the houses for \$1 apiece, and Kelley began searching for lots where they could be relocated. Kelley also approached city officials and community members, including Deb Conklin, the pastor at St. Paul’s United Methodist Church.

Conklin formed a nonprofit called the Grove Community and hired a Coeur d’Alene-based contractor, Michael Varni, to take on the project. The church provided a \$650,000 loan in April 2016, and the houses were moved to lots along Boone, Sharp and Maxwell avenues.

“The goal was to have them refurbished or restored into affordable housing,” said City Councilwoman Karen Stratton, who represents West Central.

That didn’t happen.

In recent interviews, Conklin has alleged that Varni “absconded” in early 2017 after receiving \$450,000 and failing to complete the agreed-upon work.

Conklin has not attempted to sue Varni, however, and court records state that she expressed no interest in a criminal investigation in a meeting with Spokane police Detective Stacey Carr.

In a court affidavit filed last month, Carr wrote that Conklin and St. Paul’s had “failed to provide any documentation of the loan or the contract” with Varni. “They have also failed to report any theft or fraud by Varni.”

Varni didn't respond to messages seeking comment Wednesday. But, according to the affidavit, he told Carr he was appalled by Conklin's allegations and insisted he had completed as much work as he could despite higher-than-anticipated project costs.

"Varni said the deal with (the Grove Community) nearly destroyed him and his family. He lost his business and has never recovered from the losses," Carr wrote. "His opinion is that the project was more of a slumlord concept to make large sums of money from future rentals than a well-intended community-minded project."

Efforts to find a new contractor have floundered. Conklin blamed that partly on a post-recession building boom.



Stratton said she believed Conklin had invested her "heart and soul" in the effort to create new low-income housing.

"We have been struggling – and I'm sure Deb has been struggling more than anybody – trying to reverse the situation, correct it and try to find additional funds to get the project moving," Stratton said. "Unfortunately, in the meantime, these houses have sat and become these huge eyesores in the neighborhood."

Assistant city attorney Matthew Folsom said the structures were left "open and unsecure" for two and a half years. At least one of them is still on skids from when it was moved three years ago. Complaints from neighbors have become routine.

Faced with a demolition order from the city building examiner and the city's lawsuit seeking to seize the houses, Conklin grudgingly agreed this month to appoint a neutral third party, local attorney Tim Fischer, to manage the properties.

"We agreed to the receivership because it was made very clear this spring that (the city) was not going to permit the Grove Community or I to finish this project," Conklin said.

Fischer has acted as a receiver for numerous so-called "zombie houses" in Spokane. Usually, his objective is to get a property cleaned up and sold to the highest bidder.

In the case of the Grove Community houses, however, Fischer must make “all reasonable attempts” to find another nonprofit willing to rehabilitate the properties for affordable housing. If he doesn’t find a nonprofit within 120 days, he can sell the houses to any buyer.

Fischer also must involve St. Paul’s in the process, though there’s no guarantee the church will recoup the money it invested in the project.

Folsom said the receivership is the best possible outcome for West Central.

“The police department got involved because returning these five properties to productive use is going to be a lot more effective in creating a safe and healthy neighborhood than five vacant lots,” Folsom said.

“If the city was forced to demolish these substandard, unfit, abandoned structures,” he said, “the cost of those demolitions would be attached as liens on those vacant lots, making it very difficult for somebody to come in and build, and virtually impossible to build low-income affordable housing.”

In a statement this month, Officer John O’Brien, a police spokesman, called the receivership agreement “an exceptional win for the community.”

“This was not a fast process and the work is not yet done, but we are optimistic that these five properties will soon be safe and affordable housing in West Central,” O’Brien said.

Kelley, who came up with the idea for the housing project, agreed.

“While unfortunate for the Grove Community, it’s a good thing for the neighborhood,” he said.

Wordcount: 984

Published: June 13, 2019, 4:30 a.m.

Updated: June 13, 2019, 12:45 p.m.

Tags: [affordable housing](#), [Deb Conklin](#), [Grove Community](#), [Karen Stratton](#), [Matthew Folsom](#), [news](#), [Spokane](#), [Tim Fischer](#), [West Central](#)



STEP BY STEP THROUGH THE PROCESS



Turning Garbage into Gold!

STEP BY STEP - THE PROCESS



Identify the Players:

City Attorney

- The city attorney is the attorney representing the city or municipality.
- An elected or _____
- In the strong mayor form of government, the city attorney often reports to the mayor.
- The city attorney may report to the city council or the city manager in the council-manager form of government.

Code Enforcement Officer

- A sworn or non-sworn inspector, officer or investigator, employed by a city, or county, or city and county.
- Specialized training
- Depending on the municipality, primary duties are the Prevention, Detection, Investigation, and

_____ of violations of laws regulating:

- public nuisance,
- public health, safety, and _____
- public works,
- business activities and consumer protection,
- _____
- land-use, or
- municipal affairs.

City Planner

- Works to help communities become better places to live, work, grow-up in, and play.



STEP BY STEP - THE PROCESS



- They help decide the location of buildings, where new parks might be needed, and what areas in the community need changes.
- Interprets a community's zoning code.
- Helps create a _____ for what the community will become.

City Housing Authority

- A governmental body that governs some aspect of the territory's housing.
- Often providing _____ to qualified residents.

Know the Code (Law)

State Law

- See Addendum.
- Every state will have _____ on the books.

City

- _____
 - Search, "Code Violation -*Your City or County Name*".
 A Search in Spokane:

Nuisance activity means and includes:

1. Any civil code violation as defined by state law or local ordinance occurring around or near the property, including, but not limited to, the following _____:

- a. Litter and Rubbish:

STEP BY STEP - THE PROCESS

- b. Fire Hazard from Vegetation and Debris:
- c. Any dangerous animal violations:
- d. Fire Code Violations:
- e. _____ control violations, as defined in city code.
- f. General Nuisance
 - i. any act or omission, as provided in Chapter 7.48 RCW or Chapter 9.66 RCW or which unreasonably:
 - 1. interferes with the comfort, solitude, health or _____; or
 - 2. _____ common sensibilities and senses by way of extreme noise, light or odor; or
 - 3. obstructs or renders hazardous for public passage any public way or place; or
 - 4. pollutes or renders less usable any watercourse or water body.
 - ii. maintaining or permitting upon any land:
 - 1. refrigerator, freezer or another insulated container within which a child could suffocate;
 - 2. a pit, excavation, swimming pool, well or another uncovered hole into which a person could _____:
 - 3. lumber, metal, plastic, paper, cardboard, or other scrap material deposited in such place and manner as to constitute a hazardous attraction to children;
 - 4. unused or junk _____ or parts unless enclosed and secured as required by law for wrecking yards or junk yards;
 - 5. an _____ structure or part thereof not securely closed to entry;
 - 6. toxic, radioactive, caustic, explosive, malodorous or septic substances, such as putrescent animal, fish or fowl parts, animal or vegetable waste



STEP BY STEP - THE PROCESS

matter, excrement and any material likely to attract or breed flies or rats, unless kept in proper receptacles as provided by the health and refuse laws; or

7. structure, collection of wood, cloth, paper, plastic or glass material, vegetation or flammable substances kept in such manner as to create a substantial risk of combustion or spread of fire.

2. Any criminal conduct, including the attempt and/or conspiracy to commit any criminal conduct, as defined by State or local ordinance occurring on, around, near or having a nexus to a property, including but not limited to:

- a. Stalking, Harassment
- b. Failure to disperse:
- c. Disorderly conduct:
- d. Assault: including domestic violence assault, Reckless endangerment:
- e. Prostitution:
- f. Patronizing a prostitute:
- g. Disorderly house, as defined by city ordinance:
- h. _____:
- i. _____:
- j. Any firearms or dangerous weapons violations:
- k. _____:
- l. Loitering for the purpose of engaging in drug-related activity:
- m. _____.
- n. Gang-related activity, as defined by city code.
- o. Any crimes of domestic violence.
- p. Any violation of any protection order authorization:
- q. Warrant arrests, or any instance in which a DOC (Department of Corrections) offender is located at a property while in violation of DOC supervision.
- r. Reckless Driving, Driving Under the Influence, Vehicular Homicide and Assault:



STEP BY STEP - THE PROCESS

- s. Possession of stolen property:
- t. Trafficking in stolen property and/or criminal profiteering:
- u. Theft, trafficking, or unlawful possession of commercial metal property:
- v. Identity theft:
- w. _____:
- x. Possession of stolen vehicle:



Code Enforcement



Video: "Pierce County Nuisance Properties"

What You're Looking For

- Criminal Violation
- _____
 - a property on which nuisance activity is observed on three or more occasions during any sixty-day period or on which nuisance activity is observed on seven or more occasions during any twelve-month period, or
 - a property where, pursuant to a valid search warrant, evidence of drug-related activity has been identified two or more times, or
 - any abandoned property where nuisance activity exists.
 - _____
 - _____



STEP BY STEP - THE PROCESS

Understand how it Works

Some municipalities will have _____



- Chronic Nuisance Department is actively looking for nuisance properties, and code violations.
- Attorney may be assigned to local police department to prosecute criminal abatement
 - Drugs
 - Prostitution
 - Other illegal activity

Most Municipalities will be _____



Complaint Driven Action

- Video: “Neighbors protest zombie house in SE Portland”

- Does the city require a complaint before initiating action?
- How many complaints are needed?
- What is required to raise the issue to a level that triggers enforcement?
 - See Sample Code Enforcement Handout from City of Spokane.
 - See Sample Complaint form, City of Spokane.



Nuisance Abatement

- Litigation to force compliance or _____
- Private Nuisance Lawsuit

Receivership

- Forced _____



STEP BY STEP - THE PROCESS

- Can happen based on Code Violation or Criminal Violation

Possible Scenario:

- Citizen complains about a _____
- City officials, code enforcement or police, investigate complaint
- If the complaint is substantiated:
 - The owner may be cited or served a notice to _____
within a certain time frame.



Example: San Buenaventura, CA Notice of hearings for summary abatement.

A.

Notices. “When a department head reasonably believes a nuisance to exist the department head shall cause a written notice to be mailed and conspicuously posted on the premises. This notice shall be entitled in letters not less than one inch in height and substantially in the following form:

Notice of Hearing to Determine Existence
of Public Nuisance and Order to Abate
In Whole or Part
(Abatement Cost Lien)

NOTICE IS HEREBY GIVEN that on the
_____ day of _____ / _____ /
_____, the _____ Department of the
City of San Buenaventura intends to ascertain whether
certain premises or property situated in the City of San
Buenaventura, California, known and designated as
_____, constitute a public nuisance subject to an



STEP BY STEP - THE PROCESS

order to abate by cleaning or clearing the property, rehabilitation of the premises or by the repair or demolition of structures situated thereon. If the premises or property, in whole or in part, is found to constitute a public nuisance as defined by Section _____ of the San Buenaventura Municipal Code, and if the same is not promptly abated by the owner as ordered by the hearing officer, such nuisance may be abated by City personnel or its contractors. If abated by City personnel or its contractors, the cost of these proceedings, all prior code enforcement efforts concerning this condition of the property, and the cleaning, clearing, rehabilitation, repair, or demolition by the City will constitute a special assessment and a Nuisance Abatement Lien upon such land until paid. The City may foreclose on any such lien to reimburse the City for these costs.



The alleged violations consist of the following:

The methods of abatement available are:

All persons having any objection to, or interest in, said matters are hereby notified to attend a hearing to be conducted by the City Manager or designee of the City of San Buenaventura to be held at _____ on _____, _____ at the hour of _____ . m., when their testimony and evidence will be heard and given due consideration.

Dated:

Department Head



STEP BY STEP - THE PROCESS

B.

Mailing/posting. “Service of the hearing notice shall be by posting on the affected property and by registered or certified mail (postage fully prepaid) addressed to the owner of the property at the address appearing on the last equalized assessment roll or the supplemental roll, whichever is more current prior to mailing of the hearing notice. The hearing notice shall be posted on the property and mailed at least ten days before the time fixed for such hearing. Proof of posting and mailing shall be by declaration. The failure of any person to receive the notice shall not affect the validity of any proceedings under this article.”



When Should You Intervene?

- If conditions at the property warrant, the residents may be _____, and the property _____ by enforcement officers.
- This is a great place for you as the investor to intervene in the process. Once the owner has been notified, they now have _____ to act before they lose their property.

The Lien

- If voluntary compliance does not happen the city, at their expense, may intervene and bill the owner for abatement expenses.
- An unpaid abatement bill will trigger a _____
- The property will be placed on a watch list.
- The property may be forced into receivership and sold at auction by the municipality to recoup costs.



STEP BY STEP - THE PROCESS

Offer Your Services



Let the Players Identified above know _____

- Local investor working together with local municipality to improve the community
- It's a _____
- Local laws can _____ your efforts as the investor/rehabber

A Competitive Sport? Not Really!

- Understand that they will be concerned about appearances of _____
 - Let them know that you are more than willing to compete.
 - They can provide information to other investors.
 - Don't worry, most other investors are _____ and will not do the work necessary to contact the owners and get the property under contract.
- You may need to work with the city to help them _____ how to use current laws on the books.

Help them to see _____ **WIFM!**

- Board-ups bring blight and are not a good solution
- You can return property to productive use
- You can turn Blight to Bright
- Or Vacant to Value
- _____

Let them know what is in it for you.

- You want to help the community.
- Improving the community helps your family, friends, and business.
- Be up front with them, you are a _____



STEP BY STEP - THE PROCESS

Develop community support



Video: "Zombie homes in Portland causing frustration"



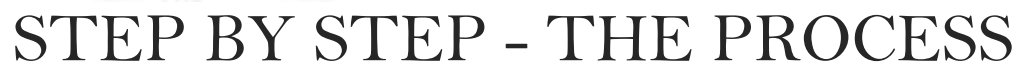
- Neighborhoods should come together to deal with nuisance properties.

How Do You Do This in Your Local Area?

Talk with _____

- Build _____
to rid neighborhoods of blight.
- Teach neighbors about how their property is being _____
- Encourage campaigns to get city officials to _____



This image shows a full page of blank handwriting practice paper. It features 20 evenly spaced horizontal blue lines across the entire page, providing a guide for letter height and placement. The lines are consistent in color and thickness throughout.

What Does Code Enforcement Do?

- Enforces Land Use Violations on private property within Spokane City Limits.
- Seeks voluntary compliance to remove or alleviate the condition.
- Assures that the minimum level of acceptance is met or exceeded.

Types of Violations

- Land Use Violations
- Animals
- Auto Storage
- Junk Vehicles
- Public Right of Way
- Accessory Structures & Uses
- Home Occupation
- Yard Sales
- Signs
- Vacant & Dangerous Buildings
- Refuse
- Fire Hazards
- Nuisance
- Graffiti
- Abandoned Vehicles

Page

Code Enforcement Complaint Forms

Responsibilities of Complainant

Questions?

Feel free to call or contact us at:

CITY OF SPOKANE
OFFICE OF NEIGHBORHOOD SERVICES
& CODE ENFORCEMENT
808 W. Spokane Falls Blvd.
Spokane, WA 99201



www.BeautifySpokane.org
Phone: 509-625-6083
Fax: 509-625-6802

Email: CodeEnforcement@SpokaneCity.org

 Printed on recycled paper.

CITY OF SPOKANE

OFFICE OF
NEIGHBORHOOD SERVICES
& CODE ENFORCEMENT

Beginning the Process

Complaint Forms Available At:

- City Hall, 808 W. Spokane Falls Blvd.
- www.BeautifySpokane.org
- www.SpokaneNeighborhoods.org
- Neighborhood COPS Shops



Submitting the Form

- Email: CodeEnforcement@SpokaneCity.org
- At your local COPS Shop
- By Mail: Code Enforcement
6th floor Municipal Building
808 W. Spokane Falls Blvd.
Spokane, WA 99201-3333
- By fax: (509) 625.6802
- Remember: **FORMS MUST BE SIGNED** – anonymous complaints not accepted, non-disclosure option available.

Types of Citations

Civil Citation

- Similar to a speeding ticket.
- Provide a legal record of illegal actions.
- Holds a monetary fine that is required to be paid by the violator.
- Cases are usually proceed in court without any required participation from the complainant.
- Always a possibility that you may be called upon as a witness.



Criminal Citation

- More serious than civil citation.
- May include not only monetary fines, but also jail time, probation and other actions that the courts may deem necessary to levy against violators.
- Holds a monetary fine that is required to be paid by the violator.
- As the complainant you will likely be called upon to provide testimony against the violator.



Information For Complainants

A Complaint is A Legal Action

Code complaints are vital to ensuring our communities are clean and safe, but remember that filling out a code complaint is a legal matter that should not be taken lightly.



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Complaint Forms Must Be Signed!

If you choose to not disclose your identity, you will most likely remain so. If the case goes to court, the defendant may be able to petition the court for a release of the complainants name. The City of Spokane will only release your name if you choose disclosure or by order of a court of law.





Neighborhood Services,
Code Enforcement, & Parking
808 W Spokane Falls Blvd
Spokane Wa 99201-3333
(509) 625-6083 Fax 625-6802

COMPLAINT FORM

Please complete this form and return it to the address at left or via email at CodeEnforcement@SpokaneCity.org.
Provide as many relevant details as possible.

COMPLAINT TYPES (Check all that apply)

<input type="checkbox"/>	Garbage/Debris	<i>Yard debris including household garbage, furniture, appliances and misc. junk. SMC 13.02</i>
<input type="checkbox"/>	Graffiti	<i>Graffiti on buildings, fences, walls, etc. SMC 10.10.090</i>
<input type="checkbox"/>	Right of Way Violation Obstruction	<i>Blocking a pedestrian path, broken sidewalks, collapsed retaining walls, modifications of grade, basketball hoop, skateboard ramp, pile of materials or buildings in the right of way, vegetation obstruction, snow obstructing sidewalks, plowing snow into the right of way. SMCs 17C, 17F & 12.01 & 12.02</i>
<input type="checkbox"/>	Substandard Building	<i>Substandard includes broken or missing doors or windows, fire damage, leaning walls, sagging or holes in the roof. SMC 17F.070</i>
<input type="checkbox"/>	Vegetation Fire Hazard	<i>Tall, dry vegetation during hot, dry weather and fire hazard season has been declared. SMC 10.08</i>
<input type="checkbox"/>	Zoning Violation	<i>Parking in the front yard, illegal home business, continuous yard sales, living in a camper or RV, sign code violations and building setback violations. SMC 17C.110-340</i>

VEHICLE COMPLAINT TYPES (Check all that apply)

<input type="checkbox"/>	Abandoned Vehicle (on the street): <i>Vehicle without a known owner and that appears inoperable. SMC 16A.61.651(A)</i>	<input type="checkbox"/>	Junk Vehicle: <i>Junk vehicles on private property or on the street, Junk vehicle criteria: at least three (3) years old, extensively damaged, apparently inoperable. SMC 10.16</i>
<input type="checkbox"/>	Parking Too Close to Driveway, Crosswalk, Stop Sign, Alley, Etc. or Against Signage: <i>Parking in, in front of, or in too close proximity to a driveway, alley, stop sign, crosswalk, fire hydrant, bicycle lane, etc. or stopping, standing or parking where official.</i>	<input type="checkbox"/>	Disabled Parking/Placard Abuse: <i>Unauthorized use, improper display, or lack of a disabled placard/plate in a marked disabled stall or making the access aisle inaccessible. SMC 16A.61.381</i>
<input type="checkbox"/>	Wrong Direction Parking: <i>Parking a vehicle against the flow of traffic. SMC 16A.61.575</i>	<input type="checkbox"/>	Parking in Alley: <i>Parking in an alley in a manner that obstructs traffic or otherwise does not adhere to regulations. SMC 16A.61.563</i>
<input type="checkbox"/>	Registration Violation: <i>Parking a vehicle on the street with registration tabs improperly displayed or expired for more than 45 days. SMC 16A.61.567</i>	<input type="checkbox"/>	Non-Passenger Vehicle in Residential Zone: <i>Parking a motor home, trailer, camper, watercraft, or other non-passenger vehicle in a residential zone. SMC 16A.61.562</i>
<input type="checkbox"/>	Continuous Parking: <i>Parking continuously on a block face for more than 24 hours. SMC 16A.61.561.A</i>	<input type="checkbox"/>	Other: <i>To report a violation that is not listed, please complete "Additional Comments" on the next page.</i>

ADDRESS COMPLAINT IS LOCATED AT

CONTINUE ON NEXT PAGE

COMPLAINANT INFORMATION

A SIGNED COMPLAINT FORM IS NECESSARY BEFORE CODE ENFORCEMENT OR PARKING SERVICES CAN INVESTIGATE, UNLESS A LIFE THREATENING ISSUE EXISTS. **ANONYMOUS COMPLAINTS ARE NOT ACCEPTED.**

Print Your Name: _____ Phone Number: _____

Your Address: _____ City & ZIP: _____

Your Signature: _____ Date of Submittal _____

Confidentiality preference: Disclosure of information revealing your identity will depend on application of the public disclosure law, chapter 42.56RCW, other applicable statutes and whether the complaint is criminally prosecuted. Please initial in the space that indicates whether you desire information revealing your identity be disclosed. Failure to initial will result in information being subject to disclosure.

By checking Do Not Disclose I am indicating that the disclosure of my name would endanger my life, physical safety or property.

initial: _____ **DO NOT DISCLOSE** _____ **YOU MAY DISCLOSE**

The violation must be visible from the public right of way, or you must indicate that you would like us to contact you for permission to view the site from your property.

I give you permission to view the site from my property: ☐ Yes ☐ No

I request that an acknowledgement of this complaint be sent:

by email to _____

by mail to _____

VEHICLE COMPLAINT	Vehicle #1 Information	VEHICLE COMPLAINT	Vehicle #2 Information
MAKE:		MAKE:	
MODEL:		MODEL:	
LICENSE #:		LICENSE #:	
COLOR:		COLOR:	
OTHER DESCRIPTION:		OTHER DESCRIPTION:	

COMPLAINT SUMMARY/ADDITIONAL INFORMATION

How long has the violation existed? _____

Property Occupant (if known): _____

Additional Comments:

How To File A Complaint

Complaint Form Available At:

- City Hall, 808 W. Spokane Falls Blvd.
- www.BeautifySpokane.org
- www.SpokaneNeighborhoods.org

Submitting the Form

- Email: CodeEnforcement@SpokaneCity.org
- At your local COPS Shop
- By Mail: Code Enforcement
6th floor Municipal Building
808 W. Spokane Falls Blvd.
Spokane, WA 99201-3333
- By fax: (509) 625.6802
- Remember: **FORMS MUST BE SIGNED** – anonymous complaints not accepted, non-disclosure option available.

Remember

- In case of fire, CALL 911
- Code Enforcement **ONLY** deals with tall dry vegetation and debris after fire hazard criteria are met during the official Fire Season.
- Other fire hazards that are of concern, the Spokane Fire Department should be contacted.
- To report a potential fire hazard, contact the Fire Marshal's Office at 625-7000.

Fire Hazards



Questions?

Feel free to call or contact us at:

CITY OF SPOKANE
OFFICE OF NEIGHBORHOOD SERVICES
& CODE ENFORCEMENT
808 W. Spokane Falls Blvd.
Spokane, WA 99201



www.BeautifySpokane.org
Phone: 509-625-6083
Fax: 509-625-6802

Email: CodeEnforcement@SpokaneCity.org

Printed on recycled paper.

CITY OF SPOKANE

OFFICE OF
NEIGHBORHOOD SERVICES
& CODE ENFORCEMENT

Examples of Fire Hazards



Tall, Dry Vegetation Close to House!



Tall, Dry Vegetation Close to Fence!



Neatly Stacked Wood Away From House
Is Not A Violation!

Is it a Fire Hazard?

According to SMC 10.080.040 the following are considered when determining whether or not vegetation at a site is a hazard:

1. Is the situation present between May1st to November 30th.
2. Has there been a lack of rain for 10 continuous days which has negatively affected the soil moisture content?
3. Has the average air temperature been above 70 degrees Fahrenheit for 10 consecutive days?
4. Is the length of the grass or other vegetative material, whether standing or matted, 10 inches or more?
5. Is the vegetation within 10 feet of a combustible fence or other combustible structure?

Debris As A Fire Hazard

- It must be of considerable dryness and flammability to be able to combust and spread.
- Neatly stacked lumber, stacks of firewood, scrap metal etc. are not considered a fire hazard.
- Most cases of debris accumulation are dealt with as solid waste rather than a fire hazard.

After A Complaint Form Has Been Filed

- A Code Enforcement Officer will inspect the property and make a determination if a violation of the code exists.
- If a violation is found, a Notice of Violation will be issued to the property owner and occupants with a date that the property must be brought into compliance.

What If The Property Is Non-Compliant?

In most cases, the issue is taken care of after the Notice is sent but if the property is not brought into compliance the city may either:

- Have the vegetation cut and removed at cost to the owner/occupants,
- Remove the debris at cost to the owner/occupants, or
- Issue a citation for \$536.00 to the owner and occupants.



Junk Vehicles Are Considered A Nuisance

The State of Washington and City of Spokane have deemed junk vehicles to be a public nuisance.

Junk vehicles are considered a public nuisance due to the fact that they are more than an eyesore. Some other factors that have been considered are that they:

- detract from the residential aspect of the neighborhood and reduce property values.
- can be hazardous attraction to children and often have sharp edges, broken glass and are up on unsteady jacks, etc.
- are often left in open areas where they are noticed by many people.
- have toxic fluids and other material that often leak on to the ground.



Junk Vehicles

Questions?

Feel free to call or contact us at:

CITY OF SPOKANE
OFFICE OF NEIGHBORHOOD SERVICES
& CODE ENFORCEMENT
808 W. Spokane Falls Blvd.
Spokane, WA 99201



www.BeautifySpokane.org
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& CODE ENFORCEMENT

What Is A Junk Vehicle?

“Junk Vehicle” under SMC 10.16.010F is a vehicle certified under RCW 46.55.230 as meeting at least three of the following requirements:

1. Is the fair market value equal only to the approximate value of the scrap of the vehicle?
2. Is it three years old or older?
3. Is it extensively damaged, such damage including but not limited to:
 - A broken window or windshield.
 - Missing wheels, tires, motor or transmission?
4. Is it apparently inoperable?

Are There Exceptions?

According to SMC 10.16.030 exemptions include:

- Completely enclosed within a building in a lawful manner where it is not visible from the street or other public or private property.
- Vehicles on private property in connection with the business of a licensed dismantler or licensed vehicle dealer and is fenced according to the provisions of RCW 46.80.130.

Filing A Complaint

Fill Out A Complaint Form Available At:

- City Hall, 808 W. Spokane Fall Blvd.
- www.BeautifySpokane.org
- www.SpokaneNeighborhoods.org
- Neighborhood COPS Shops

Submitting the Form

- Email: CodeEnforcement@SpokaneCity.org
- At your local COPS Shop
- By Mail: Code Enforcement
6th floor Municipal Building
808 W. Spokane Falls Blvd.
Spokane, WA 99201-3333
- By fax: (509) 625.6802
- Remember: **FORMS MUST BE SIGNED** – anonymous complaints not accepted, non-disclosure option available.

Complaint Process

1. An officer will investigate the report to verify if the vehicle meets the criteria.
2. Notification will be given to the property owner that the vehicle is in violation of the Spokane Municipal Code.
3. The owner is given 15 days to remove the vehicle.

Did You Receive A Notice Of Violation?

- You can store the junk vehicle in a fully enclosed building where it is not visible. Covering it with a tarp is **NOT** an approved storage method.
- If you can't store the vehicle you will need to remove the vehicle. Whether you put it in a storage unit, a friends garage, sell it, or take it to a junkyard, it is up to you.

Failure to Comply

Failure to comply may result in:

- Citations of \$536.00 a day
- Ordering the removal, at a cost to you.



Police Matters

If the junk vehicle is in the street or curbside, you can call My Spokane at, 311.

If the vehicle is blocking the street or alley call Crime Check, 456-2233.



What is a Substandard Building?

This brochure depicts the 12 criteria for Substandard Buildings. One or more must be met, measured on extent of the damage. An unfit building is one which the criteria listed are present and to such an extent as to warrant demolition.

SMC 17F.070.410

Building Official Process

1. Buildings are turned in by citizens or agencies to Code Enforcement.
2. An Officer investigates to see if the building meets the criteria of SMC 17F.070.400 & 410
3. The Deputy Building Official reviews the case and if in violation, schedules a public hearing.
4. The property owner presents the evidence at the hearing of why the building is not substandard/unfit, or provides plans to rehabilitate, or demolish the building.
5. If the building is unfit and not demolished by the property owner, the City will complete the demolition and place a lien on the property to recover the costs.

Filing A Complaint

Complaint Forms Available At:

- City Hall, 808 W. Spokane Falls Blvd.
- www.SpokaneNeighborhoods.org
- Neighborhood COPS Shops
- www.BeautifySpokane.org

Submitting the Form

- Email: CodeEnforcement@SpokaneCity.org
- At your local COPS Shop
- By Mail: Code Enforcement
6th floor Municipal Building
808 W. Spokane Falls Blvd.
Spokane, WA 99201-3333
- By fax: (509) 625.6802
- Remember: **FORMS MUST BE SIGNED** – anonymous complaints not accepted, non-disclosure option available.

Questions?

Feel free to call or contact us at:

CITY OF SPOKANE
OFFICE OF NEIGHBORHOOD SERVICES
& CODE ENFORCEMENT
808 W. Spokane Falls Blvd.
Spokane, WA 99201



www.BeautifySpokane.org
Phone: 509-625-6083
Fax: 509-625-6802

Email: CodeEnforcement@SpokaneCity.org

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Substandard Buildings



CITY OF SPOKANE

OFFICE OF
NEIGHBORHOOD SERVICES
& CODE ENFORCEMENT

**Twelve Criteria For
Substandard Buildings**
SMC: 17F.070.400

A. DILAPIDATION:

Exterior decay, water damage.



B. STRUCTURAL DEFECTS:

Defects to the foundation, walls and roof framing.



C. UNSANITARY CONDITIONS:

Accumulated waste, health hazards.



**D. DEFECTIVE/INOPERABLE
PLUMBING**



E. INADEQUATE

WEATHERPROOFING:

Siding, roofing and glazing.



**F. NO ACTIVATED UTILITY SERVICE
FOR ONE YEAR**



**G. INOPERABLE OR INADEQUATE
HEATING SYSTEM**



**H. HAZARDOUS ELECTRICAL
CONDITIONS**



**I. STRUCTURE HAS BEEN
BOARDED FOR MORE THAN
ONE YEAR**



**J. STRUCTURE USED IN
MANUFACTURING OF DRUGS
& CONDEMNED**



K. FIRE DAMAGED STRUCTURE



**L. DEFECTS INCREASE HAZARD OF
FIRE, ACCIDENT OR CALAMITY**



What is a Land Use Violation?

Any use made of a property or structure other than the permitted uses for that zone found in the Spokane Municipal Code Title 17C.

Filing A Complaint

Complaint Forms Available At:

- City Hall, 808 W. Spokane Falls Blvd.
- www.beautifyspokane.org
- www.spokaneneighborhoods.org
- Neighborhood COPS Shops

Submitting the Form

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- At your local COPS Shop
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- By fax: (509) 625.6802
- Remember: **FORMS MUST BE SIGNED** – anonymous complaints not accepted, non-disclosure option available.

Zoning Violations

Common Violations & What To Do About Them

Questions?

Feel free to call or contact us at:

CITY OF SPOKANE
OFFICE OF NEIGHBORHOOD SERVICES
& CODE ENFORCEMENT
808 W. Spokane Falls Blvd.
Spokane, WA 99201



www.BeautifySpokane.org
Phone: 509-625-6083
Fax: 509-625-6802

Email: CodeEnforcement@SpokaneCity.org

CITY OF SPOKANE

OFFICE OF
NEIGHBORHOOD SERVICES
& CODE ENFORCEMENT

Common Zoning Violations

PARKING IN FRONT YARD:

Parking in the front yard outside of the driveway is prohibited. SMC 17C.230



SIGNS:

Typical sign complaints are: signs placed in the public right of ways, illegal billboards and too much signage. SMC 17C.240



YARD SALES:

Citizens are allowed to have two yard sales per year lasting a maximum of three days per sale. SMC 10.45.030



RECREATIONAL CAMPING:

A recreational vehicle, tent, hut, or other temporary shelter may not be occupied on private property for more than 14 days in a consecutive 12-month period. SMC 17C.319



HOME BUSINESS REGULATIONS:

A business of such scale and method of operation as to be incidental and accessory to the residential use of the property. The following are not:

- Auto repair,
- Contractor storage area,
- Repair of large appliances and or furniture,
- Tea room or reception spaces for rent, SMC 17C.340



RESIDENTIAL FENCING/ CLEARVIEW TRIANGLE

The negative effects of fences can include the creation of street walls that inhibit police and community surveillance, decrease the sense of community, hinder emergency access and the safe movement of pedestrians and vehicles, and create an unattractive appearance.

- Front yard fence height: 42 in.
- Side & Rear Yard Maximum of 72 in
- Clear view triangle: 36 in. SMC 17C.110.230

SETBACK AREA:

Development is prohibited on lots that are not of sufficient area, dimension, and frontage to meet minimum zoning requirements in the base zone.

ANIMALS:

The Municipal Code emphasizes the significance and responsibility of pet owners, and keepers are expected to meet the requirements in SMC 17C.310. Some areas regulated include:

- Too many animals
- Animals improperly kept
- 4 dogs & 4 cats per dwelling unit.
- Small domestic animals
- Large domestic animals
- Bee keeping



LIVING IN AN ILLEGAL STRUCTURE:

A recreational vehicle, tent, hut, or other temporary shelter may not be occupied on private property, except for a manufactured home park or a mobile home park, for more than 14 days in a consecutive 12-month period. SMC 17C.319



For More Information:

This is partial list of some common zoning violations. For more information, please visit our website at:

www.BeautifySpokane.org
www.SpokaneCity.org

Rehabilitation or Demolition Plan

****Due no later than one week prior to Hearing****
****Incomplete forms will be returned for completion****



**Office of Neighborhood Services and
Code Enforcement**
 808 W. Spokane Falls Blvd.
 Spokane, WA 99201-3333
 (509) 625-6083
 Fax: (509)625-6802
 beautifyspokane.org

Your Hearing Date _____

I plan to: Rehab <input type="checkbox"/> Demo <input type="checkbox"/>
Property Address:

***Notarized documentation must be provided for any authorized
representative of the property owner.***

Property Owner	
Mailing Address	
City, State, Zip	
Phone	()
Email Address	
Contractor Name	
Business License #	
Address	
City, State, Zip	
Phone	()
Email Address	

FOR OFFICE USE ONLY

☐ Approved ☐ Not Approved

Signature _____

Date:

Additional Comments:

Consult with the Development Services Center on the 3rd Floor of City Hall or call (509) 625-6114 for details about permit and inspection requirements. Work performed without required permits will be subject to penalty fees.

Date permits or Contracts will be obtained:			
Estimated Start Date:		Estimated Completion Date:	
Estimated overall costs to complete the rehabilitation or demolition including all permit fees and contract costs.			

_____ (initial) "I am aware that all demolitions require an asbestos survey and that an asbestos survey may be required prior to beginning certain phases of work.

_____ (initial) "In lieu of rehabilitation, I plan to demolish the substandard structure(s). I also understand that accessory structures may not remain on a lot without a primary structure, unless a building permit for a replacement structure has been submitted to the Development Services Center."

"I certify by my signature below that I have the financial resources to complete the rehabilitation or demolition:"

X_____ Date_____

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Rehab Plan or Demo Plan

You must provide a brief narrative in each section below to match the noted substandard conditions identified by Code Enforcement or the Building official. The narrative must include all efforts required to address both the rehabilitation or demolition plan and the plan to monitor and keep the site secure. Also, include any previously unknown conditions that are required to make the structure habitable.

1. Dilapidation-exterior decay, water damage:

2. Structural defects-foundation, wall and roof framing:

3. Unsanitary conditions-waste accumulation, health hazards:

4. Defective/inoperable plumbing:

5. Inadequate weatherproofing-siding roofing, glazing:

6. No activated utility service for one year:

7. Inoperable or inadequate heating system:

8. Hazardous electrical conditions:
9. Structure used in the manufacture of methamphetamine or any other illegal drugs and has been condemned by the Spokane Regional Health District and the owner has failed to abate the nuisance condition:
10. Fire damaged structure:
11. Defects increasing the hazards of fire, accident or other calamity:
12. **REQUIRED:** Site Security- re-secure structures and remove transient(s), illegal dumping, graffiti, and/or dry vegetation:

If I am not in the area the following entity is designated in my place to carry out the above tasks:

Name: _____ **Address:** _____

Phone Number: __ (____) _____



NEXT STEPS AFTER CERTIFICATION



Turning Garbage into Gold!

NEXT STEPS

WHEN YOU ARE CERTIFIED, HERE ARE YOUR MARCHING ORDERS!

Research your City

Identify Key Persons in your municipality.

- Do _____
- Go to your city office and ask who is responsible for _____
 - City Attorney
 - Code Enforcement Officer
 - City Planner
 - City Housing Authority

Find out about _____

- Conduct the following internet searches:
 - Code Enforcement
 - Code Enforcement Guide
 - Code Violation
 - General Nuisance
 - Chronic Nuisance
 - _____
 - Reporting a Public Nuisance
- Build your understanding of how the process works (_____) in your city.
- Talk to the _____ in your municipality.

Research Community Groups

- Look for groups dealing with nuisance properties in their neighborhoods.
- Find out about issues they are dealing with.
- You want to develop the persona of being, “the Fixer.”

*The
undertaking
of a new
action brings
new strength.*

- Richard L. Evans

NEXT STEPS



Go to Public Hearings:

- Public hearings take place after the homeowner misses the deadline on the notice of abatement.
- This is where the homeowner is required to present a rehab/demolition plan.
- This is prior to the city taking legal action to place a lien on the property, abate the property themselves, and/or foreclose on the property.
- Rarely does the homeowner show up, but the address and homeowner's name is disclosed to the public.

Offer Your Services

Develop _____ with the city.

- Municipalities need investors to acquire, and rehab these properties.
- They want these properties to return to productivity.
- Cities are desperately looking for solutions –

Develop partnerships with local community groups.

- _____
- Home owners want good neighbors
- Home owners want these properties to look good. It helps their property values.
- You can be _____

Help them see how you can help.

- Leverage your _____
- Leverage your title, _____

NEXT STEPS

The City And Community Desperately Want And Need Your Help!



- Video: "Zombie Homes Spokane."

- They are looking to partner with the private investor.



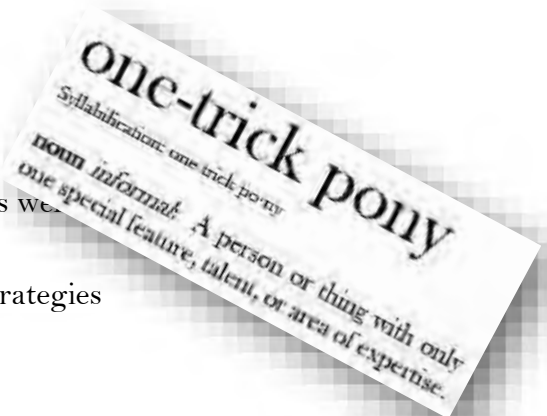
Develop your Reputational Capital

Your ability to perform will be key to developing and maintaining these partnerships.

- Show the city that you are an _____
- They must know that you will follow through on your commitments.
- Give them _____ in your ability.

Don't Be a One-Trick Pony!

- Nuisance properties and Lien Abatement cannot be your only acquisition strategy.
- Don't put all your eggs in one basket.
- Make sure you are working other strategies as well.
- Keep your business diversified.
- You need to have MULTIPLE Acquisition Strategies
 - Out of state owner high equity properties
 - Auction Properties
 - Short Sales
 - Bird Dogs
 - 60, 90 days late



NEXT STEPS

- Pre-Foreclosure
- Probate

Be the Go-To Specialist In Your Area

- Attend the Master Lien Abatement Workshop (Get Your First Deal Done)
- _____
- Learn the nuances of negotiation strategy.
- Add to your Reputational Capital.

Once the Nuisance Property is Identified

Contact the Owner

- If they no longer live at the residence, you will need to skip trace the owner to find contact info.
- They are a motivated seller at this point, so jump straight to the phone call if possible.

Negotiate the sale.

- Build rapport
- Identify need
- Meet the need
- Make sure you identify all debt on the property
 - Beyond the mortgage, there may very well be _____ as-well-as _____ on the property.
Make sure these get factored into your offer.
 - Negotiate with lien holders if necessary.
- Sign the Purchase and Sale agreement – Get it under contract!

Contact COGO Capital – _____

- Start the Application process

NEXT STEPS

- Get your contractor in place
- Develop your detailed scope of work
- Order your appraisal
- Complete the application process
- Close the deal

Get to Work

- Follow your _____
_____ to get the rehab done.
 - Monitor your rehab closely.
 - Stick to your scope of work.
 - _____
- Stage, list, and sell the property'
- Cash your profit check!

Rinse and Repeat:

- It is time to do it again.
- You should have _____

- Get the next one going!
- _____



[illegible]

[illegible]

[illegible]