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UNITED STATES BANKRUPTCY COURT  
FOR THE WESTERN DISTRICT OF WASHINGTON

In re:  
  
NORTHERN MEADOWS  
DEVELOPMENT CO., LLC  
  
Debtor

Case No. 16-13393-TWD  
Chapter 11  
  
**MOTION FOR SALE OF REAL  
PROPERTY FREE AND CLEAR OF  
LIENS**

Comes now the debtor-in-possession, Northern Meadows Development Co., LLC (“Northern Meadows”) and moves the court pursuant to Bankruptcy Code §363 for approval of the sale of certain real property, free and clear of liens. Accompanying this motion is the declaration of Stephen Brisbane.

**FACTS**

Northern Meadows owns four parcels of partially improved real property, none of which has been built on, generally described as follows:

**Parcel A, Chukanut View Lots:** 4 parcels of view property on Chukanut Drive south of Bellingham, Washington.

**Parcel B, Northern Meadows Single Family Residence Sites:** 11 condominium lots (building lots held in condominium form) suitable for single family residences, at 3993 Gentlebrook Lane, Bellingham, WA. This is the property proposed to be sold by this motion. The legal description of the property is contained in the preliminary commitment for title insurance attached hereto as Exhibit A.

**DONALD A BAILEY**  
ATTORNEY AT LAW  
720 Olive Way, #1000  
Seattle, WA 98101  
206 682 4802

1 **Parcel C, Northern Meadows Adult Family Home Sites:** 6 condominium  
2 lots (building lots held in condominium form) suitable for construction of  
3 3 adult family homes, at 3993 Gentlebrook Lane, Bellingham, WA.

4 **Parcel D, Assisted Living Site:** Land suitable for construction of a 68-unit  
5 adult assisted living/independent living facility, at 3993 Gentlebrook  
6 Lane, Bellingham, WA.

7 All of these properties are encumbered by a first position deed of trust in favor of  
8 R2R Capital Bellingham LLC ("R2R"), with approximate balance (according to the  
9 creditor) of \$4.28 million, and a second position deed of trust in favor of Paramjit Singh  
10 and Harmeet Kaur ("Singh") with an approximate balance of \$1.2 million.

11 Northern Meadows proposes to sell Parcel B, the 11 single-family condominium  
12 lots, to Jon Hansen for a gross sales price of \$770,000<sup>1</sup>. This is an arms-length sale to an  
13 independent buyer who is not affiliated with the debtor or any of its principals. The  
14 Purchase and Sale Agreement, with all addenda, is attached hereto as Exhibit B.

15 From the proceeds of sale, Northern Meadows proposes to pay ordinary and  
16 necessary closing costs, including escrow fees, title insurance, real estate excise tax  
17 (estimated at \$13,709), and a realtor's commission to Jon Soine<sup>2</sup> (estimated at \$30,800,  
18 which is 4%). Northern Meadows further proposes to pay real property taxes prorated  
19 to the date of closing (estimated at \$13,200). Total estimated closing costs are \$81,906.  
20

21 Thus, the net proceeds are projected to be \$688,094. Northern Meadows requests  
22 that the sale be free and clear of liens, with all liens and encumbrances attaching to the  
23

24  
25 \_\_\_\_\_  
26 <sup>1</sup> The original sales price was \$935,000, but that was for 17 lots at \$55,000 each. The proposed  
27 sale is for 11 lots at \$70,000 per lot.

28 <sup>2</sup> Mr. Soine is the agent for the buyer. He is not being employed or compensated by the debtor-  
in-possession.

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1 proceeds of sale as their validity and priority may appear. The net proceeds of sale will  
2 constitute “cash collateral”, and will be held in a separate account of Northern  
3 Meadows at Key Bank pending further order of the Court.  
4

### 5 ARGUMENT

6 Bankruptcy Code §363(b)(1) authorizes a debtor-in-possession, subject to court  
7 approval, to sell of property of the estate outside the ordinary course of business. Since  
8 Northern Meadows is in the business of developing real estate to a “shovel-ready”  
9 condition (i.e. ready to start construction) and then selling it, one could argue that this  
10 sale is in the ordinary course of business. However, Northern meadows has elected to  
11 seek court approval of the sale to reassure all parties of the legality and finality of the  
12 sale.  
13

14 Courts will generally approve a sale of estate property outside the ordinary  
15 course of business if it represents the exercise of reasonable business judgment by the  
16 trustee or debtor-in-possession. Additional justification may be required where the  
17 proposed sale is of substantially all of the assets of the bankruptcy estate, but that is not  
18 the case here. Moreover, this property was slated for sale long before the Chapter 11  
19 case was filed.  
20

21 The sale is an arm-length sale to an unaffiliated buyer. The purchase price  
22 represents fair market value for the property, as substantiated by the accompanying  
23 declaration of Stephen Brisbane. Under the circumstances, the Court should find that  
24 the sale represents the exercise of sound business judgment by Northern Meadows.  
25

26 Bankruptcy Code §363(f) authorizes a sale of estate property to be free and clear  
27 of liens, encumbrances and other interests, with such liens and encumbrances to attach  
28

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1 to the proceeds of sale. A sale free and clear is authorized if the secured parties consent,  
2 if the liens are in bona fide dispute, if applicable non-bankruptcy law permits a sale free  
3 and clear, or if the secured parties could be compelled, in a legal or equitable  
4 proceeding, to accept a money satisfaction. *In re Jolan, Inc.*, 403 B.R. 866 (Bankr. W.D.  
5 Wash. 2009). A judicial or non-judicial foreclosure proceeding under Washington law is  
6 generally held to be a proceeding that satisfies the requirements of section 363(f)(5).  
7

8 In this case, it is anticipated that both secured lenders will consent to the sale free  
9 and clear. If they do not, the Court can still authorize a sale free and clear under  
10 Bankruptcy Code §363(f)(5), since both lenders could be compelled to accept money for  
11 their liens in a foreclosure proceeding.  
12

13 For the foregoing reasons, the Debtor respectfully asks the Court to approve the  
14 sale as requested.

15 Dated: July 7, 2016

16 DONALD A BAILEY

17 /s/ Donald A Bailey

18 WSB#12289

19 Attorney for Debtor  
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206 682 4802



# ALTA Commitment

Exhibit A

COMMITMENT FOR TITLE INSURANCE  
Issued by Old Republic National Title Insurance Company

OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY, a Minnesota corporation ("Company"), for a valuable consideration, commits to issue its policy or policies of title insurance, as identified in Schedule A, in favor of the Proposed Insured named in Schedule A, as owner or mortgagee of the estate or interest in the land described or referred to in Schedule A, as owner or mortgagee of the estate or interest in the land described or referred to in Schedule A, upon payment of the premiums and charges and compliance with the Requirements; all subject to the provisions of Schedules A and B and to the Conditions of this Commitment.

This Commitment shall be effective only when the identity of the Proposed Insured and the amount of the policy or policies committed for have been inserted in Schedule A by the Company.

All liability and obligation under this Commitment shall cease and terminate six (6) months after the Effective Date or when the policy or policies committed for shall issue, whichever first occurs, provided that the failure to issue the policy or policies is not the fault of the Company.

The Company will provide a sample of the policy form upon request.

Issued through the office of:  
**WHATCOM LAND TITLE COMPANY, INC.**

**OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY**  
A Corporation  
400 Second Avenue South, Minneapolis, Minnesota 55401  
(612) 371-1111

Authorized Officer or Agent

By

President

Attest

Secretary

WHATCOM LAND TITLE COMPANY, INC.  
2011 Young Street  
Bellingham, WA 98225  
Phone (360) 676-8484 / Toll Free (800) 334-6314  
Fax (360) 671-0982  
Website [www.whatcomtitle.com](http://www.whatcomtitle.com)

“Locally Owned and Operated since 1982”

TO: **WHATCOM LAND TITLE CO., INC.  
2011 YOUNG STREET  
BELLINGHAM, WA 98225**

ATTN: **LISA DINGLE-KYLES**  
YOUR NO.: **W-130750**  
WLT ORDER NO.: **W-130750**  
**SECOND REPORT**

CC: **WASHINGTON FEDERAL**  
ATTN: **SARA LUTZ**

CC: **WINDERMERE REAL ESTATE**  
ATTN: **JON SOINE**

BUYER: **HANSEN**

SELLER: **NORTHERN MEADOWS DEVELOPMENT COMPANY, LLC**

SUBJECT **3993 GENTLEBROOK LANE**  
PROPERTY: **BELLINGHAM, WA 98226**

BY:   
\_\_\_\_\_  
**DAVID PAULETTE**  
**TITLE OFFICER**  
**davep@whatcomtitle.com**

WLT Order No.: **W-130750**

Your No.: **W-130750**

**SECOND REPORT**

**COMMITMENT FOR TITLE INSURANCE  
SCHEDULE A**

1. Effective Date: **May 13, 2016** at 8:00 a.m.

2. Policy or Policies to be issued:

(X) ALTA Owner's Policy

(X) Standard

Amount: \$ **605,000.00**

Premium: \$ **624.00**

Tax: \$ **54.29**

**SUBDIVIDER'S RATE**

Proposed Insured:

**JON HANSEN, presumptively subject to the community interest of his spouse, if married**

(X) ALTA Loan Policy

The Policy to be issued after recording of the insured instrument herein will be a 2006 ALTA Extended Lender's Policy, with applicable endorsements thereto.

(X) Extended

Amount: \$ **554,000.00**

Premium: \$ **558.00**

Tax: \$ **48.55**

Proposed Insured:

**WASHINGTON FEDERAL and its successors and assigns as their interest may appear of record**

3. The estate or interest in the land described or referred to in the Commitment and covered herein is:

**FEE SIMPLE AS TO PARCEL A; EASEMENT AS TO PARCEL B**

4. Title to said estate or interest in said land is at the effective date hereof vested in:

**NORTHERN MEADOWS DEVELOPMENT COMPANY, LLC, a Washington limited liability company**

5. The land referred to in this Commitment is in the State of Washington, County of Whatcom, and is described as follows:

**SEE EXHIBIT "A" ATTACHED AND THEREBY MADE A PART HERETO.**

... END OF SCHEDULE A...

**EXHIBIT "A"**  
**LEGAL DESCRIPTION**

**PARCEL A:**

UNITS 10, 18, 19, 20, 21, 22, 23, 34, 43, 44 AND 46, NORTHERN MEADOWS ESTATES CONDOMINIUM, ACCORDING TO THE DECLARATION THEREOF, RECORDED UNDER AUDITOR'S FILE NO. 2010202656, AND ANY AMENDMENTS THERETO, RECORDS OF WHATCOM COUNTY, WASHINGTON.

SITUATE IN WHATCOM COUNTY, WASHINGTON.

**PARCEL B:**

A 40-FOOT ACCESS AND UTILITY EASEMENT AS CREATED BY AUDITOR'S FILE NO. 2001003528, AND AS DELINEATED ON THE FACE OF NORTHERN MEADOWS ESTATES CONDOMINIUM, RECORDED UNDER AUDITOR'S FILE NO. 2010202655.

SITUATE IN WHATCOM COUNTY, WASHINGTON.

... END OF EXHIBIT "A" ...



**COMMITMENT FOR TITLE INSURANCE**

**SCHEDULE B**

- I. The following are the requirements to be complied with:
- A. Instruments necessary to create the estate or interest to be insured must be properly executed, delivered and duly filed for record.
  - B. Payment to or for the account of the grantor or mortgagors of the full consideration for the estate or interest to be Insured.
  - C. **A copy of the Operating Agreement of NORTHERN MEADOWS DEVELOPMENT COMPANY, LLC, a Washington limited liability company, and any amendments thereto, showing the identity and authorization of the individuals who will then execute the forthcoming documents must be provided.**
- II. Schedule B of the policy or policies to be issued will contain exceptions to the following matters unless the same are disposed of to the satisfaction of the Company:
- A. Defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the public records, or attaching subsequent to the effective date hereof but prior to the date the proposed Insured acquires of record for value the estate or interest or mortgage thereon covered by this commitment.
  - B. **GENERAL EXCEPTIONS:**
    - 1. Rights or claims of parties in possession not shown by the public records.
    - 2. Any encroachment, encumbrance, violation, variation, or adverse circumstances affecting the Title that would be disclosed by an accurate and complete land survey of the Land, and that is not shown by the Public Records.
    - 3. Easements or claims of easements not shown by the public records.
    - 4. Any lien, or right to lien, for contributions to employee benefit funds, or for state workers' compensations, or for services, labor, or material heretofore or hereafter furnished, all as imposed by law, and not shown by the public records.
    - 5. Taxes or special assessments which are not shown as existing liens by the public records.
    - 6. Any service, installation, connection, maintenance, tap, capacity or construction charges for sewer, water, electricity, other utilities, or garbage collection and disposal.
    - 7. Reservations or exceptions in patents or in Acts authorizing the issuance thereof; Indian tribal codes or regulations, Indian treaty or aboriginal rights, including easements or equitable servitudes.
    - 8. Water rights, claims or title to water.

**SECOND REPORT**

SCHEDULE B, continued

C. SPECIAL EXCEPTIONS:

1. Lien of Real Estate Excise Sales Tax upon any sale of said premises, if unpaid.

The excise tax rate for ALL property in Whatcom County will be 1.78%.

The Whatcom County Treasurer's Office REQUIRES a one-page laser printed copy of the Excise Tax Affidavit to accompany all documents requiring the payment of excise tax. This Affidavit must include the original signatures of Grantor/Grantee or Agent, and maintain a 1-inch bottom margin. Any additional legal descriptions must be on letter-sized paper (8.5" x 11"). This Affidavit may be downloaded from the Whatcom County Treasurer's website ([www.whatcomcounty.us/treasurer/](http://www.whatcomcounty.us/treasurer/)). Documents without the proper form may be rejected and not processed until the appropriate form is executed. The Affidavit **must** be the original legal-sized (8.5" x 14"), signed document.

2. Delinquent General Taxes for 2014, 2015 and 2016;  
Amount: \$391.57, \$398.21 and \$388.15, respectively, plus interest and penalty  
Parcel No.: 380317 119396 0003 PID 60373  
Improvements: \$0.00  
Land: \$34,752.00  
Total: \$34,752.00  
Tax Code: 0107  
Affects: Unit 10
3. Delinquent General Taxes for 2014, 2015 and 2016;  
Amount: \$391.57, \$398.21 and \$388.15, respectively, plus interest and penalty  
Parcel No.: 380317 119396 0011 PID 60381  
Improvements: \$0.00  
Land: \$34,752.00  
Total: \$34,752.00  
Tax Code: 0107  
Affects: Unit 18
4. Delinquent General Taxes for 2014, 2015 and 2016;  
Amount: \$391.57, \$398.21 and \$388.15, respectively, plus interest and penalty  
Parcel No.: 380317 119396 0012 PID 60382  
Improvements: \$0.00  
Land: \$34,752.00  
Total: \$34,752.00  
Tax Code: 0107  
Affects: Unit 19

**SECOND REPORT**

SCHEDULE B, continued

5. Delinquent General Taxes for 2014, 2015 and 2016;  
Amount: \$391.57, \$398.21 and \$388.15, respectively, plus interest and penalty  
Parcel No.: 380317 119396 0013 PID 60383  
Improvements: \$0.00  
Land: \$34,752.00  
Total: \$34,752.00  
Tax Code: 0107  
Affects: Unit 20
  
6. Delinquent General Taxes for 2014, 2015 and 2016;  
Amount: \$391.57, \$398.21 and \$388.15, respectively, plus interest and penalty  
Parcel No.: 380317 119396 0014 PID 60384  
Improvements: \$0.00  
Land: \$34,752.00  
Total: \$34,752.00  
Tax Code: 0107  
Affects: Unit 21
  
7. Delinquent General Taxes for 2014, 2015 and 2016;  
Amount: \$391.57, \$398.21 and \$388.15, respectively, plus interest and penalty  
Parcel No.: 380317 119396 0015 PID 60385  
Improvements: \$0.00  
Land: \$34,752.00  
Total: \$34,752.00  
Tax Code: 0107  
Affects: Unit 22
  
8. Delinquent General Taxes for 2014, 2015 and 2016;  
Amount: \$391.57, \$398.21 and \$388.15, respectively, plus interest and penalty  
Parcel No.: 380317 119396 0016 PID 60386  
Improvements: \$0.00  
Land: \$34,752.00  
Total: \$34,752.00  
Tax Code: 0107  
Affects: Unit 23

**SECOND REPORT**

SCHEDULE B, continued

9. Delinquent General Taxes for 2014, 2015 and 2016;  
Amount: \$391.57, \$398.21 and \$388.15, respectively, plus interest and penalty  
Parcel No.: 380317 119396 0027 PID 60397  
Improvements: \$0.00  
Land: \$34,752.00  
Total: \$34,752.00  
Tax Code: 0107  
Affects: Unit 34
  
10. Delinquent General Taxes for 2014, 2015 and 2016;  
Amount: \$391.57, \$398.21 and \$388.15, respectively, plus interest and penalty  
Parcel No.: 380317 119396 0036 PID 60406  
Improvements: \$0.00  
Land: \$34,752.00  
Total: \$34,752.00  
Tax Code: 0107  
Affects: Unit 43
  
11. Delinquent General Taxes for 2014, 2015 and 2016;  
Amount: \$391.57, \$398.21 and \$388.15, respectively, plus interest and penalty  
Parcel No.: 380317 119396 0037 PID 60407  
Improvements: \$0.00  
Land: \$34,752.00  
Total: \$34,752.00  
Tax Code: 0107  
Affects: Unit 44
  
12. Delinquent General Taxes for 2014, 2015 and 2016;  
Amount: \$391.57, \$398.21 and \$388.15, respectively, plus interest and penalty  
Parcel No.: 380317 119396 0039 PID 60409  
Improvements: \$0.00  
Land: \$34,752.00  
Total: \$34,752.00  
Tax Code: 0107  
Affects: Unit 46

**SECOND REPORT**

SCHEDULE B, continued

13. Claim of Lien for unpaid dues, fees, assessments, and charges;  
Recorded: November 3, 2011  
Recording No.: 2111100224  
Association: NORTHERN MEADOWS CONDOMINIUM OWNERS' ASSOCIATION, a Washington non-profit corporation  
Amount: \$19,129.56, plus costs and interest thereon  
Against: NORTHERN MEADOWS DEVELOPMENT COMPANY, LLC, a Washington limited liability company  
Affects: Said premises and other property
14. Deed of Trust, to secure an indebtedness, including any interest, advances, or other obligations secured thereby, in the principal amount of \$550,000.00;  
Dated: August 22, 2013  
Recorded: August 23, 2013  
Recording No.: 2130802795  
Grantor: NORTHERN MEADOWS DEVELOPMENT COMPANY, LLC, a Washington limited liability company  
Trustee: CHICAGO TITLE INSURANCE COMPANY  
Beneficiary: BYRON AND ALICE LOCKWOOD FOUNDATION, a Washington non-profit corporation  
Affects: Said premises and other property
15. Deed of Trust, to secure an indebtedness, including any interest, advances, or other obligations secured thereby, in the principal amount of \$1,200,000.00;  
Dated: August 22, 2013  
Recorded: August 23, 2013  
Recording No.: 2130802796  
Grantor: NORTHERN MEADOWS DEVELOPMENT COMPANY, LLC, a Washington limited liability company  
Trustee: CHICAGO TITLE COMPANY  
Beneficiary: R2R CAPITAL-BELLINGHAM LENDER, LLC, a Texas limited liability company  
Affects: Said premises and other property

The Deed of Trust was amended or modified by instrument;

Dated: December 17, 2013  
Recorded: December 23, 2013  
Recording No.: 2131202097

A Successor Trustee was appointed for said Deed of Trust by instrument;

Recorded: November 16, 2015  
Recording No.: 2015-1101593  
New Trustee: WILLIAM G. KNUDSEN, Attorney at Law

**SECOND REPORT**

SCHEDULE B, continued

16. Notice of Trustee's Sale;  
Trustee: WILLIAM G. KNUDSEN  
Beneficiary: R2R CAPITAL-BELLINGHAM LENDER, LLC  
Sale Time: 10:00 am  
Date: June 17, 2016  
Place: Main lobby of Whatcom County Courthouse, 311 Grand Avenue, Bellingham, Washington  
Notice Dated: March 15, 2016  
Recorded: March 15, 2016  
Recording No.: 2016-0301733  
Deed of Trust No.: 2130802796
17. Deed of Trust, to secure an indebtedness, including any interest, advances, or other obligations secured thereby, in the principal amount of \$1,650,000.00;  
Dated: September 13, 2010  
Recorded: November 18, 2010  
Recording No.: 2101102802  
Grantor: NORTHERN MEADOWS DEVELOPMENT COMPANY, LLC, a Washington limited liability company  
Trustee: CHICAGO TITLE COMPANY  
Beneficiary: PARAMJIT SINGH and HARMEET KAUR, husband and wife  
Affects: Portion of said premises (excludes Parcel D)
- The Lien of said Deed of Trust or Mortgage has been subordinated to the Lien of the documents recorded under Recording Nos. 213082795 and 2130802796 by Agreement;  
Recorded: December 23, 2013  
Recording No.: 2131202098
18. Financing Statement;  
Recorded: August 23, 2013  
Recording No.: 2130802797  
Debtor: NORTHERN MEADOWS DEVELOPMENT COMPANY, LLC  
Secured Party: R2R CAPITAL-BELLINGHAM LENDER, LLC  
Affects: Said premises and other property

**SECOND REPORT**

SCHEDULE B, continued

19. Claim of Lien for unpaid dues, fees, assessments, and charges;  
Recorded: April 14, 2015  
Recording No.: 2150401349  
Association: NORTHERN MEADOWS CONDOMINIUM OWNERS' ASSOCIATION, a Washington non-profit corporation  
Amount: \$4,150.96, plus costs and interest thereon  
Against: NORTHERN MEADOWS DEVELOPMENT COMPANY, LLC, a Washington limited liability company, through its sole member, NORTHERN MEADOWS MANAGEMENT COMPANY, LLC, a Washington limited liability company  
Affects: Said premises and other property
20. Pendency of Whatcom County Superior Court;  
Case No.: 16-2-00352-1  
Plaintiff: NORTHERN MEADOWS CONDOMINIUM OWNERS' ASSOCIATION, a Washington nonprofit corporation  
Defendant: NORTHERN MEADOWS DEVELOPMENT COMPANY, LLC, a Washington limited liability company  
Filed on: March 3, 2016  
Attorney for Plaintiff: Law Offices of GREGORY E. THULIN, PS  
Action for: Complaint for Lien Foreclosure
- Lis Pendens;  
Recorded: March 3, 2016  
Recording No.: 2016-0300314
21. Covenants, conditions, restrictions, reservations and easements in Declaration, including the terms and provisions thereof, but omitting any covenants or restrictions, if any, including but not limited to those based upon race, color, religion, sex, sexual orientation, familial status, marital status, disability, handicap, national origin, ancestry, or source of income, as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law;  
Executed by: WARE FAMILY VENTURES, L.L.C., a Washington limited liability company  
Recorded: December 31, 2002  
Recording No.: 2021206445 (affects Unit 46)  
2021206447 (affects Unit 34)

**SECOND REPORT**

SCHEDULE B, continued

22. Easement including the terms, covenants and provisions thereof, as granted by instrument;  
Recorded: December 31, 2002  
Recording No.: 2021206447  
Records of: Whatcom County, Washington  
In favor of: MAY KIRKPATRICK  
For: Right to fence and landscape and otherwise place yard improvements within the easement  
Affects: Portion of Unit 34 in Parcel A
23. Matters relating to ALTA Extended Policy coverage, disposition of which will be determined by inspection of the property.

**NOTE:** We have searched the records for unsatisfied Judgments and Liens against all parties named herein and find none which would appear as exceptions in the policy, other than those shown herein.

**NOTE:** The common Address of the property under search is:

**3993 GENTLEBROOK LANE  
UNITS 10, 18, 19, 20, 21, 22, 23, 34, 43, 44 & 46  
BELLINGHAM, WA 98226**

Where an abbreviated legal description is required on your documents, the following is to be included:

**UNIT NOS. 10, 18, 19, 20, 21, 22, 23, 34, 43, 44 & 46, NORTHERN MEADOWS EST CONDO;  
PARCEL NOS. 380317 119396 0011 PID 60381, 380317 119396 0012 PID 60382, 380317 119396 0013 PID 60383, 380317 119396 0014 PID 60384, 380317 119396 0015 PID 60385, 380317 119396 0016 PID 60386, 380317 119396 0027 PID 60397, 380317 119396 0036 PID 60406, 380317 119396 0037 PID 60407, 380317 119396 0039 PID 60409, 380317 119396 0043 PID 60413, 380317 119396 0044 PID 60414, 380317 119396 0045 PID 60415, 380317 119396 0046 PID 60416, 380317 119396 0047 PID 60417, 380317 119396 0048 PID 60418, 380317 119396 0003 PID 60373**

**SEE ATTACHED EXHIBIT "A" FOR FURTHER SPECIAL EXCEPTIONS TO SCHEDULE B.**

... END OF SCHEDULE B ...



**EXHIBIT "A"**

**NORTHERN MEADOWS ESTATES CONDOMINIUM**

1. Restrictions, regulations, requirements, easements and liability to assessments contained in Chapters 64.32 and 64.34 of the Revised Code of Washington (Condominiums) and amendments thereto and contained in condominium declaration as hereto attached:

Recorded: February 26, 2001  
Recording No.: 2010202656

Said instrument has been amended or modified by the following instrument;

Recorded: December 5, 2002, and May 18, 2006  
Recording No.: 2021200998 and 2060503398, respectively

2. Agreement, including its terms, covenants and provisions;  
Executed by: D. C. MARTIN and R. E. HEATH  
Recorded: October 11, 1937  
Recording No.: 485636  
For: Acquisition of Oil And Gas Leases

Said Agreement was modified under Auditor's File No. 489773.

3. Easement including the terms, covenants and provisions thereof, as granted by instrument;

Recorded: June 2, 1942  
Recording No.: 564129  
Records of: Whatcom County, Washington  
For: Electric water pump  
Affects: Entire Condominium

4. Matters disclosed by a Survey of said premises;  
Recorded: April 3, 1986  
In: Volume 1 of Surveys, Page 29  
Recording No.: 1533539  
Records of: Whatcom County, Washington

5. Agreement, including its terms, covenants and provisions;  
Executed by: CITY OF BELLINGHAM and GERALD and CHERYL KRAFT  
Recorded: May 12, 1998  
Recording No.: 1980501615  
For: Utility service zone extension

**NORTHERN MEADOWS ESTATES CONDOMINIUM**

6. Agreement, including its terms, covenants and provisions;  
 Executed by: CITY OF BELLINGHAM and PAUL WARE  
 Recorded: April 19, 2000  
 Recording No.: 2000401856  
 For: Utility service zone extension
7. Agreement, including its terms, covenants and provisions;  
 Executed by: WARE FAMILY INVESTMENTS and TCI  
 CABLEVISION OF WASHINGTON, INC.  
 Recorded: August 9, 2000  
 Recording No.: 2000801204  
 For: MDU SERVICE AGREEMENT
8. Covenants, conditions, restrictions, reservations and easements in Declaration, including the terms and provisions thereof, but omitting any covenants or restrictions, if any, including but not limited to those based upon race, color, religion, sex, sexual orientation, familial status, marital status, disability, handicap, national origin, ancestry, or source of income, as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law;  
 Executed by: GLEASON P. WARE and ALICE S. WARE, husband and wife  
 Recorded: October 31, 2000  
 Recording No.: 2001003529
- Said instrument has been amended or modified by the following instrument;  
 Recorded: January 17, 2001  
 Recording No.: 2010101416
9. Notes as contained on the face of the Northern Meadows Estates General and Specific Binding Site Plat No. 1, as follows:

## A. DRAINAGE FACILITIES:

The property owner(s) or community association has the responsibility to properly maintain all stormwater facilities not within county right-of-way. The county may inspect all stormwater facilities and community association inspection records. If the property owner(s) or community association has failed to maintain the stormwater facilities, the county can issue written notice specifying the required actions. If the actions are not corrected in a timely manner or in the event of a public hazard, the county may enter the property to perform the actions needed and bill the property owner(s) or community association. Any action taken by Whatcom County shall not relieve the property owner(s) or community association from its responsibility to maintain the stormwater facilities.

**NORTHERN MEADOWS ESTATES CONDOMINIUM****B. DEDICATION AND DECLARATION:**

We, the undersigned, being owner(s) of record of the land herein platted, hereby declare the general and specific binding site plan, and dedicate those roads, rights-of-way, and easements shown as public dedication hereon to the use of the public; also the right to make all necessary slopes for cuts and fills upon lots, and tracts in any reasonable grading of roads, rights-of-way, and easements; and hereby waiver all claims for damages against any governmental authority which may be occasioned to adjacent land by established construction, drainage, and maintenance of said dedication.

**C. STANDARD EASEMENT PROVISION:**

An easement is hereby reserved for and conveyed to PUGET SOUND ENERGY, CASCADE NATURAL GAS COMPANY, GTE TELEPHONE COMPANY, and TCI CABLEVISION COMPANY, and their respective successors and assigns thereto and upon the private street(s), parking areas, and the exterior ten (10) feet of all lots, tracts and spaces within the plat lying parallel with and adjoining all street(s) in which to construct, operate, maintain, repair, replace, and enlarge underground pipes, conduits, cables and wires all necessary or convenient underground or ground mounted appurtenances thereto for the purpose of serving the subdivision and other property with electric, gas, telephone and other utility service, together with the right to enter upon the streets, lots, tracts and spaces at all times for the purposes herein stated.

- D. No building permits shall be issued for Lease Space Sites 3 through 9 until road improvements fronting those spaces are complete and approved by Whatcom County.
- E. No certificate of occupancy will be granted for retirement facility until road improvements fronting this facility are complete and approved by Whatcom County.

**NORTHERN MEADOWS ESTATES CONDOMINIUM**

- F. Parcel 1 shall be a lease area, pursuant to RCW 36.17.040 and FCC 21.38.220(2), or in the alternative may be subjected to RCW 64.34; provided improvements constructed thereon shall be within the established lease areas and all of the property shall be served by a condominium association consisting of the owners of the units; and further provided all development and use of the land described herein shall be in accordance with the binding site plan, as it may be assigned with the approval of the city, town or county having jurisdiction over the development of such lands, and in accordance with each other governmental permits, approvals, regulations, requirements, and restrictions that may be imposed upon such land and the development and use thereof. Upon completion, the improvements on the land shall be included in one or more condominiums or owned by an association or other legal entity as whom the owners of units herein or their owner's association have a membership or other legal or beneficial interest. The binding site plan shall be binding upon all now or hereafter having any interest in the land described herein.
10. Easement as delineated or dedicated on the face of said plat;  
 For: Utility easements  
 Affects: As disclosed on the face of the Northern Meadows Estates Binding Site Plan
11. Easement as delineated or dedicated on the face of said plat;  
 For: 20-foot building setback  
 Affects: Typical on perimeter lines
12. Easement as delineated or dedicated on the face of said plat;  
 For: 20-foot and 30-foot access and utility  
 Affects: Easement dedicated hereon
13. Easement as delineated or dedicated on the face of said plat;  
 For: 30-foot landscape and utility  
 Affects: As disclosed on the face of the Northern Meadows Estates Binding Site Plan
14. Easement as delineated or dedicated on the face of said plat;  
 For: Common area storm water facility  
 Affects: As disclosed on the face of the Northern Meadows Estates Binding Site Plan
15. Easement as delineated or dedicated on the face of said plat;  
 For: Roadway and slope easement  
 Affects: Dedication to Whatcom County hereon

**NORTHERN MEADOWS ESTATES CONDOMINIUM**

- 16. Easement as delineated or dedicated on the face of said plat;  
For: Emergency turnaround  
Affects: Portion of said premises
  
- 17. Terms, conditions and provisions contained in instrument;  
Recorded: December 20, 2002  
Recording No.: 2021204357  
Regarding: Road Construction Agreement  
Affects: Said development and other property

... END OF EXHIBIT "A" ...

**WHATCOM LAND TITLE COMPANY, INC.**  
**Privacy Policy Notice**

**PURPOSE OF THIS NOTICE**

Title V of the Gramm-Leach-Bliley Act (GLBA) generally prohibits any financial institution, directly or through its affiliates, from sharing nonpublic personal information about you with a nonaffiliated third party unless the institution provides you with a notice of its privacy policies and practices, such as the type of information that it collects about you and the categories of persons or entities to whom it may be disclosed. In compliance with the GLBA, we are providing you with this document, which notifies you of the privacy policies and practices of **WHATCOM LAND TITLE COMPANY, INC.**

We may collect nonpublic personal information about you from the following sources:

- Information we receive from you such as on applications or other forms.
- Information about your transactions we secure from our files, or from [our affiliates or] others.
- Information we receive from a consumer reporting agency.
- Information that we receive from others involved in your transaction, such as the real estate agent or lender.

Unless it is specifically stated otherwise in an amended Privacy Policy Notice, no additional nonpublic personal information will be collected about you.

We may disclose any of the above information that we collect about our customers or former customers to our affiliates or to nonaffiliated third parties as permitted by law.

We also may disclose this information about our customers or former customers to the following types of nonaffiliated companies that perform marketing services on our behalf or with whom we have joint marketing agreements:

- Financial service providers such as companies engaged in banking, consumer finance, securities and insurance.
- Non-financial companies such as envelope stuffers and other fulfillment service providers.

**WE DO NOT DISCLOSE ANY NONPUBLIC PERSONAL INFORMATION ABOUT YOU WITH ANYONE FOR ANY PURPOSE THAT IS NOT SPECIFICALLY PERMITTED BY LAW.**

We restrict access to nonpublic personal information about you to those employees who need to know that information in order to provide products or services to you. We maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

**CONSUMER COMPLAINTS.** If you have a concern or complaint about the settlement services or title insurance you received from us, please contact our compliance team at:

[cfpb@whatcomtitle.com](mailto:cfpb@whatcomtitle.com) or  
Whatcom Land Title Company  
Compliance Department  
P.O. Box 516  
Bellingham, WA 98227

## CONDITIONS

1. The term mortgage, when used herein, shall include deed of trust, trust deed, or other security instrument.
2. If the proposed Insured has or acquired actual knowledge of any defect, lien, encumbrance, adverse claim or other matter affecting the estate or interest or mortgage thereon covered by this Commitment other than those shown in Schedule B hereof, and shall fail to disclose such knowledge to the Company in writing, the Company shall be relieved from liability for any loss or damage resulting from any act of reliance hereon to the extent the Company is prejudiced by failure to so disclose such knowledge. If the proposed Insured shall disclose such knowledge to the Company, or if the Company otherwise acquires actual knowledge of any such defect, lien, encumbrance, adverse claim or other matter, the Company at its option may amend Schedule B of this Commitment accordingly, but such amendment shall not relieve the Company from liability previously incurred pursuant to paragraph 3 of these Conditions and Stipulations.
3. Liability of the Company under this Commitment shall be only to the named proposed Insured and such parties included under the definition of Insured in the form of policy or policies committed for and only for actual loss incurred in reliance hereon in undertaking in good faith (a) to comply with the requirements hereof, or (b) to eliminate exceptions shown in Schedule B, or (c) to acquire or create the estate or interest or mortgage thereon covered by this Commitment. In no event shall such liability exceed the amount stated in Schedule A for the policy or policies committed for and such liability is subject to the insuring provisions and Conditions and Stipulations and the Exclusions from Coverage of the form of policy or policies committed for in favor of the proposed Insured which are hereby incorporated by reference and are made a part of this Commitment except as expressly modified herein.
4. This Commitment is a contract to issue one or more title insurance policies and is not an abstract of title or a report of the condition of title. Any action or actions or rights of action that the proposed Insured may have or may bring against the Company arising out of the status of the title to the estate or interest or the status of the mortgage thereon covered by this Commitment must be based on and are subject to the provisions of this Commitment.
5. The policy to be issued contains an arbitration clause. All arbitrable matters when the Amount of Insurance is \$2,000,000 or less shall be arbitrated at the option of either the Company of the Insured as the exclusive remedy of the parties. You may review a copy of the arbitration rules at <http://www.alta.org>. If a policy other than the 2006 ALTA Owner's Policy of Title Insurance, 2006 ALTA Loan Policy of Title Insurance or 2006 ALTA Short Form Residential Loan Policy is ultimately issued, the arbitration provisions of the issued policy shall control.

Name: **WHATCOM LAND TITLE CO., INC.** NO.: **2 TO SECOND REPORT**  
 Attention: **LISA DINGLE-KYLES**  
 Customer No.: **W-130750**  
 RE: **NORTHERN MEADOWS DEVELOPMENT COMPANY, LLC / HANSEN**  
 CC: **WASHINGTON FEDERAL, ATTN: SARA LUTZ**  
**WINDERMERE REAL ESTATE, ATTN: JON SOINE**

**INSURING INFORMATION ENDORSEMENT**

Attached to and Forming a Part of  
 Commitment Order No. **W-130750**

Issued By  
**WHATCOM LAND TITLE COMPANY, INC.**

This endorsement is made a part of said Commitment and is subject to the Schedules, Terms, Provisions, Conditions and Stipulations therein, except as modified in the provisions hereof:

**PROPOSED INSURED:**

Paragraph 2 of Schedule A of the above Commitment is hereby amended to specify the name of the proposed insured on the policy or policies requested as follows:

ALTA Owner's Policy:

**JON HANSEN, presumptively subject to the community interest of his spouse, if married**

ALTA Loan Policy:

**WASHINGTON FEDERAL and its successors and assigns as their interest may appear of record**

**AMOUNT OF INSURANCE:**

Paragraph 2 of Schedule A of the above Commitment is hereby amended to reflect the form and amount of insurance requested:

ALTA Owner Policy –

<input checked="" type="checkbox"/> Standard	Amount:	\$	<b>770,000.00</b>
	Premium:	\$	<b>756.00</b>
	Tax:	\$	<b>65.77</b>

ALTA Loan Policy –

<input checked="" type="checkbox"/> Extended	Amount:	\$	<b>544,000.00</b>
	Premium:	\$	<b>552.00</b>
	Tax:	\$	<b>48.02</b>

Dated: **June 8, 2016**

**WHATCOM LAND TITLE COMPANY**

Agent For:

**OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY**

By: 

Authorized Signatory



# Exhibit B

Form 25  
Vacant Land Purchase & Sale  
Rev. 7/15  
Page 1 of 5

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ALL RIGHTS RESERVED

## VACANT LAND PURCHASE AND SALE AGREEMENT SPECIFIC TERMS

1. Date: January 8, 2016 <sup>27</sup> MLS No.: \_\_\_\_\_ Offer Expiration Date: 2/10/2016 ~~01/13/2016~~

2. Buyer: Jon Hansen and/or assigns A limited liability company

3. Seller: Steve Brisbane DBA: Northern Meadows Development LLC

4. Property: Tax Parcel No(s): Various Lots, See Attached Exhibit 'A' ( Whatcom County)

3993 Gentlebrook Lane Bellingham WA 99226 98224

Legal Description: Attached to Exhibit A NINE HUNDRED THIRTY FIVE THOUSAND 30 NO/100  
ONE MILLION FIVE HUNDRED THOUSAND and no/100+++ Dollars

5. Purchase Price: \$ 1,500,000.00 ~~1,500,000.00~~ 1,500,000.00  
6. Earnest Money: \$ 25,000.00 ~~25,000.00~~ 25,000.00  Check;  Note;  Other \_\_\_\_\_ (held by  Selling Firm;  Closing Agent)

7. Default: (check only one)  Forfeiture of Earnest Money;  Seller's Election of Remedies

8. Title Insurance Company: WHATCOM LAND TITLE #W130750

9. Closing Agent:  a qualified closing agent of Buyer's choice;  Lisa Kyles

10. Closing Date: February 23, 2016 ~~March 31, 2016~~ 10 April; 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:  30 days after mutual acceptance;  Other \_\_\_\_\_

16. Agency Disclosure: Selling Broker represents:  Buyer;  Seller;  both parties;  neither party  
Listing Broker represents:  Seller;  both parties

17. Addenda: 22D(Optional Clauses) 22FSBO(Owner Sale) 22K(Utilities) 22T(Title Contingency)

4HC Commission

Jon Hansen 1/27/16  
Buyer's Signature Date

Buyer is a licensed real estate agent  
Buyer's Signature Date

in WA State  
Buyer's Address

City, State, Zip

Phone No. Fax No.

Buyer's E-mail Address

Windermere Real Estate/Whatcom, Inc 9110  
Selling Firm MLS Office No.

Jon Soine 12606  
Selling Broker (Print) MLS LAG No.

(360) 650-1400 (360) 650-9400  
Phone No. Firm Fax No.

whatcomdocs@windermere.com  
Selling Firm Document E-mail Address

Jon@JonSoine.com  
Selling Broker's E-mail Address

8680  
Selling Broker DOL License No. Selling Firm DOL License No.

Northern Meadows Development Co., LLC  
Seller's Signature Date

Steve W. Brisbane  
Seller's Signature Date

Seller's Address

City, State, Zip

Phone No. Fax No.

Seller's E-mail Address

Windermere Real Estate/Whatcom, Inc 9110  
Listing Firm MLS Office No.

Jon Soine 12606  
Listing Broker (Print) MLS LAG No.

(360) 650-1400 (360) 650-9400  
Phone No. Firm Fax No.

whatcomdocs@windermere.com  
Listing Firm Document E-mail Address

Jon@JonSoine.com  
Listing Broker's E-mail Address

8680 3517  
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 disbursal 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

JA          1/27/16          \_\_\_\_\_          \_\_\_\_\_          [Signature]          2/10/2016  
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. 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).

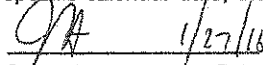
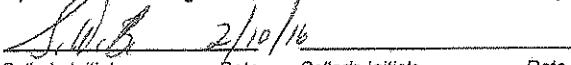
Buyer is advised to verify the existence and amount of any local improvement district, capacity or impact charges or other assessments that may be charged against the Property before or after Closing. Seller will pay such charges that are or become due on or before Closing. Charges levied before Closing, 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.** 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 NWMLS Form 22D, or a preliminary commitment for title insurance provided pursuant to NWMLS Form 22T shall be deemed receipt by Buyer. Selling Broker and Listing Broker have no responsibility to advise of receipt of a notice beyond either phoning the party or causing a copy of the notice to be delivered to the party's address shown on this Agreement. Buyer and Seller must keep Selling Broker and Listing Broker advised of their whereabouts in order to receive prompt notification of receipt of a notice.

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,

 Buyer's Initials Date  
 Seller's Initials Date

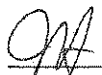
VACANT LAND PURCHASE AND SALE AGREEMENT  
GENERAL TERMS

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 offeror 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."

 1/27/16  
Buyer's Initials      Date

\_\_\_\_\_  
Buyer's Initials      Date

 2/10/16  
Seller's Initials      Date

\_\_\_\_\_  
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.

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.

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.

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.

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

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

JA      1/27/16      \_\_\_\_\_      \_\_\_\_\_  
Buyer's Initials      Date      Buyer's Initials      Date

S.W.B.      2/10/16      \_\_\_\_\_      \_\_\_\_\_  
Seller's Initials      Date      Seller's Initials      Date

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

The following is part of the Purchase and Sale Agreement dated January 8, 2016 1  
between Jon Hansen ("Buyer") 2  
Buyer Buyer  
and Steve Brisbane ("Seller") 3  
Seller Seller  
concerning 3993 Gentlebrook Lane Bellingham WA 98226 (the "Property"). 4  
Address City State Zip

**CHECK IF INCLUDED:** 5

1.  **Square Footage/Lot Size/Encroachments.** The Listing Broker and Selling Broker make no representations 6  
concerning: (a) the lot size or the accuracy of any information provided by the Seller; (b) the square footage of 7  
any improvements on the Property; (c) whether there are any encroachments (fences, rockeries, buildings) on 8  
the Property, or by the Property on adjacent properties. Buyer is advised to verify lot size, square footage and 9  
encroachments to Buyer's own satisfaction within the inspection contingency period. 10
2. **Title Insurance.** The Title Insurance clause in the Agreement provides Seller is to provide the then-current ALTA 11  
form of Homeowner's Policy of Title Insurance. The parties have the option to provide less coverage by selecting 12  
a Standard Owner's Policy or more coverage by selecting an Extended Coverage Policy: 13
  - Standard Owner's Policy.** Seller authorizes Buyer's lender or Closing Agent, at Seller's expense, to 14  
apply for the then-current ALTA form of Owner's Policy of Title Insurance, together with homeowner's 15  
additional protection and inflation protection endorsements, if available at no additional cost, rather than 16  
the Homeowner's Policy of Title Insurance. 17
  - Extended Policy.** Seller authorizes Buyer's lender or Closing Agent, at Seller's expense to apply for an 18  
ALTA or comparable Extended Coverage Policy of Title Insurance, rather than the Homeowner's Policy 19  
of Title Insurance. Buyer shall pay the increased costs associated with the Extended Coverage Policy, 20  
including the excess premium over that charged for Homeowner's Policy of Title Insurance and the cost 21  
of any survey required by the title insurer. 22
3.  **Systems/Appliances.** If a system or appliance (including, but not limited to plumbing, heat, electrical, and all 23  
Included Items) becomes inoperative or malfunctions prior to Closing, Seller shall either repair, or replace the 24  
same with a system or appliance of at least equal quality. Buyer reserves the right to reinspect the Property 25  
within 5 days prior to Closing to verify that Seller has complied with this Paragraph 3. Buyer and Seller 26  
understand and agree that the Listing Broker and Selling Broker shall not be liable for the foregoing or Seller's 27  
breach of this Paragraph 3. 28
4.  **Items Left by Seller.** Any personal property, fixtures or other items remaining on the Property when 29  
possession is transferred to Buyer shall thereupon become the property of the Buyer, and may be retained or 30  
disposed of as Buyer determines. However, Seller shall clean the interiors of any structures and remove all 31  
trash, debris and rubbish on the Property prior to Buyer taking possession. 32
5.  **Utilities.** To the best of Seller's knowledge, Seller represents that the Property is connected to a: 33
  - public water main;  public sewer main;  septic tank;  well (specify type) \_\_\_\_\_; 34
  - irrigation water (specify provider) \_\_\_\_\_;  natural gas;  telephone; 35
  - cable;  electricity;  other \_\_\_\_\_ . 36
6.  **Insulation - New Construction.** If this is new construction, Federal Trade Commission Regulations require 37  
the following to be filled in. If insulation has not yet been selected, FTC regulations require Seller to furnish 38  
Buyer the information below in writing as soon as available: 39
 

WALL INSULATION: TYPE: \_\_\_\_\_ THICKNESS: \_\_\_\_\_ R-VALUE: \_\_\_\_\_ 40

CEILING INSULATION: TYPE: \_\_\_\_\_ THICKNESS: \_\_\_\_\_ R-VALUE: \_\_\_\_\_ 41

OTHER INSULATION DATA: \_\_\_\_\_ 42

JA 1/27/16 \_\_\_\_\_ S.W.B. 2/10/16  
 Buyer's Initials Date Buyer's Initials Date Seller's Initials Date Seller's Initials Date

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

7.  **Leased Property Review Period and Assumption.** Buyer acknowledges that Seller leases the following items of personal property that are included with the sale:  propane tank;  security system;  satellite dish and operating equipment;  other \_\_\_\_\_

Seller shall provide Buyer a copy of the lease for the selected items within \_\_\_\_\_ days (5 days if not filled in) of mutual acceptance. If Buyer, in Buyer's sole discretion, does not give notice of disapproval within \_\_\_\_\_ days (5 days if not filled in) of receipt of the lease(s) or the date that the lease(s) are due, whichever is earlier, then this lease review period shall conclusively be deemed satisfied (waived) and at Closing, Buyer shall assume the lease(s) for the selected item(s) and hold Seller harmless from and against any further obligation, liability, or claim arising from the lease(s), if the lease(s) can be assumed. If Buyer gives timely notice of disapproval, then this Agreement shall terminate and the Earnest Money shall be refunded to Buyer.

8.  **Homeowners' Association Review Period.** If the Property is subject to a homeowners' association or any other association, then Seller shall, at Seller's expense, provide Buyer a copy of the following documents (if available from the Association) within \_\_\_\_\_ days (10 days if not filled in) of mutual acceptance:

- a. Association rules and regulations, including, but not limited to architectural guidelines;
- b. Association bylaws and covenants, conditions, and restrictions (CC&Rs);
- c. Association meeting minutes from the prior two (2) years;
- d. Association Board of Directors meeting minutes from the prior six (6) months; and
- e. Association financial statements from the prior two (2) years and current operating budget.

If Buyer, in Buyer's sole discretion, does not give notice of disapproval within \_\_\_\_\_ days (5 days if not filled in) of receipt of the above documents or the date that the above documents are due, whichever is earlier, then this homeowners' association review period shall conclusively be deemed satisfied (waived). If Buyer gives timely notice of disapproval, then this Agreement shall terminate and the Earnest Money shall be refunded to Buyer.

9.  **Excluded Item(s).** The following item(s), that would otherwise be included in the sale of the Property, is excluded from the sale ("Excluded Item(s)"). Seller shall repair any damage to the Property caused by the removal of the Excluded Item(s). Excluded Item(s): \_\_\_\_\_

10.  **Home Warranty.** Buyer and Seller acknowledge that home warranty plans are available which may provide additional protection and benefits to Buyer and Seller. Buyer shall order a one-year home warranty as follows:

- a. Home warranty provider: \_\_\_\_\_
- b. Seller shall pay up to \$\_\_\_\_\_ (\$0.00 if not filled in) of the cost for the home warranty, together with any included options, and Buyer shall pay any balance.
- c. Options to be included: \_\_\_\_\_ (none, if not filled in).
- d. Other: \_\_\_\_\_

11.  **Other.**

~~THIS is a SALE of Seventeen (17) Lots as included in the Legal Description as well as Parcels 2, 3, and 4~~  
**SUBJECT TO a clear title at transfer**

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<u>GA</u>	<u>1/27/16</u>	_____	_____	_____	_____	_____	_____
Buyer's Initials	Date	Buyer's Initials	Date	Seller's Initials	Date	Seller's Initials	Date

IDENTIFICATION OF UTILITIES  
ADDENDUM TO PURCHASE AND SALE AGREEMENT

The following is part of the Purchase and Sale Agreement dated January 8, 2016 1  
between Hansen ("Buyer") 2  
Buyer Buyer  
and Brisbane ("Seller") 3  
Seller Seller  
concerning \_\_\_\_\_ (the "Property"). 4  
Address City State Zip

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

WATER DISTRICT: City of Bellingham 8  
Name \_\_\_\_\_ 9  
Address \_\_\_\_\_ 10  
City, State, Zip \_\_\_\_\_ Fax. No. \_\_\_\_\_ 11

SEWER DISTRICT: City of Bellingham 11  
Name \_\_\_\_\_ 12  
Address \_\_\_\_\_ 13  
City, State, Zip \_\_\_\_\_ Fax. No. \_\_\_\_\_ 14

IRRIGATION DISTRICT: \_\_\_\_\_ 14  
Name \_\_\_\_\_ 15  
Address \_\_\_\_\_ 16  
City, State, Zip \_\_\_\_\_ Fax. No. \_\_\_\_\_ 17

GARBAGE: \_\_\_\_\_ 17  
Name \_\_\_\_\_ 18  
Address \_\_\_\_\_ 19  
City, State, Zip \_\_\_\_\_ Fax. No. \_\_\_\_\_ 20

ELECTRICITY: \_\_\_\_\_ 20  
Name \_\_\_\_\_ 21  
Address \_\_\_\_\_ 22  
City, State, Zip \_\_\_\_\_ Fax. No. \_\_\_\_\_ 23

GAS: \_\_\_\_\_ 23  
Name \_\_\_\_\_ 24  
Address \_\_\_\_\_ 25  
City, State, Zip \_\_\_\_\_ Fax. No. \_\_\_\_\_ 26

SPECIAL DISTRICT(S): Northern Meadows Assn 26  
(local improvement districts or utility local improvement districts) Name \_\_\_\_\_ 27  
Address \_\_\_\_\_ 28  
City, State, Zip \_\_\_\_\_ Fax. No. \_\_\_\_\_ 29

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

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


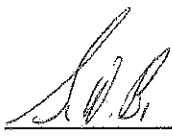
JA 1/27/16 \_\_\_\_\_ S.W.B. 2/10/16  
Buyer's Initials Date Buyer's Initials Date Seller's Initials Date Seller's Initials Date



**TITLE CONTINGENCY ADDENDUM TO  
PURCHASE & SALE AGREEMENT**

The following is part of the Purchase and Sale Agreement dated January 8, 2016 1  
between Hansen ("Buyer") 2  
Buyer Buyer  
and Brisbane ("Seller") 3  
Seller Seller  
concerning 3993 Gentlebrook Lane Bellingham WA 98226 (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 \_\_\_\_\_ 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 \_\_\_\_\_ 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

	<u>1/27/16</u>	_____	_____		<u>2/10/16</u>	_____	_____
Buyer's Initials	Date	Buyer's Initials	Date	Seller's Initials	Date	Seller's Initials	Date

**SELLING FIRM'S COMMISSION**

The following is part of the Purchase and Sale Agreement dated January 27, 2016 1  
between Jon Hansen &/or Assigns ("Buyer") 2  
Buyer Buyer  
and Steve Brisbane &/or Assigns ("Seller") 3  
Seller Seller  
concerning 3993 Gentlebrook Lane Bellingham WA 98226 (the "Property"). 4  
Address City State Zip

**Selling Firm's Commission.** If there is no written listing agreement, Seller agrees to pay Selling Firm a commission 5  
of Four (4) % of sales price or \$ \_\_\_\_\_. If the Earnest Money is retained as 6  
liquidated damages, any costs advanced or committed by Selling Firm shall be reimbursed or paid therefrom, and the 7  
balance shall be divided equally between Seller and Selling Firm. 8

If Seller shall, within six months from the date hereof, sell the Property to Buyer or someone acting on Buyer's behalf, 9  
Seller shall pay Selling Firm the commission set forth above, less any portion of the above earnest money retained by 10  
Selling Firm. Provided, if a commission is paid to another member(s) of a multiple listing service in conjunction with 11  
such sale, the amount of commission payable to Selling Firm shall be reduced by the amount paid to such other 12  
member(s). "Sell" includes a contract to sell; an exchange or contract to exchange; an option to purchase; and/or a 13  
lease with option to purchase, regardless of when it closes. 14

JA 1/27/16 \_\_\_\_\_ S.W.B. 2/10/16  
Buyer's Initials Date Buyer's Initials Date Seller's Initials Date Seller's Initials Date

*JA* 1/27/16

EXHIBIT "A"  
LEGAL DESCRIPTION

PARCEL A:

UNITS 18, 19, 20, 21, 22, 23, 34, 43, 44 AND 46, NORTHERN MEADOWS ESTATES CONDOMINIUM, ACCORDING TO THE DECLARATION THEREOF, RECORDED UNDER AUDITOR'S FILE NO. 2010202656, AND ANY AMENDMENTS THERETO, RECORDS OF WHATCOM COUNTY, WASHINGTON.

SITUATE IN WHATCOM COUNTY, WASHINGTON.

PARCEL A-1:

A 40-FOOT ACCESS AND UTILITY EASEMENT AS CREATED BY AUDITOR'S FILE NO. 2001003528, AND AS DELINEATED ON THE FACE OF NORTHERN MEADOWS ESTATES CONDOMINIUM, RECORDED UNDER AUDITOR'S FILE NO. 2010202655.

SITUATE IN WHATCOM COUNTY, WASHINGTON.

PARCEL B:

UNITS 3, 4, 5, 6, 7, 8 AND 10, NORTHERN MEADOWS CONDOMINIUMS, PHASE 2, ACCORDING TO THE FIRST AMENDMENT TO THE DECLARATION THEREOF, RECORDED UNDER AUDITOR'S FILE NO. 2021200998, RECORDS OF WHATCOM COUNTY, WASHINGTON.

SITUATE IN WHATCOM COUNTY, WASHINGTON.

PARCEL B-1:

A 40-FOOT ACCESS EASEMENT AS CREATED BY AUDITOR'S FILE NO. 2001003528, AND AS DELINEATED ON THE FACE OF NORTHERN MEADOWS ESTATES CONDOMINIUM, PHASE 2, RECORDED UNDER AUDITOR'S FILE NO. 2021200997.

SITUATE IN WHATCOM COUNTY, WASHINGTON.

PARCEL C:

~~PARCEL 4, GENERAL BINDING SITE PLAN OF NORTHERN MEADOWS ESTATES, AS RECORDED UNDER AUDITOR'S FILE NO. 2001003528, RECORDS OF WHATCOM COUNTY, WASHINGTON.~~

~~SITUATE IN WHATCOM COUNTY, WASHINGTON.~~

*2/10/16*  
*JA*  
*S. W. B. 2/10/16*

WLT Order No. W-130750  
SECOND REPORT  
LEGAL DESCRIPTION, continued:

*GA* 1/27/16

**PARCEL C-1:**

A 40-FOOT ACCESS EASEMENT AS CREATED BY AUDITOR'S FILE NO. 2001003528.

SITUATE IN WHATCOM COUNTY, WASHINGTON.

~~PARCEL D:~~

~~PARCELS 2 AND 3, GENERAL BINDING SITE PLAN OF NORTHERN MEADOWS  
ESTATES, AS RECORDED UNDER AUDITOR'S FILE NO. 2001003528, RECORDS OF  
WHATCOM COUNTY, WASHINGTON.~~

~~SITUATE IN WHATCOM COUNTY, WASHINGTON.~~

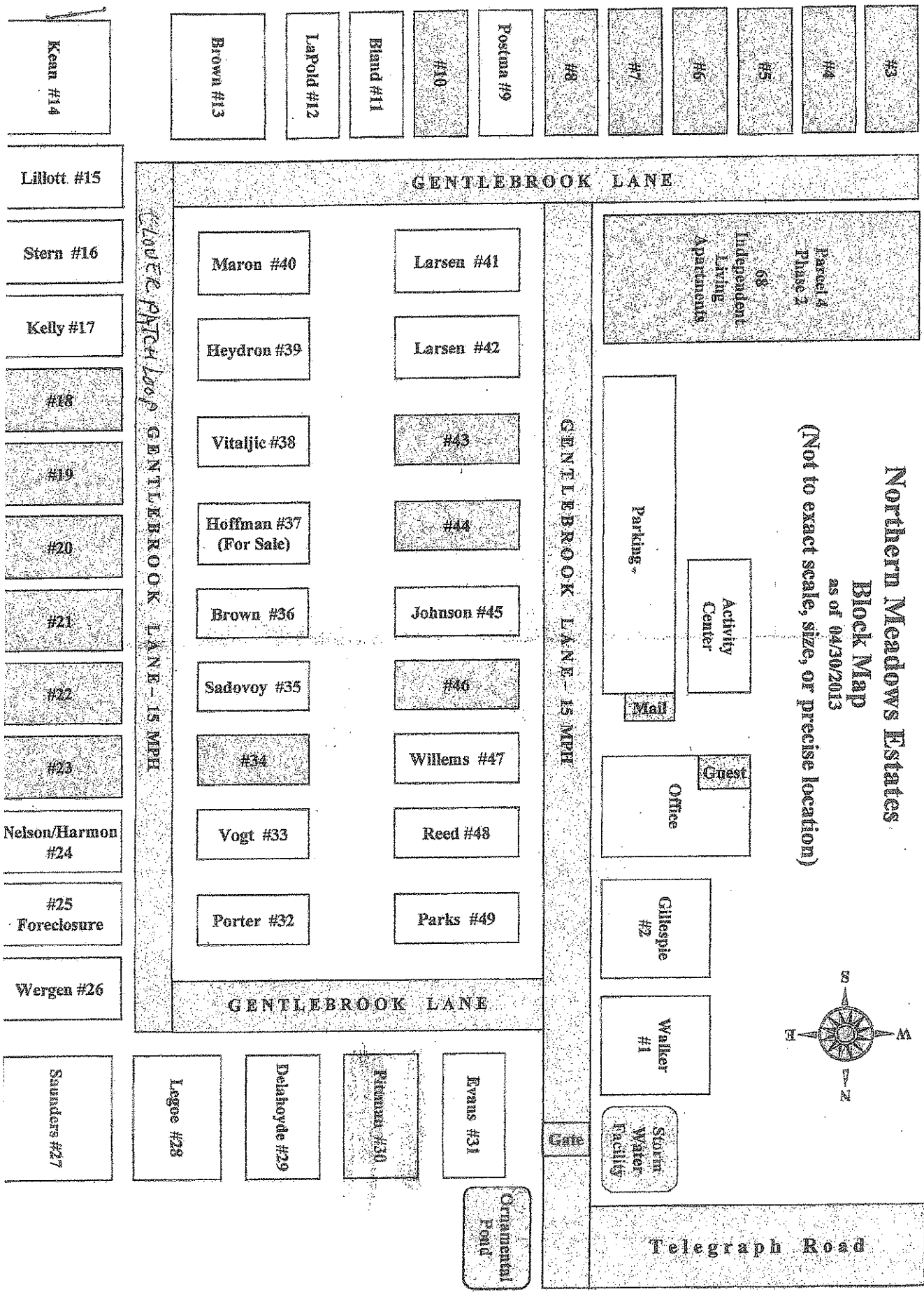
*2/16/16*  
*GA*  
*S.W.B.* 2/10/16

**PARCEL D-1:**

A 40-FOOT ACCESS EASEMENT AS CREATED BY AUDITOR'S FILE NO. 2001003528.

SITUATE IN WHATCOM COUNTY, WASHINGTON.

... END OF EXHIBIT "A" ...



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

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ALL RIGHTS RESERVED

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

The following is part of the Purchase and Sale Agreement dated January 27, 2016 1  
between Jon Hansen &/or Assigns ("Buyer") 2  
Buyer Buyer  
and Steve Brisbane DBA Northern Meadows Development LLC ("Seller") 3  
Seller Seller  
concerning 3993 Gentlebrook Lane Bellingham WA 98226 (the "Property"). 4  
Address City State Zip

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

Close date shall be on or before May 10 2016 6

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

[JH] 4/1/2016

Buyer's Initials Date

Buyer's Initials Date

S.W.B. 4/1/2016

Seller's Initials Date

Seller's Initials Date



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

The following is part of the Purchase and Sale Agreement dated January 27, 2016 1  
 between Jon Hansen and/or Assigns ("Buyer") 2  
Buyer Buyer  
 and Steve Brisbane DBA Northern Meadows Developmen Co, LLC ("Seller") 3  
Seller Seller  
 concerning 3993 Gentlebrook Lane (LOTS) Bellingham, WA 98226 (the "Property"). 4  
Address City State Zip

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

**CLOSING DATE** of the TRANSACTION shall be **ON** or **BEFORE** **30 May 2016**  
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ALL OTHER TERMS AND CONDITIONS of said Agreement remain unchanged. 31

	<u>5/19/16</u>	_____	_____		<u>5/9/2016</u>	_____	_____
Buyer's Initials	Date	Buyer's Initials	Date	Seller's Initials	Date	Seller's Initials	Date

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

The following is part of the Purchase and Sale Agreement dated January 27, 2016 1

between Jon Hansen &/or Assigns ("Buyer") 2  
Buyer Buyer

and Steve Brisbane DBA Northern Meadows Development LLC ("Seller") 3  
Seller Seller

concerning 3993 Gentlebrook Lane Bellingham WA 98226 (the "Property"). 4  
Address City State Zip

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

Close date shall be 7 days after approval from underlying lien-holders, and/or Bankruptcy court. 6

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

AA 5/27/15 \_\_\_\_\_ S. W. B. 5/27/2016 \_\_\_\_\_  
Buyer's Initials Date Buyer's Initials Date Seller's Initials Date Seller's Initials Date



COUNTEROFFER ADDENDUM  
TO REAL ESTATE PURCHASE AND SALE AGREEMENT

All terms and conditions of the offer (Real Estate Purchase and Sale Agreement) dated January 27, 2016, 1  
concerning 3993 Gentlebrook Lane (11 Lots) Bellingham WA 98226 (the "Property"), 2  
Address City State Zip  
by, Jon Hansen and/or assigns, as Buyer 3  
and the undersigned Steve Brisbane DBA Northern Meadows Development llc, as Seller 4  
are accepted, except for the following changes. 5

The Purchase Price shall be \$ 770,000.00 Seven Hundred Seventy Thousand and No/100 \* \* \* \* \* 6  
(11 lots in Northern Meadows for \$70,000 each) 7

Other. 8  
CLOSING DATE of the Sale: 15 June 2016 9

LEGAL to include the following 11 Lots of Record: Lots #10, 18, 19, 20, 21, 22, 23, 34, 43, 44, and 46 Inclusive 10  
Northern Meadows Estates Condominium and related easements for ingress and egress and Utilities. 11  
Situating in Whatcom County, WA 12  
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1. Bankruptcy Contingency: In the event the seller files for Chapter 11 bankruptcy protection before 15  
the closing of this sale is completed (i.e. all documents recorded and all funds transferred) the 16  
completion of the sale will be subject to and contingent on approval of the Bankruptcy Court. In such 17  
event, the Closing Date shall be extended 60 days to allow the seller time to seek court approval. 18  
Seller agrees to diligently and promptly seek such court approval, on the terms set forth in this purchase 19  
and sale agreement as amended. In the event the Bankruptcy Court does not approve the sale within 20  
such 60 day period, the sale will be called off and the purchasers earnest money will be refunded. 21

2. This sale is contingent on the two secured lenders on the properties agreeing to release their liens 22  
as part of the closing of the sale transaction. 23  
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This counteroffer shall expire at 9:00 p.m. on JUNE 6<sup>th</sup>, 2016 (if not filled in, two days after it is delivered), 27  
unless it is sooner withdrawn. Acceptance shall not be effective until a signed copy is received by the counterofferor, 28  
their broker or at the licensed office of their broker. If this counteroffer is not so accepted, it shall lapse and the 29  
Earnest Money shall be refunded to Buyer. 30

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

[Signature] 5/3/2016 \_\_\_\_\_  
Signature Date Signature Date

The above counteroffer is accepted.  
[Signature] 0/6/16 \_\_\_\_\_  
Signature Date Signature Date