

1 THE HONORABLE PAUL B. SNYDER
2 Hearing Date: January 19, 2017
3 Hearing Time: 9:00 am
4 Hearing Location: Tacoma, WA
5 Response Date: January 12, 2017
6 Chapter 11

7 THE UNITED STATES BANKRUPTCY COURT FOR THE
8 WESTERN DISTRICT OF WASHINGTON AT TACOMA

9 In re

Case No. 16-43534

10 KEVIN FOREST FLEEK and LORI MARIE
11 FLEEK,

MOTION TO APPROVE SALE OF
REAL PROPERTY

12 Debtors-in-Possession.

13 COME NOW Kevin Forest Fleek and Lori Marie Fleek, the Debtors-in-Possession herein
14 (“Debtors”), by and through their attorneys of record, Wells and Jarvis, P.S., and move the Court
15 for entry of an order approving a sale of real estate.

16 The proposed details of the sale are set forth in the accompanying declaration of Lori
17 Fleek and the exhibits attached thereto, including the proposed purchase and sale agreement
18 (**Exhibit A** to the declaration). The subject real estate is two parcels of raw land in Lewis County,
19 Washington, tax parcel numbers 010556000000 and 010556001000 (the legal description of
20 which can be found on page 6 of **Exhibit B** to the declaration)(“the Property”). As detailed in
21 the declaration, the proposed transaction was negotiated at arms-length with a previously
22 unknown buyer, and the sales price appears to equal the fair market value of the Property based
23 on consultations with realtors and the county tax assessor values.

24 As detailed on the declaration and accompanying proposed order, there will be some costs
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MOTION TO APPROVE SALE - 1

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502 Logan Building
500 Union Street
Seattle, WA 98101-2332

1 associated with the sale of the property in the form of escrow fees and costs, title insurance, and
2 excise tax. There is no realtor commission and there are no deeds of trust or other liens on the
3 parcels, leaving the remaining proceeds to be split between the Debtors and the non-debtor co-
4 owners.

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6 As detailed on the accompanying declaration of Lori Fleek, Debtors believe sale of the
7 Property is in the best interest of the estate, as the parcels are not generating income, the owners
8 otherwise will continue to incur ongoing costs of ownership, and the land is owned with non-
9 debtor parties who are no longer able to develop it into a further investment. Further, non-exempt
10 proceeds can be used to pay down administrative costs, freeing up more of the Debtors' future
11 income to make payments to their other creditors.

12 Wherefore, Debtors respectfully request entry of an order authorizing sale of the Property
13 pursuant to the proposed purchase and sale agreement.

14 Dated this 22nd day of December, 2016.

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16 /s/ EMILY JARVIS
17 EMILY JARVIS, WSBA #41841
18 WELLS AND JARVIS, P.S.
19 ATTORNEYS FOR DEBTORS
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9 In re

Case No. 16-43534

10 KEVIN FOREST FLEEK and LORI MARIE
11 FLEEK,

DECLARATION OF LORI FLEEK

12 Debtors-in-Possession.

13 I, Lori Marie Fleek, am one of the Debtors herein along with my husband, Kevin Forest
14 Fleek. I make this declaration in support of our motion to approve sale of real estate.

15 As set forth on our schedules, we own two adjacent parcels of raw land in the Paradise
16 Estates in Lewis County, parcel numbers 010556000000 and 010556001000. Paradise Estates is
17 a development with a mix of RV spaces, camping spaces, and some more permanent cabins. Both
18 of the lots are co-owned with my aunt and her husband, Brenda and Les Atkins. We had originally
19 purchased the parcels together with the plan that my uncle, who was a contractor, would
20 undertake certain improvements to the properties that would allow them to be developed into RV
21 lots and/or cabins (such as adding in water and septic). Unfortunately, that plan ultimately did
22 not work out as he was too busy at first with his own construction company, and then about three
23 years ago, he was seriously injured and unable to undertake the work.

24 Given this development, and the fact that the properties otherwise will continue to cost
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DECLARATION OF LORI FLEEK - 1

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500 Union Street
Seattle, WA 98101-2332

1 us money in the form of property taxes and dues to Paradise Estates, we believe sale of the land
2 is in the best interest of the estate.

3 Attached as **Exhibit A** is the purchase and sale agreement entered into by the parties. It
4 provides for sale of both lots to third parties for a total of \$35,000. These proposed purchasers
5 were unknown to us prior to this transaction. When we originally decided to sell the properties,
6 we could not find an agent willing to list them at the price we wanted; they suggested maximum
7 listing prices of \$10,000 each. Because of its distance from an urban area and its mixed use for
8 recreation, Paradise Estates properties normally sell by word of mouth or more informal means
9 than the MLS. For all those reasons, my uncle put an ad on Craigslist and posted “for sale” signs
10 in the area, which is how he ultimately obtained the current buyers. Based on our consultations
11 with realtors and their proposed listing price, as well as the Lewis County tax assessor valuations
12 of \$15,000 per lot, I believe the current sale represents a good and reasonable fair market value
13 for the two parcels.
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16 There is no deed of trust or other lien on the real estate. As set forth on the attached
17 **Exhibit B**, the proposed settlement statement from the title company, closing costs are estimated
18 at \$1,525.48 (for insurance, escrow fees, and excise tax). This results in total proceeds of
19 approximately \$33,474.52, leaving approximately \$16,737.26 for our half-portion. My aunt is
20 holding the \$5,000 earnest money deposit in her savings account, which will be accounted for
21 by adjusting our respective payments from closing.
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23 We had claimed exemptions totaling \$12,850 in these two parcels, leaving \$3,887.26 in
24 non-exempt funds. We would propose to have those funds sent to our attorneys’ trust account
25 to be held pending court approval, with the idea that they could be applied toward approved
26 administrative fees and/or priority claims under a plan, as applicable.
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1 I hereby declare under penalty of perjury under the laws of the State of Washington that
2 the foregoing statements are true and correct to the best of my knowledge and belief.

3 Dated this 22nd day of December, 2016.

4 /s/ Lori Marie Fleek
5 Lori Marie Fleek

VACANT LAND PURCHASE AND SALE AGREEMENT SPECIFIC TERMS

1. Date: 12-5-16 MLS No.: _____ Offer Expiration Date: 1-31-2017
2. Buyer: Steven J Kollar, Amy K. Kollar
3. Seller: Les R. Atkins, Brenda J Atkins, Lori M. Fleek Status _____
4. Property: Tax Parcel No(s): Lot 108 - 01055600000 Lot 109 - 010556001000 Lewis County)
Paradise Estates, Lots 108, 109, Paradise Drive Ashford Wa. 98304
Address City State Zip
- Legal Description: Attached as Exhibit A.
5. Purchase Price: \$ 35,000⁰⁰ Dollars
6. Earnest Money: \$ 5000⁰⁰ Check Note; Other _____ (held by Selling Firm; Closing Agent)
Sellers
7. Default: (check only one) Forfeiture of Earnest Money; Seller's Election of Remedies
8. Title Insurance Company: Title Guarantees Bfa
9. Closing Agent: a qualified closing agent of Buyer's choice; _____
Co of Lewis County
10. Closing Date: 1-15 to 1-30 2017 Possession Date: on Closing; Other _____
11. Services of Closing Agent for Payment of Utilities: Requested (attach NWMLS Form 22K); Waived
12. Charges/Assessments Levied Before but Due After Closing: assumed by Buyer; prepaid in full by Seller at Closing
13. Seller Citizenship (FIRPTA): Seller is; is not a foreign person for purposes of U.S. Income taxation
14. Subdivision: The Property must be subdivided before _____; is not required to be subdivided
15. Feasibility Contingency Expiration Date: _____ days after mutual acceptance; Other not applicable
16. Agency Disclosure: Selling Broker represents: Buyer; Seller; both parties; neither party N/A
Listing Broker represents: Seller; both parties

17. Addenda: (1)
Please see attached Addendum to Purchase & Sale agreement.

Buyer's Signature <u>Steven J Kollar</u>	Date <u>12/11/16</u>	Seller's Signature <u>Les R. Atkins</u>	Date <u>12/19/16</u>
Buyer's Signature <u>Amy K Kollar</u>	Date <u>12/11/16</u>	Seller's Signature <u>Brenda J Atkins</u>	Date <u>12-5-16</u>
Buyer's Address <u>305 COWTLAND ST</u>		Seller's Address <u>Po Box 1183</u>	
City, State, Zip <u>CENTRALIA WA 98531</u>		City, State, Zip <u>Morton Wa 98356</u>	
Phone No. <u>(360) 736-3070</u>	Fax No. <u>(360) 508-8458</u>	Phone No. <u>360-569-2744</u>	Fax No.
Buyer's E-mail Address <u>sterejk@comcast.net</u>		Seller's E-mail Address <u>athins4@gmail</u>	
Selling Firm	MLS Office No.	Seller Signature	MLS Office No.
Selling Broker (Print)	MLSLAG No.	Seller Address	MLSLAG No.
Phone No.	Firm Fax No.	Phone No.	Firm Fax No.
Selling Firm Document E-mail Address		Seller Email Address	
Selling Broker's E-mail Address			
Selling Broker DOL License No.	Selling Firm DOL License No.		Listing Firm DOL License No.

VACANT LAND 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. 1-4
- 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. 5-19

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. 20-36

- c. **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. If the Property has been short platted, the Short Plat number is in the Legal Description. 37-44
- d. **Title Insurance.** Seller authorizes Buyer's lender or Closing Agent, at Seller's expense, to apply for the then-current ALTA form of standard form owner's policy of title insurance 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. The Title Insurance Company 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 said standard form 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 the 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. 45-56
- e. **Closing and Possession.** This sale shall be closed by the Closing Agent on the Closing Date. "Closing" means the date on which all documents are recorded and the sale proceeds are available to Seller. 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 57-60

Buyer's Initials _____ Date 12/19/16 Buyer's Initials _____ Date _____ Seller's Initials BJA Date 12-5-16 Seller's Initials _____ Date _____

Seller's Initials DATE

VACANT LAND PURCHASE AND SALE AGREEMENT
GENERAL TERMS

Continued

county recording office is closed. 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.

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f. **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.

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g. **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. 11, 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).

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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. 12.

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h. **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.

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i. **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. 13 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.

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j. **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 or 17C (whichever is applicable), Public Offering Statement or Resale Certificate, homeowners' association documents provided pursuant to 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.

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k. **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,

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Buyer's Initials _____ Date _____ Buyer's Initials _____ Date _____ Seller's Initials BLA 12/9/16 Seller's Initials BLA 12-5-16 _____ Date _____

Seller's Initials DATE

VACANT LAND PURCHASE AND SALE AGREEMENT
GENERAL TERMS

Continued

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.

- l. Facsimile or 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.
- m. 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.
- n. 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.
- o. Default.** In the event Buyer fails, without legal excuse, to complete the purchase of the Property, then the following provision, as identified in Specific Term No. 7, shall apply:
 - i. Forfeiture of Earnest Money.** That portion of the Earnest Money that does not exceed five percent (5%) of the Purchase Price shall be forfeited to the Seller as the sole and exclusive remedy available to Seller for such failure.
 - ii. Seller's 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.
- p. 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.
- q. 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.
- r. 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.
- s. 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.
- t. 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."

Buyer's Initials	Date	Buyer's Initials	Date	Seller's Initials	Date	Seller's Initials	Date
				<i>[Signature]</i>	12/9/16	<i>[Signature]</i>	12-5-16

Seller's Initials DATE

VACANT LAND PURCHASE AND SALE AGREEMENT
GENERAL TERMS

Continued

- u. **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. 173-179
- v. **Feasibility Contingency.** It is the Buyer's responsibility to verify before the Feasibility Contingency Expiration Date identified in Specific Term No.15 whether or not the Property can be platted, developed and/or built on (now or in the future) and what it will cost to do this. Buyer should not rely on any oral statements concerning this made by the Seller, Listing Broker or Selling Broker. Buyer should inquire at the city or county, and water, sewer or other special districts in which the Property is located. Buyer's inquiry should include, but not be limited to: building or development moratoriums applicable to or being considered for the Property; any special building requirements, including setbacks, height limits or restrictions on where buildings may be constructed on the Property; whether the Property is affected by a flood zone, wetlands, shorelands or other environmentally sensitive area; road, school, fire and any other growth mitigation or impact fees that must be paid; the procedure and length of time necessary to obtain plat approval and/or a building permit; sufficient water, sewer and utility and any service connection charges; and all other charges that must be paid. Buyer and Buyer's agents, representatives, consultants, architects and engineers shall have the right, from time to time during and after the feasibility contingency, to enter onto the Property and to conduct any tests or studies that Buyer may need to ascertain the condition and suitability of the Property for Buyer's intended purpose. 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. If the Buyer does not give notice to the contrary on or before the Feasibility Contingency Expiration Date identified in Specific Term No. 15, it shall be conclusively deemed that Buyer is satisfied as to development and/or construction feasibility and cost. If Buyer gives notice this Agreement shall terminate and the Earnest Money shall be refunded to Buyer, less any unpaid costs. 181-199

Seller shall cooperate with Buyer in obtaining permits or other approvals Buyer may reasonably require for Buyer's intended use of the Property; provided that Seller shall not be required to incur any liability or expenses in doing so. 200-201

- w. **Subdivision.** If the Property must be subdivided, Seller represents that there has been preliminary plat approval for the Property and this Agreement is conditioned on the recording of the final plat containing the Property on or before the date specified in Specific Term No. 14. If the final plat is not recorded by such date, this Agreement shall terminate and the Earnest Money shall be refunded to Buyer. 202-205
- 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. 206-210

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. 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. 211-227

Buyer's Initials	Date	Buyer's Initials	Date	Seller's Initials	Date	Seller's Initials	Date
				<i>[Signature]</i>	12/9/16	<i>[Signature]</i>	12-9-16


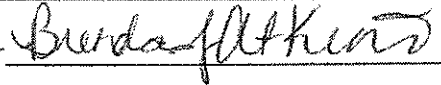
Seller's Initials DATE

ADDENDUM TO PURCHASE AND SALE AGREEMENT

In reference to Vacant Land Purchase and Sale Agreement between Steven J. and Amy K. Kollar (Buyers), and Les R. and Brenda J. Atkins, and Lori M. Fleek (Sellers), dated 12/05/2016 covering the property commonly known as Lot 108-parcel #010556000000, and lot 109-parcel #010556001000, in Paradise Estates, Ashford WA the undersigned Purchaser and Seller hereby agree to the following:

1. Buyers paid in full, the property taxes that were due October 31, 2016.
2. Buyers are to pay all water fees to Paradise Estates as of 9/25/2016, the date the Ernest money agreement was signed.
3. As Home Owner Association fees are paid in full through January 31, 2017, Buyers will pay in full HOA fees due February 1, 2017.
4. No prorations of items 1 through 3 are to be made at closing.
5. Sale is contingent upon approval from Bankruptcy court of Lori M. Fleek.

The herein agreement, upon its execution by both parties, is herewith made an integral part of the aforementioned Purchase and Sale Agreement.

Buyer _____	Seller <u></u>
Date _____	Date <u>12-13-16</u>
Buyer _____	Seller <u></u>
Date _____	Date <u>12-13-16</u>
	Seller _____
	Date _____