

**SELLER DISCLOSURE STATEMENT †
UNIMPROVED PROPERTY**

SELLER: Island West Associates

† To be used in transfers of unimproved residential real property, including property zoned for residential use that is not improved by residential dwelling units, a residential condominium, a residential timeshare or a mobile or manufactured home. See RCW Chapter 64.06 for further explanations.

INSTRUCTIONS TO THE SELLER

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

NOTICE TO THE BUYER

THE FOLLOWING DISCLOSURES ARE MADE BY THE SELLER ABOUT THE CONDITION OF THE PROPERTY LOCATED AT Treemont

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

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

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

Seller is/ is not occupying the property.

I. SELLER'S DISCLOSURES:

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

1. TITLE

YES NO DON'T KNOW

- A. Do you have legal authority to sell the property? If not, please explain. YES NO DON'T KNOW
- *B. Is title to the property subject to any of the following?
 - (1) First right of refusal YES NO DON'T KNOW
 - (2) Option YES NO DON'T KNOW
 - (3) Lease or rental agreement YES NO DON'T KNOW
 - (4) Life estate YES NO DON'T KNOW
- *C. Are there any encroachments, boundary agreements, or boundary disputes? YES NO DON'T KNOW
- *D. Is there a private road or easement agreement for access to the property? YES NO DON'T KNOW
- *E. Are there any rights-of-way, easements, or access limitations that may affect Buyer's use of the property? YES NO DON'T KNOW
- *F. Are there any written agreements for joint maintenance of an easement or right-of-way? YES NO DON'T KNOW
- *G. Is there any study, survey project, or notice that would adversely affect the property? YES NO DON'T KNOW
- *H. Are there any pending or existing assessments against the property? YES NO DON'T KNOW
- *I. Are there any zoning violations, nonconforming uses, or any unusual restrictions on the property that would affect future construction or remodeling? YES NO DON'T KNOW
- *J. Is there a boundary survey for the property? YES NO DON'T KNOW
- *K. Are there any covenants, conditions, or restrictions which affect the property? YES NO DON'T KNOW

PLEASE NOTE: Covenants, conditions, and restrictions which purport to forbid or restrict the conveyance, encumbrance, occupancy, or lease of real property to individuals based on race, creed, color, sex, national origin, familial status, or disability are void, unenforceable, and illegal. RCW 49.60.224.

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2. WATER

A. Household Water

- (1) Does the property have potable water supply? 58
- (2) If yes, the source of the water for the property is 59
 - Private or publicly owned water system
 - Private well serving only the subject property
 - Other water system

*If shared, are there any written agreements? 60

* (3) Is there an easement (recorded or unrecorded) for access to and/or maintenance of the water source? 61

* (4) Are there any known problems or repairs needed? 62

(5) Is there a connection or hook-up charge payable before the property can be connected to the water main? 63

(6) Have you obtained a certificate of water availability from the water purveyor serving the property? (If yes, please attach a copy.) 64

(7) Is there a water right permit, certificate, or claim associated with household water supply for the property? (If yes, please attach a copy.) 65

(a) If yes, has the water right permit, certificate, or claim been assigned, transferred, or changed? 66

(b) If yes, has all or any portion of the water right not been used for five or more successive years? If yes, please explain: 67

(c) If no or don't know, is the water withdrawn from the water source less than 5,000 gallons a day? 68

* (8) Are there any defects in the operation of the water system (e.g. pipes, tank, pump, etc.)? 69

B. Irrigation Water N/A 70

(1) Are there any irrigation water rights for the property, such as a water right permit, certificate, or claim? (If yes, please attach a copy.) 71

(a) If yes, has all or any portion of the water right not been used for five or more successive years? 72

* (b) If yes, has the water right permit, certificate, or claim been assigned, transferred, or changed? 73

(2) Does the property receive irrigation water from a ditch company, irrigation district, or other entity? If so, please identify the entity that supplies water to the property: 74

C. Outdoor Sprinkler System 75

(1) Is there an outdoor sprinkler system for the property? 76

(2) If yes, are there any defects in the system? 77

* (3) If yes, is the sprinkler system connected to irrigation water? 78

3. SEWER/SEPTIC SYSTEM 79

A. The property is served by: 80

- Public sewer system
- On-site sewage system (including pipes, tanks, drainfields, and all other component parts)
- Other disposal system

Please describe: 81

B. Is the property subject to any sewage system fees or charges in addition to those covered in your regularly billed sewer or on-site sewage system maintenance service? 82

C. If the property is connected to an on-site sewage system: 83

* (1) Was a permit issued for its construction? 84

YES	NO	DON'T KNOW	58
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	59
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	60
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	61
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<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	99
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	100

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YES	NO	DON'T KNOW	102
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	103
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	104
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	105
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	106
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<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	114
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	115
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	116
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	117
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	118
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	119
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	120

*(2) Was it approved by the local health department or district following its construction?

(3) Is the septic system a pressurized system?

(4) Is the septic system a gravity system?

*(5) Have there been any changes or repairs to the on-site sewage system?

(6) Is the on-site sewage system, including the drainfield, located entirely within the boundaries of the property?
If no, please explain: _____

(7) Does the on-site sewage system require monitoring and maintenance services more frequently than once a year?
If yes, please explain: _____

4. ELECTRICAL/GAS

A. Is the property served by natural gas?

B. Is there a connection charge for gas? NVT

C. Is the property served by electricity?

D. Is there a connection charge for electricity?

E. Are there any electrical problems on the property?
If yes, please explain: _____

5. FLOODING

A. Are there any flooding, standing water, or drainage problems on the property or affecting access to the property? If yes, please explain: _____

B. Is the property located in a governmental designated flood zone or floodplain?

6. SOIL STABILITY

A. Are there any settlement, earth movement, slides, or similar soil problems on the property?
If yes, please explain: _____

B. Does any part of the property contain fill dirt, waste, or other fill material?
If yes, please explain: _____

7. ENVIRONMENTAL

*A. Have there been any drainage problems on the property?

*B. Does the property contain fill material?

*C. Is there any material damage to the property from fire, wind, floods, beach movements, earthquake, expansive soils, or landslides?

D. Are there any shorelines, wetlands, floodplains, or critical areas on the property?

*E. Are there any substances, materials, or products on the property that may be environmental concerns, such as asbestos, formaldehyde, radon gas, lead-based paint, fuel or chemical storage tanks, or contaminated soil or water?

*F. Has the property been used for commercial or industrial purposes?

*G. Is there any soil or groundwater contamination?

*H. Are there transmission poles, transformers, or other utility equipment installed, maintained, or buried on the property?

*I. Has the property been used as a legal or illegal dumping site?

*J. Has the property been used as an illegal drug manufacturing site?

*K. Are there any radio towers in the area that may cause interference with telephone reception?

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YES NO DON'T KNOW
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8. HOMEOWNERS' ASSOCIATION/COMMON INTERESTS

A. Is there a Home Owners' Association?

Name of Association Baysboro Woods TO BE FORMALLY ESTABLISHED AS NOW-PROFIT CORP.

B. Are there regular periodic assessments?

NOT AT PRESENT TIME

_____ per month years

Other _____

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*C. Are there any pending special assessments?

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

9. OTHER FACTS

A. Are there any disagreements, disputes, encroachments, or legal actions concerning the property? If yes, please explain: _____

B. Does the property have any plants or wildlife that are designated as species of concern, or listed as threatened or endangered by the government? _____

C. Is the property classified or designated as forest land or open space? If so, please specify: _____

D. Do you have a forest management plan? If yes, attach. _____

E. Have any development-related permit applications been submitted to any government agencies? If so, please specify: _____

If the answer to E is "yes", what is the status or outcome of those applications: _____

10. FULL DISCLOSURE BY SELLERS

A. Other conditions or defects:

*Are there any other existing material defects affecting the property that a prospective buyer should know about?

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B. Verification

The foregoing answers and attached explanations (if any) are complete and correct to the best of Seller's knowledge and Seller has received a copy hereof. Seller agrees to defend, indemnify and hold real estate licensees harmless from and against any and all claims that the above information is inaccurate. Seller authorizes real estate licensees, if any, to deliver a copy of this disclosure statement to other real estate licensees and all prospective buyers of the Property.

Date: Kate D. July 11/15/07

Seller [Signature]

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NOTICES TO THE BUYER

SEX OFFENDER REGISTRATION

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

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PROXIMITY TO FARMING

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

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II. BUYER'S ACKNOWLEDGEMENT

Buyer hereby acknowledges that:

- A. Buyer has a duty to pay diligent attention to any material defects that are known to Buyer or can be known to Buyer by utilizing diligent attention and observation. 191-194
- B. The disclosures set forth in this statement and in any amendments to this statement are made only by the Seller and not by any real estate licensee or other party. 195-196
- C. Buyer acknowledges that, pursuant to RCW 64.06.050 (2), real estate licensees are not liable for inaccurate information provided by Seller, except to the extent that real estate licensees know of such inaccurate information. 197-198
- D. This information is for disclosure only and is not intended to be a part of the written agreement between Buyer and Seller. 199
- E. Buyer (which term includes all persons signing the "Buyer's acceptance" portion of this disclosure statement below) has received a copy of this Disclosure Statement (including attachments, if any) bearing Seller's signature(s). 200-201
- F. If the house was built prior to 1978, Buyer acknowledges receipt of the pamphlet *Protect Your Family From Lead in Your Home*. 202

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BUYER HEREBY ACKNOWLEDGES RECEIPT OF A COPY OF THIS DISCLOSURE STATEMENT AND ACKNOWLEDGES THAT THE DISCLOSURES MADE HEREIN ARE THOSE OF THE SELLER ONLY, AND NOT OF ANY REAL ESTATE LICENSEE OR OTHER PARTY. 209-211

DATE: _____ DATE: _____ 212
BUYER: _____ BUYER: _____ 213

BUYER'S WAIVER OF RIGHT TO REVOKE OFFER

Buyer has read and reviewed the Seller's responses to this Seller Disclosure Statement. Buyer approves this statement and waives Buyer's right to revoke Buyer's offer based on this disclosure. 214-216

DATE: _____ DATE: _____ 217
BUYER: _____ BUYER: _____ 218

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

Buyer has been advised of Buyer's right to receive a completed Seller Disclosure Statement. Buyer waives that right. However, if the answer to any of the questions in the section entitled "Environmental" would be "yes," Buyer may not waive the receipt of the "Environmental" section of the Seller Disclosure Statement. 219-222

DATE: _____ DATE: _____ 223
BUYER: _____ BUYER: _____ 224

If the answer is "Yes" to any asterisked (*) items, please explain below (use additional sheets if necessary). Please refer to the line number(s) of the question(s). 225-226

10 TREEMONT DRIVE IS A PRIVATE ROAD EASEMENT * SEE SURVEY * AF 189312Z 227
 IF MAINTENANCE PROVISIONS FOR ROADWAY IN COVENANTS TO BAYSHORE WOODS 228
 IT SEE HOLMAN SURVEY OF BAYSHORE WOODS AF 189312Z 229
 IF COVENANTS TO BAYSHORE WOODS AF 189312S 230
 2A, 2A(3), AF 189312S & 1895084 8D. RETENTION FUND AT END OF TREATMENT
 WILL NEED PERIODIC MAINTENANCE. AF 1891854

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