

1 THE HONORABLE JUDGE CHRISTOPHER ALSTON
2 Hearing Date: March 23, 2018
3 Hearing Location: Seattle
4 Hearing Time: 9:30 a.m.
5 Response Date: March 16, 2018
6 Chapter 11

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

9 In re

10 MICHAEL D. LEVITZ,

11 Debtor-in-Possession.

Case No. 17-15200

DEBTOR'S MOTION TO APPROVE
SALE OF VACANT PARCEL

12
13 COMES NOW Michael D. Levitz, the Debtor-in-Possession herein, by and through his
14 attorneys of record, Wells and Jarvis, P.S., and moves the Court for approval to sell the vacant
15 parcel of real estate which adjoins his residence.

16 **I. Factual Background**

17 Mr. Levitz resides at 3718 E. Alder Street, Seattle, WA 98122, which has the King
18 County tax parcel number 982920-0385 (hereinafter referred to as "the Residence.")
19 Immediately adjoining this lot is a second, vacant parcel whose address is 305 Erie Avenue,
20 Seattle, WA 98122. The King County tax parcel number for that lot is 982920-0390. This is the
21 parcel that Mr. Levitz seeks to sell through the present motion (which shall hereinafter be
22 referred to as "the Vacant Parcel.") The legal description for the Vacant Parcel is included in
23 the title report attached to the accompanying declaration of realtor Sandy Eagon.
24

25 As detailed on the accompanying declaration of Michael Levitz, originally the
26

27 MOTION TO APPROVE SALE - 1

WELLS AND JARVIS, P.S.
502 Logan Building
500 Union Street
Seattle, WA 98101-2332
206-624-0088 Fax 206-624-0086

1 Residence and the Vacant Parcel were one parcel. This was the case when Chevy Chase Bank
2 issued its loan in 2004, as evidenced by the fact that its deed of trust includes only the tax
3 parcel number for the Residence. A copy of that deed of trust is attached to Mr. Levitz's
4 declaration.

5
6 In the intervening years, Mr. Levitz undertook efforts to split his land into two parcels
7 to increase the value, including demolishing a carport structure in 2009 that stood on the
8 Vacant Parcel, grading of the Vacant Parcel, and applying to split the Vacant Parcel into its
9 own lot.

10 Mr. Levitz hired realtor Sandy Eagon to list the Vacant Parcel for sale and also to
11 conduct market analyses of the two properties. As set forth on those market analyses, attached
12 to Mr. Levitz's declaration, his actions along with the recent growth in the real estate market
13 have led to an increases in the total value of the two lots to approximately \$1.275 million.
14

15 The details of the offers that have been received as a result of listing the Vacant Parcel
16 are set forth in detail on the accompanying declaration of Sandy Eagon. The highest offer was
17 for \$625,000, and based on that fact, plus the fact that it appears to be from strong buyers,
18 Debtor believes this is the superior offer.

19 As detailed on Mr. Levitz's declaration, he had previously found an interested buyer,
20 JRM Builders LLC, and a purchase and sale agreement had been entered into in January of
21 2015 for \$515,000. Unfortunately that sale was never able to close because the lender at that
22 time would not agree to sale of one of the parcels due to the fact that a foreclosure sale was
23 pending imminently. For some time the parties had hoped that that sale would be able to close
24 eventually, and so Mr. Levitz never returned the earnest money that he received in the amount
25 of \$35,000. On that basis, JRM Builders LLC has now filed a proof of claim in the bankruptcy
26
27

1 case for \$35,000. See proof of claim number 4. Mr. Levitz would otherwise move forward with
2 closing the sale with this original buyer, but the value of the Vacant Parcel has increased in the
3 three years since that offer was made, such that it no longer represents the fair market value and
4 is therefore not in the best interest of the estate.

5
6 **II. Status of Encumbrances on Vacant Parcel**

7 As set forth on the title report which accompanies Sandy Eagon's declaration, there are
8 several judgment liens against the property in favor of Debtor's ex-wife, Inesa Levitz. As
9 detailed on Mr. Levitz's declaration, he believes that these are paid in full and will seek to file
10 satisfactions of judgment.

11 The title report also indicates a junior deed of trust in favor of Ruth Moen. The Debtor
12 questions whether funds are still owed to Ruth Moen, based upon the declaration received by
13 the Debtor from his ex-wife, Inesa Levitz, that the balance owed on attorney fees has already
14 been paid. In any event, the senior deed of trust purportedly held by U.S. Bank National
15 Association as trustee for Chevy Chase Funding LLC mortgage backed certificates series 2005-
16 1, claims it is owed \$969,000, an amount which far exceeds the proposed sale price. Therefore,
17 any claims by Inesa Levitz or Ruth Moen are unsecured.

18
19 In this case, the senior deed of trust clearly exceeds the value of the Vacant Parcel (even
20 with Mr. Levitz's asserted claims against the lender), leaving no equity for Ms. Levitz' or Ruth
21 Moen's liens to attach to.

22
23
24
25 **III. Legal Basis to Approve Sale**

26 Pursuant to 11 U.S.C. § 363(b)(1) (made applicable to this Chapter 11 proceeding by §

1 1107), the Debtor-in-Possession may sell property of the estate other than in the ordinary
2 course of business after notice and a hearing. A bankruptcy court can authorize the sale of
3 substantially all of the assets of the estate upon a proper showing that the sale is in the best
4 interests of the estate, that there is a sound business purpose for the sale, and that it was
5 proposed in good faith. *See e.g. In re 240 N. Brand Partners, Ltd.*, 200 B.R. 653, 659 (9th Cir.
6 B.A.P. 1996), *In re Wilde Horse Enters., Inc.*, 136 B.R. 830, 841 (Bankr. C.D. Cal 1991); *In re*
7 *Lionel*, 722 F.2d 1063, 1070 (2nd Cir. 1983).

9 In the present case, the requisite elements are present to support court authorization of
10 the proposed sale. As detailed in the accompanying declaration of Ms. Eagon, the property was
11 marketed and multiple offers were reviewed and selected from. All offerors were third parties,
12 and the proposed highest and best bid was negotiated at arm's length. As detailed on her
13 declaration, Ms. Eagon believes that the proposed purchase price is consistent with the fair
14 market value of the Vacant Parcel.

16 Sale of the Vacant Parcel makes sound business sense and will benefit the estate in that
17 without a sale, it will sit empty and will not generate any income. Clearly Mr. Levitz needs
18 only one residence for himself and his son. By selling the Vacant Parcel, Mr. Levitz will reduce
19 the balance owed on the associated secured claim, which will make the payments more
20 manageable on the remaining balance in part by eliminating the accumulated arrears.

22 By selling the Vacant Parcel, Debtor will create equity in his retained residence, giving
23 him a homestead exemption and possibly equity for junior secured claims, which would
24 otherwise be left unsecured without the sale of the Vacant Parcel.

25 Sale of the Vacant Parcel is also consistent with Michael Levitz's available remedies as
26 a Chapter 11 Debtor-in-Possession. The beneficiary of the deed of trust that was recorded as
27

1 part of the Chevy Chase Bank loan (whose identity is the subject of some dispute as evidenced
2 in Mr. Levitz's associated pending adversary complaint, case number 18-01000) is not subject
3 to the anti-modification restrictions of § 1123(b)(5), since that party would be the holder of a
4 claim that is secured on more than just the debtor's residence (i.e. said claim is also secured on
5 the Vacant Parcel and/or the proceeds therefrom). Pursuant to § 1123(b)(5), without that
6 restriction, a reorganization plan may modify the rights of secured claim holders. Likewise,
7 under § 1123(b)(4), a reorganization plan may also provide for the sale of substantially all of
8 the property of the estate. Mr. Levitz plans to file shortly a reorganization plan based upon the
9 sale of the vacant parcel, that also modifies the terms of the remaining balance (in whatever
10 amount is ultimately determined to be due and owing after resolution of his pending adversary
11 case) secured against his residence.
12

13
14 Debtor seeks a sale free and clear of liens under section 363(f) of the Bankruptcy Code.
15 As set forth above, Debtor would propose that any amount remaining from sale after payment
16 of normal closing costs be held by escrow, the trust account of his counsel, or some other
17 designated account pending further order of the Court. Debtor has proposed the holdback in
18 order not to delay sale and thereby avoid loss of value in the property to foreclosure and/or
19 increasing mortgage liens.

20
21 Finally, Debtor notes that the sale proceeds by themselves, and without any deduction
22 from the amount owed on the first deed of trust for Debtor's several claims against the lender,
23 will more than pay the accumulated arrears and bring the note current. The equity created by
24 the sale in debtor's remaining residence for both the debtor and his creditors will not be lost
25 due to the threatened foreclosure.
26

1 **IV. Holdback is Necessary and Appropriate**

2 As detailed in the amended complaint filed in Mr. Levitz's related adversary case, case
3 number 18-01000, he has raised several claims against the lender which he believes will reduce
4 the amount owing on the loan. Therefore it is appropriate for the sale proceeds to be held until
5 those calculations have been determined by the Court. Likewise, as set forth in Mr. Levitz's
6 declaration, he believes there is a dispute with Ms. Moen as to whether she is owed any funds.
7 He would like to investigate further and present evidence to the Court.
8

9 **V. Conclusion**

10 Wherefore, Debtor respectfully requests that the court enter the proposed order
11 approving the sale of the Vacant Parcel.

12 Dated this 2nd day of March, 2018.

13
14 /s/ Jeffrey B. Wells
15 By: Jeffrey B. Wells, WSBA #6317
16 Wells and Jarvis, P.S.
17 Attorneys for Debtor
18
19
20
21
22
23
24
25
26
27

1 THE HONORABLE JUDGE CHRISTOPHER ALSTON
2 Hearing Date: March 23, 2018
3 Hearing Location: Seattle
4 Hearing Time: 9:30 a.m.
5 Response Date: March 16, 2018
6 Chapter 11

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

9 In re

Case No. 17-15200

10 MICHAEL D. LEVITZ,

NOTICE OF DEBTOR'S MOTION TO
APPROVE SALE OF VACANT
PARCEL

11 Debtor-in-Possession.

12
13 Please take notice that the hearing on Debtor's **Motion to Approve Sale of Vacant
Parcel located at 305 Erie Avenue, Seattle, WA 98122** is set as follows:

14 JUDGE: Christopher M. Alston

TIME: 9:30 a.m.

15 PLACE: U.S. Bankruptcy Court
16 700 Stewart St., Rm 7206
17 Seattle, WA 98101

DATE: March 23, 2018

18 IF YOU OPPOSE the Motion, you must file your written response with the court
19 clerk NOT LATER THAN the RESPONSE DATE, which is March 16, 2018.

20 Copies of the exhibits to the Declarations of Michael Levitz and Sandy Eagon may be
21 viewed either online via the ECF or in the clerk's office, room 6301 of the U.S. Bankruptcy
22 Court, or may be requested from Wells and Jarvis, P.S. at the contact information below.

23 IF NO RESPONSE IS TIMELY FILED AND SERVED, the Court may, in its
24 discretion, GRANT THE MOTION PRIOR TO THE HEARING, WITHOUT FURTHER
25 NOTICE, and strike the hearing.

26 Dated this 1st day of March, 2018.

27 /s/ Jeffrey B. Wells

By: Jeffrey B. Wells, WSBA #6317
Wells and Jarvis, P.S.
Attorneys for Debtor

WELLS AND JARVIS, P.S.

502 Logan Building

500 Union Street

Seattle, WA 98101-2332

206-624-0088 Fax 206-624-0086

NOTICE OF HEARING ON MOTION TO APPROVE SALE - 1

VACANT LAND PURCHASE AND SALE AGREEMENT SPECIFIC TERMS

- Date: **February 21, 2018** MLS No.: **1247785** Offer Expiration Date: **2/22/2018**
- Buyer: **Dean I Yonev** **Ralitsa G Mandeva** and/or assigns to LLC
Buyer Buyer Status
- Seller: **Michael D Levitz**
Seller Seller
- Property: Legal Description attached as Exhibit A. Tax Parcel No(s): **9829200390**
305 Erie Avenue Seattle King WA 98122
Address City County State Zip
- Purchase Price: \$ **600,000.00** **Six Hundred Thousand** Dollars
- Earnest Money: \$ **25,000.00** 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: **Chicago Title and Escrow**
- Closing Agent: **Chicago Title and Escrow**
Company Individual (optional)
- Closing Date: **30 days or sooner after BK Court approval**; Possession Date: on Closing; Other **30 days from BK Court approval**
- 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
- Subdivision: The Property: must be subdivided before _____; is not required to be subdivided
- Feasibility Contingency Expiration Date: **0** days after mutual acceptance; Other _____
- Agency Disclosure: Selling Broker represents: Buyer; Seller; both parties; neither party
Listing Broker represents: Seller; both parties
- Addenda: **22A(Financing) 22T(Title Contingency) 35E(Escalation)** Bankruptcy Addendum

RGM
DJY
H
H
DJY
RGM

Authentisign
Dean I Yonev 02/21/2018
Buyer's Signature Date
Authentisign
Ralitsa G Mandeva 02/21/2018
Buyer's Signature Date

4217 32nd Ave West
Buyer's Address
Seattle WA 98199
City, State, Zip

Phone No. Fax No.
dyonev0963@gmail.com
Buyer's E-mail Address

Keller Williams Eastside 2789
Selling Firm MLS Office No.
Brian Otto 94295
Selling Broker (Print) MLS LAG No.
(425) 285-3200 (425) 444-3261 (425) 458-4700
Firm Phone No. Broker Phone No. Firm Fax No.

broker@kellerwilliamskirkland.com
Selling Firm Document E-mail Address
briantotto@kw.com
Selling Broker's E-mail Address
121630 18839
Selling Broker DOL License No. Selling Firm DOL License No.

Authentisign
m b 02/22/2018
Seller's Signature Date
Authentisign
Sandy Eagon 02/22/2018
Seller's Signature Date

Seller's Address
City, State, Zip
(425) 998-8492
Phone No. Fax No.

Seller's E-mail Address
Keller Williams Rlty Marysvlle 7739
Listing Firm MLS Office No.
Sandy Eagon 40653
Selling Broker (Print) MLS LAG No.
(360) 653-1884 (425) 422-7372 (360) 653-8610
Firm Phone No. Broker Phone No. Firm Fax No.

kwoffers@gmail.com
Listing Firm Document E-mail Address
Sandy@SandyAndCompany.com
Listing Broker's E-mail Address
24877 7931
Listing Broker 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.
- 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. **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.
- 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 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.

- 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

<u>DJY</u>	<u>02/21/2018</u>	<u>RGJ</u>	<u>02/21/2018</u>	<u> </u>	<u>02/22/2018</u>	<u> </u>	<u> </u>
Buyer's Initials	Date	Buyer's Initials	Date	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. Buyer reserves the right to walk through the Property within 5 days of Closing to verify that Seller has maintained the Property as required by this paragraph. 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.

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.

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).

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.

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.

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.

j. **Notices and Delivery of Documents.** Any notice 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 delivered 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 delivered only when the notice is received by Buyer, by Selling Broker, or at the licensed office of Selling Broker. Documents related to this Agreement, such as NWMLS Form 17C, Information on Lead-Based Paint and Lead-Based Paint Hazards, Public Offering Statement or Resale Certificate, and all other documents shall be delivered pursuant to this paragraph. 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.

Facsimile transmission of any notice or document shall constitute delivery. E-mail transmission of any notice or document (or a direct link to such notice or document) shall constitute delivery when: (i) the e-mail is sent to both Selling Broker and Selling Firm or both Listing Broker and Listing Firm at the e-mail addresses specified on page one of this Agreement; or (ii) Selling Broker or Listing Broker provide written acknowledgment of receipt of the e-mail (an automatic e-mail reply does not constitute written acknowledgment). At the request of either party, or the Closing Agent, the parties will confirm facsimile or e-mail transmitted signatures by signing an original document.

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

Buyer's Initials Date Buyer's Initials Date Seller's Initials Date Seller's Initials Date
[Signature] 02/21/2018 [Signature] 02/21/2018 [Signature] 02/22/2018

VACANT LAND PURCHASE AND SALE AGREEMENT
GENERAL TERMS

Continued

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.

- l. 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.
- m. 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.
- n. 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.
- o. 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.
- p. 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.
- q. Counteroffer.** Any change in the terms presented in an offer or counteroffer, other than the insertion of or change to Seller's name and 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.
- r. 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.
- s. 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."
- t. 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

DJY 02/21/2018
Buyer's Initials Date

RQM 02/21/2018
Buyer's Initials Date

M 02/22/2018
Seller's Initials Date

Seller's Initials Date

**VACANT LAND PURCHASE AND SALE AGREEMENT
GENERAL TERMS**

Continued

court costs and reasonable attorneys' fees. Seller and Buyer agree that the Firms are intended third party beneficiaries 174
under this Agreement. 175


u. Feasibility Contingency. It is the Buyer's responsibility to verify before the Feasibility Contingency Expiration Date 176
identified in Specific Term No.15 whether or not the Property can be platted, developed and/or built on (now or in the 177
future) and what it will cost to do this. Buyer should not rely on any oral statements concerning this made by the Seller, 178
Listing Broker or Selling Broker. Buyer should inquire at the city or county, and water, sewer or other special districts in 179
which the Property is located. Buyer's inquiry should include, but not be limited to: building or development moratoriums 180
applicable to or being considered for the Property; any special building requirements, including setbacks, height limits or 181
restrictions on where buildings may be constructed on the Property; whether the Property is affected by a flood zone, 182
wetlands, shorelands or other environmentally sensitive area; road, school, fire and any other growth mitigation or 183
impact fees that must be paid; the procedure and length of time necessary to obtain plat approval and/or a building 184
permit; sufficient water, sewer and utility and any service connection charges; and all other charges that must be paid. 185
Buyer and Buyer's agents, representatives, consultants, architects and engineers shall have the right, from time to time 186
during and after the feasibility contingency, to enter onto the Property and to conduct any tests or studies that Buyer 187
may need to ascertain the condition and suitability of the Property for Buyer's intended purpose. Buyer shall restore the 188
Property and all improvements on the Property to the same condition they were in prior to the inspection. Buyer shall be 189
responsible for all damages resulting from any inspection of the Property performed on Buyer's behalf. If the Buyer does 190
not give notice to the contrary on or before the Feasibility Contingency Expiration Date identified in Specific Term No. 191
15, it shall be conclusively deemed that Buyer is satisfied as to development and/or construction feasibility and cost. If 192
Buyer gives notice this Agreement shall terminate and the Earnest Money shall be refunded to Buyer, less any unpaid 193
costs. 194


Seller shall cooperate with Buyer in obtaining permits or other approvals Buyer may reasonably require for Buyer's 195
intended use of the Property; provided that Seller shall not be required to incur any liability or expenses in doing so. 196


v. Subdivision. If the Property must be subdivided, Seller represents that there has been preliminary plat approval for the 197
Property and this Agreement is conditioned on the recording of the final plat containing the Property on or before the 198
date specified in Specific Term No. 14. If the final plat is not recorded by such date, this Agreement shall terminate and 199
the Earnest Money shall be refunded to Buyer. 200

w. Information Verification Period. Buyer shall have 10 days after mutual acceptance to verify all information provided 201
from Seller or Listing Firm related to the Property. This contingency shall be deemed satisfied unless Buyer gives notice 202
identifying the materially inaccurate information within 10 days of mutual acceptance. If Buyer gives timely notice under 203
this section, then this Agreement shall terminate and the Earnest Money shall be refunded to Buyer. 204

x. Property Condition Disclaimer. Buyer and Seller agree, that except as provided in this Agreement, all representations 205
and information regarding the Property and the transaction are solely from the Seller or Buyer, and not from any Broker. 206
The parties acknowledge that the Brokers are not responsible for assuring that the parties perform their obligations 207
under this Agreement and that none of the Brokers has agreed to independently investigate or confirm any matter 208
related to this transaction except as stated in this Agreement, or in a separate writing signed by such Broker. In 209
addition, Brokers do not guarantee the value, quality or condition of the Property and some properties may contain 210
building materials, including siding, roofing, ceiling, insulation, electrical, and plumbing, that have been the subject of 211
lawsuits and/or governmental inquiry because of possible defects or health hazards. Some properties may have other 212
defects arising after construction, such as drainage, leakage, pest, rot and mold problems. Brokers do not have the 213
expertise to identify or assess defective products, materials, or conditions. Buyer is urged to use due diligence to 214
inspect the Property to Buyer's satisfaction and to retain inspectors qualified to identify the presence of defective 215
materials and evaluate the condition of the Property as there may be defects that may only be revealed by careful 216
inspection. Buyer is advised to investigate whether there is a sufficient water supply to meet Buyer's needs. Buyer is 217
advised to investigate the cost of insurance for the Property, including, but not limited to homeowner's, flood, 218
earthquake, landslide, and other available coverage. Brokers may assist the parties with locating and selecting third 219
party service providers, such as inspectors or contractors, but Brokers cannot guarantee or be responsible for the 220
services provided by those third parties. The parties shall exercise their own judgment and due diligence regarding 221
third-party service providers. 222

 02/21/2018
Buyer's Initials Date

 02/21/2018
Buyer's Initials Date

 02/22/2018
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 February 21, 2018 1
between Dean I Yonev Ralitsa G Mandeva ("Buyer") 2
Buyer Buyer
and Michael D Levitz ("Seller") 3
Seller Seller
concerning 305 Erie Avenue Seattle WA 98122 (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 the Property (the "Loan(s)"): Conventional First; Conventional Second; Bridge; VA; FHA; USDA; Home Equity Line of Credit; Other _____ 6
(the "Financing Contingency"). Buyer shall pay \$ _____; or 25 % of the Purchase Price down, in addition to the Loans. Buyer shall 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 done 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. 7-15
- 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. 16-22

2. LOAN INFORMATION. 23

- a. **Seller's Request for Loan Information.** At any time _____ 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. 24-26
- b. **Buyer's Loan Information Notice.** Within _____ 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. 27-31
- 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. 32-34

3. SELLER'S RIGHT TO TERMINATE. 35

- a. **Right to Terminate Notice.** At any time _____ 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. 36-38
- 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. 39-43
- 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). 44-45

DJY 02/21/2018 RGM 02/21/2018 HL 02/22/2018 _____
Buyer's Initials Date Buyer's Initials Date Seller's Initials Date Seller's Initials Date

**FINANCING ADDENDUM TO
PURCHASE & SALE AGREEMENT**

Continued

- 4. **LOAN COST PROVISIONS.** Seller shall pay up to \$ _____; or _____% 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) 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 shall 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.** 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.);
 - (iii) Seller's proposal to reduce the Purchase Price to an amount more than the amount specified in the appraisal and for Buyer to pay the necessary additional funds (the amount the reduced Purchase Price exceeds the appraised value) to close the sale; or
 - (iv) Seller's rejection of Buyer's notice of low appraisal.

If Seller timely delivers notice of (i) reappraisal or reconsideration of value; or (ii) consent to reduce the Purchase Price to an amount not more than the amount specified in the appraisal, and lender accepts Seller's response, then Buyer shall be bound by Seller's response.
 - c. **Buyer's Reply.**
 - (i) 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.
 - (ii) If Seller proposes to reduce the Purchase Price to an amount more than the appraised value, Buyer shall have 3 days to (a) accept and represent that Buyer has sufficient funds to close the sale in accordance with this provision; 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.

DSY 02/21/2018
Buyer's Initials Date

RQM 02/21/2018
Buyer's Initials Date

W 02/22/2018
Seller's Initials Date

Seller's Initials Date

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

- 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.

DJY 02/21/2018
 Buyer's Initials Date

RGM 02/21/2018
 Buyer's Initials Date

H 02/22/2018
 Seller's Initials Date

Seller's Initials Date

ESCALATION ADDENDUM TO PURCHASE AND SALE AGREEMENT

The following is part of the Purchase and Sale Agreement dated February 21, 2018 1
 between Dean I Yonev Ralitsa G Mandeva ("Buyer") 2
Buyer Buyer
 and Michael D Levitz ("Seller") 3
Seller Seller
 concerning 305 Erie Avenue Seattle WA 98122 (the "Property"). 4
Address City State Zip

NOTICE TO BUYER: By including this Addendum in the Agreement, you agree to have your purchase price 5
 increased if Seller receives an equal or higher offer from another buyer (the "Competing Offer"). This Addendum does 6
 not assure that the Competing Offer used to establish your purchase price will, in all ways, be comparable to yours. 7
 You are cautioned to offer no more than you are willing to pay for the Property. You are further advised that Seller or 8
 Seller's broker(s) may disclose the terms of your offer, including this Addendum, to others. 9

1. **PURCHASE PRICE.** If Seller receives a Competing Offer for the Property prior to accepting this offer, with a 10
 Net Price equal to or greater than the Net Price of this offer, then the Net Price of this offer shall be 11
 increased to \$ 5,000.00 more than the Net Price of the Competing Offer. In no event, however, shall the 12
 new purchase price of this offer exceed \$ 625,000.00. The term "Net Price" means the stated purchase 13
 price (or the maximum price if the Competing Offer contains a price escalation clause) less any price adjustments 14
 such as credits to Buyer for closing costs. 15
2. **COMPETING OFFER.** A Competing Offer must be a bona fide, arm's length, written offer on NWMLS or similar 16
 forms, containing all material terms necessary for an enforceable agreement which (a) requires the full purchase 17
 price to be paid in cash at closing; (b) provides for closing no later than 60 days (60 days if not filled in) 18
 from the date of this offer; and (c) is not contingent on the sale of the buyer's property (i.e. no NWMLS Form 22B 19
 or equivalent). A Competing Offer may include other conditions, such as a buyer's pending sale of property 20
 contingency (i.e. NWMLS Form 22Q or equivalent). 21
3. **SELLER'S ACCEPTANCE.** Seller's escalation of this offer shall not be effective unless it is accompanied by 22
 a complete copy of any Competing Offer used to escalate the purchase price, including any escalation 23
 provision. 24
4. **NEW PURCHASE PRICE WORKSHEET.** The following formula is provided to assist the parties in calculating the 25
 new purchase price. The worksheet can only be completed when the purchase price of the Competing Offer is 26
 known. The accuracy or completeness of the calculation shall not render this Agreement unenforceable, and to 27
 the extent the following calculations are inconsistent with the escalation provisions above, the escalation 28
 provisions shall control. 29

Purchase Price of Competing Offer (or the maximum purchase price of the Competing Offer if it contains an escalation provision)	\$ <u>620,000</u>	30
Less Credits to Buyer in Competing Offer	\$ <u>0</u>	31
Competing Offer Net Purchase Price	\$ <u>620,000</u>	32
Plus Escalation Amount (this offer)	\$ <u>5,000</u>	33
Plus Any Credits to Buyer (this offer)	\$ <u>0</u>	34
 New Purchase Price (this offer)	 \$ <u>625,000</u>	 35

DY 02/21/2018
 Buyer's Initials Date

RGM 02/21/2018
 Buyer's Initials Date

MC 02/22/2018
 Seller's Initials Date

TITLE CONTINGENCY ADDENDUM TO PURCHASE & SALE AGREEMENT

The following is part of the Purchase and Sale Agreement dated February 21, 2018 1
between Dean I Yonev Ralitsa G Mandeva ("Buyer") 2
Buyer Buyer
and Michael D Levitz ("Seller") 3
Seller Seller
concerning 305 Erie Avenue Seattle WA 98122 (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 1 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

[DJY] 02/21/2018 [RGM] 02/21/2018 [M] 02/22/2018
Buyer's Initials Date Buyer's Initials Date Seller's Initials Date Seller's Initials Date



20150408000609

LEVITZ QCD 73.00
PAGE-001 OF 002
04/08/2015 10:52
KING COUNTY, WA

When recorded return to:

MICHAEL D. LEVITZ
3718 East Alder Street
Seattle, Washington 98122

E2722919

04/08/2015 10:52
KING COUNTY, WA
TAX \$10.00
SALE \$0.00 PAGE-001 OF 001

QUIT CLAIM DEED

THE GRANTOR

INESA LEVITZ
33 Makaweli Street
Honolulu, Hawaii 96835

for and in consideration of division of property in a divorce conveys and quit claims to Michael D. Levitz, as his separate property, her interest in the following described real estate, situated in the County of King, State of Washington, together with all after acquired title of the grantor(s) therein:

Lots 1 and 2, Block 40, Yesler's Third addition to the City of Seattle, according to the Plat thereof recorded in Volume 6 of Plats, Page 41, Records of King County, Washington.
Tax Parcel Number(s): 982920-0385-01 and 982920-0390-04

[M]

[DJY]

02/21/2018

The street address of which is 3718 East Alder Street, Seattle, Washington 98122.

[RGM]

Dated this 24 day of MARCH, 2015.

FOR GRANTOR:

I. Levitz

INESA LEVITZ

Form 34
Addendum/Amendment to P&S
Rev. 7/10
Page 1 of 1

©Copyright 2010
Northwest Multiple Listing Service
ALL RIGHTS RESERVED

ADDENDUM / AMENDMENT TO PURCHASE AND SALE AGREEMENT

The following is part of the Purchase and Sale Agreement dated 02/21/2018 1
 between Dean I Yonev and Ralitsa G Mandeva ("Buyer") 2
 Buyer Buyer
 and Michael D Levitz ("Seller") 3
 Seller Seller
 concerning 305 Erie Ave Seattle WA (the "Property"). 4
 Address City State Zip

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

1. Bankruptcy Court Contingency. This agreement is contingent upon Seller obtaining written consent from the Bankruptcy Court for the sale and Seller's acceptance of any conditions imposed by Bankruptcy Court. Seller shall have 120 days after mutual acceptance to obtain Bankruptcy Court consent. If Seller timely gives notice of Bankruptcy Court consent to Buyer, then this contingency shall be deemed satisfied. If Seller fails to timely give notice of consent to Buyer, then this agreement may terminate and the Earnest Money may be refunded to Buyer. 6-10

2. Offers from Multiple Buyers. Seller will accept one Buyer to present to Bankruptcy Court. Lesser offers or offers received after mutual acceptance will be held in a back-up capacity and shared with Court if required. If, after mutual acceptance, Bankruptcy Court imposes a condition of the sale not included in this agreement, Buyer has 2 days to amend agreement to comply with Bankruptcy Court conditions. Buyer may otherwise terminate this agreement within 2 days of receiving any notice of such conditions, in which case, the Earnest Money shall be refunded to Buyer. 11-16

3. Termination by Buyer. Buyer may not terminate this agreement at any time prior to notice of Bankruptcy Court consent. Buyer maintains the right to terminate the agreement under any other condition or contingency in the agreement prior to notice of Bankruptcy Court consent. If Buyer terminates this agreement under this section, the Earnest Money shall be refunded to Buyer. 17-21

4. Computation of Time. For the purposes of computing time only (except for paragraph 1 above and specific items listed below), all timelines in this agreement shall begin on the date of notice of Bankruptcy Court consent. The timelines for the following items shall instead begin on mutual acceptance:
 Deposit of Earnest Money Inspection/Feasibility Addendum Neighborhood Review
 Financing Addendum Title Contingency Addendum 22-27

5. Closing. The closing date shall be 30 days or sooner after notice of Bankruptcy Court consent, which date shall supersede the closing date otherwise provided for in this agreement. 28-30

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

[DIY] 02/21/2018
Buyer's Initials Date

[RGM] 02/21/2018
Buyer's Initials Date

[M] 02/22/2018
Seller's Initials Date

Seller's Initials Date