

**STANDARD ADDENDUM TO CONDOMINIUM
REAL ESTATE PURCHASE AND SALE AGREEMENT**

*This Agreement shall not be binding unless the Public Offering Statement/Warranty Addendum
is attached and is executed by both Buyer and Seller.*

This Standard Addendum ("Addendum") is hereby incorporated in, and made part of, that certain Purchase and Sale Agreement, dated _____, 200__ (with addenda described therein, the "Agreement"), between Mietzner Ash Way, LLC ("Seller") and _____ ("Buyer") regarding the purchase and sale of Unit _____, Aspen Meadows, a Condominium located in Snohomish County, Washington (the "Unit").

1. **Closing Date.** This transaction shall close on or before _____, 20____ ("Closing Date"); provided, that Seller may at its option extend the Closing Date with no penalty whatsoever until the later of the following: (a) up to 60 days after that date; (b) up to 15 days following substantial completion of the Unit as evidenced by a certificate of occupancy issued for the Unit; or (c) up to 15 days following satisfaction of any presale requirement established by Seller or Seller's lender. The Closing Date, as it may be extended by Seller, shall also be the Termination Date of this Agreement, which Termination Date shall in all events occur no later than _____ (180 if not filled in) days after mutual acceptance of this Addendum. If Buyer defaults and fails to close on the Closing Date, then Seller shall have those remedies provided for under the Purchase and Sale Agreement.
2. **Construction/Renovation Status.** The Unit is in a condominium project for which renovation remains uncompleted. This Agreement is contingent on recording of the condominium declaration and survey map and plans.
 - (a) The Unit and entire project shall be completed substantially in accordance with the plans and specifications prepared, and from time to time amended, by Seller.
 - (b) Seller estimates, but does not represent or guarantee, that the Unit will be substantially completed and ready for legal occupancy by the Closing Date. If the Unit is not ready for legal occupancy on the Closing Date, as extended pursuant to Paragraph 1 of this Addendum, Buyer may rescind this Agreement and demand return of the Earnest Money, in which case such rescission and return of Earnest Money shall be Buyer's sole remedy and all parties shall be discharged from all obligations and liabilities hereunder. If construction of the Unit is substantially completed in accordance with Seller's plans and specifications by the Closing Date, as extended pursuant to Paragraph 1, Buyer agrees to close this sale even though minor defects, "punch-list" items and similar work remain to be corrected and will be completed by Seller as soon as possible but no later than 30 days after Closing.
 - (c) Buyer understands and agrees that, at the time of taking possession of the Unit and for a period thereafter, the other homes within the Condominium and other improvements and limited and general common elements might not be completed and that renovation or construction work might be continuing.
3. **Pre-Closing Inspection.**
 - (a) **Buyer/Seller Inspection.** Prior to occupancy, Buyer shall inspect the Unit with Seller or a designated representative of Seller and have the opportunity at that time to note any deficiencies or defects in construction on a punchlist signed by Buyer and Seller. Except for defects warranted by Seller, and except for any deficiencies and defects noted on the inspection and acceptance report, Buyer agrees to accept the Unit in the condition existing on the date of inspection. Buyer agrees that Closing will not be delayed pending correction of any such defects. Seller shall correct any noted defects as soon as possible, but no later than 30 days following Closing.
 - (b) **Independent Inspection.** If, pursuant to a separate addendum, this Agreement is made contingent upon Buyer's review and approval of an independent inspection of the Property, the inspection must be conducted by a professional inspector at Buyer's expense, documented by a written report. Buyer may

disapprove of the inspection report only on the basis of a condition identified in the report as being in violation of an applicable building code, and not on the basis of informational or preventative maintenance items.

4. **Buyer's Access During Construction.** Prior to Closing, Seller or Seller's agent must accompany Buyer whenever accessing the Unit. Only employees and contractors of Seller, acting pursuant to written instructions of Seller, are authorized to work on the Unit prior to Closing.
5. **Buyer Change Order Addendum.** The Purchase Price is based on Seller's standard color and finishes plan and standard appliances. Buyer may request different materials, fixtures or other changes to the Unit, and if accepted by Seller, Buyer shall deliver to Seller a non-refundable cash payment for said materials or changes prior to commencement of construction. The changes and the amount of the payment shall be set forth on a Buyer Change Order Addendum. Said payment is not an Earnest Money deposit as set forth in RCW 64.04.005(4) or RCW 64.34.430. Said payment shall be in addition to, and not be deemed part of, the Purchase Price. In the event that the Buyer fails to Close for any reason, the payment shall be retained by Seller.
6. **Working Capital Contribution.** Buyer shall pay a working capital contribution for the operations of the condominium association equal to 2 month's assessment at Closing. Said contribution is not a pre-payment of condominium assessments. Closing Agent shall collect said contribution from Buyer and forward it to the condominium association for deposit into its general account.
7. **Sewer Capacity Charge.** Buyer is hereby notified that each unit in this Condominium is subject to a King County Metro Sewer Capacity charge. Such charge is the responsibility of each unit owner to pay directly to King County Metro in such amount and upon such terms as are required by King County Metro. Buyer should contact Metro Sewer Capacity at 206.296.1450 for the amount and payment terms of the charges on the Property and for more information.
8. **Seller's Rights.**
 - (a) **Management by Seller.** Seller may retain for the period stated on the Declaration the authority to appoint and replace the Board of Directors and Officers of the Owner's Association.
 - (b) **Unit Square Footage.** The Unit square footage shown in the Declaration are based on preliminary construction drawings and may be different than the square footage shown. The actual areas of all Units may be different than those shown on the Declaration or advertising brochures. As-built measurements may be found on the Survey Map and Plans.
 - (c) **Amendment to Declaration, Etc.** Seller may make amendments to the condominium declaration, survey map and plans, the articles of incorporation and bylaws of the condominium association and the plans and specifications as Seller may deem desirable or as may reasonably be required by lenders or title insurance companies, but if before this sale is closed material amendments to such documents are made without first obtaining the written approval of Buyer, Buyer shall be entitled to rescind this Agreement. Buyer's failure to disapprove in writing any of the documents referred to in this paragraph or material amendments thereto within seven (7) days of receipt of such documents shall be deemed Buyer's approval thereof. Any notice of disapproval by Buyer must include reasonable grounds for such disapproval.
9. **Seller's Existing Mortgage.** Buyer is advised that there may be an underlying mortgage or other loan encumbering this Unit. Buyer understands that all of the terms and provisions of this Agreement are and shall be subordinated to the lien of any such existing mortgage, but, if this transaction is consummated, Seller shall cause such mortgage to be partially released upon Closing to the extent of Buyer's interest purchased. Buyer fully understands that consummation of this transaction shall be conditioned upon (a) satisfaction of a presale requirement, if any, established by Seller or Seller's mortgagee and (b) Seller obtaining a release of any monetary encumbrance on the Unit.
10. **Risk of Loss.** All risks of loss shall be upon Seller until closing or early occupancy by Buyer, whichever first occurs. Buyer assumes full responsibility for any personal property stored on the premises prior to closing.

11. **Unit Boundaries.** All dimensions, areas and specifications on plans, brochures or contract documents are approximate, may vary from actual construction and may not be determined in the same manner that a surveyor measures the Unit for condominium purposes. Buyer shall not rely on any statement made by any agent or representatives of Seller regarding exact boundaries or dimensions of the Unit or Limited Common Elements, if any.
12. **Site Location; View.** Seller shall have the sole authority to locate all buildings and improvements within the Unit, Common Elements and Limited Common Elements. After excavation for installation of foundations and lot drainage, if any, existing grade elevations may be changed. Buyer acknowledges that the Unit is in an urban environment. Seller, its agents and representatives, makes no representations regarding views, or the future use of any developed or undeveloped properties in the vicinity of the Unit.
13. **Insulation.** Insulation will be installed in the Unit in accordance with applicable governmental requirements. Insulation to be installed will be as follows:

Area Insulated	Type of Insulation	Thickness	Manufacturer's R-Value
Exterior walls of living area	Unfaced batts	5½ "	R-21
Underfloor	Unfaced batts	10¼"	R-30
Interior walls (party walls)	Batts or blown	3½"	R-11
Roof – attic	Batts or blown	12"	R-38

Other areas of the Unit may contain insulation type materials; however, these materials have no influence on the thermal effectiveness of the Unit. Buyer acknowledges and agrees that, notwithstanding the general specifications set forth above, insulation may be of lesser thickness and R-value than indicated in certain areas where the design and/or construction of the Unit do not permit greater thickness. Examples of such locations where the thickness and R-value may vary include locations where the studs are placed in the walls, at corners, and windows where the roof trusses attach to outside walls. These R-values are based upon the information provided by the manufacturer and/or installer of the insulation and Seller does not warrant or represent that the R-Values are correct.

14. **Sound Transmission.** Buyer further acknowledges that the Unit is in a high-density residential community and that some sound transmission between Units should be expected. Buyer understands and acknowledges that some sound transmission from adjoining Units, Common or Limited Common Elements (laterally or vertically) will occur (such as, heels on uncarpeted floors, water traveling in pipes, cupboard doors and other causes). In addition, Buyer understands that there will be noise, from time to time, from various buildings systems (such as, garage doors, exhaust and supply fans and accessories on the roof, mechanical and exhaust systems, and fluorescent lighting, and ambient noise from nearby traffic and roadways).
15. **Moisture.** The Condominium is located in a region with a damp climate. Nevertheless, based on Seller's experience, it is impossible to guaranty that the building and/or Unit will not experience such conditions. Buyer further acknowledges that prevention such conditions, and avoidance of damage caused by such conditions requires that the Association, at the Association's expense, perform periodic inspections, testing, maintenance and repair.
16. **Site Work, Vegetation, Drainage.** Trees and vegetation, if any, even if remaining at close of purchase, escrow and occupancy, may not survive and may need to be replaced at the expense of the Owner's Association. Buyer acknowledges that the Association's failure to maintain the property and improvements as originally engineered and graded may cause serious structural failures in the improvements, water damage to the interior of improvements, or even financial liability to neighboring property. Buyer acknowledges and agrees that the consequences and results of any alteration of or to the property and/or of or to the established drainage shall be the Association's responsibility, and Seller shall have no liability or responsibility whatsoever with regard to such matters. Seller recommends that the Association hire a qualified civil engineer to approve all future landscaping plans and improvements and the Association's landscaping contracts include language to insure safe and adequate drainage.

17. **Material Availability.** Buyer understands and agrees that all materials, supplies, fixtures, and appliances are subject to their reasonable availability. Seller reserves the right to make substitutions of comparable quality, without notice. Buyer agrees to select from in-stock items if special order items or color selections delay construction scheduling and closing.
18. **Variations, Minor Defects.** Shades of cabinets, wood trim, and doors may vary due to natural differences in wood pattern and grain and type of stain used. Similarly, variations in design, color, shading, distinctive markings, shape, glaze and polish occur (due to nature or manufacturing process) in all granite, limestone, marble and other natural stone materials and in all ceramic tiles, and grouting. Accordingly, uniformity in these and other finishes in the Unit cannot be guaranteed. Cracks in natural stone, ceramic tile and grout caused by structural movement are not the responsibility of the installer or Seller, and variations in design, color shading or distinctive markings may occur. The following conditions are customary and are not considered defects for which corrective action is required: cracking of concrete topping and/or slab; wall cracking and/or door sagging due to building settlement, structural deflection and/or material shrinkage; or, deviations and variations from plans and specifications involving paint color, window and floor coverings, countertops and cabinets, appliances, plumbing and electrical fixtures, hardware and other decoration and finish work; or similar conditions that do not result in actual physical damage to the Unit Common or Limited common Elements.
19. **Model Units.** Model units, if any, and appurtenances and furnishings thereto, are displayed only for illustration purposes and shall not be deemed to be an agreement or commitment by Seller to deliver the Unit being purchased by Buyer in accordance with any such model units, or appurtenances and furnishing thereto. None of the furnishings, decorations or other appurtenances in or to any model unit are included in this Agreement, unless Seller agrees in writing to deliver them as part of the Purchase Price or for an additional amount.
20. **Renderings, View, Etc.** Buyer understands that all renderings and floor plans are artists' conceptions and are not intended to be an exact depiction of the Unit, Common or Limited Common Elements, including landscaping. Seller hereby disclaims any express warranty that such renderings or floor plans are representative of any portion of the Unit, Common or Limited Common Elements.
21. **Representations.** There are no other express or implied agreements, promises or representations except as set forth herein, or in the Public Offering Statement, or in another written document executed by Seller and Buyer. Buyer and all agents acknowledge that no agent, job superintendent, contractor or subcontractor has authority to make, or has made, any agreement, promise or representation on behalf of Seller.
22. **Buyer's Funds to Close.** Buyer represents that Buyer has available sufficient funds to close this sale in accordance with this Agreement and is not relying upon any contingent source of such funds unless otherwise expressly set forth herein.
23. **Time of Essence.** Time is of the essence of this agreement.
24. **Real Estate Taxes Prorated.** Real Estate taxes shall be prorated between Seller and Buyer as of the date of closing. If real estate taxes have not been segregated among the Units then within the Condominium, such proration shall be based on the Unit's Allocated Interest in Common Elements and the total unsegregated real estate taxes for the Condominium. If during the year in which closing occurs, the real estate taxes due for that year are increased after closing because of completion in construction, any such tax increase shall also be prorated as of the date of closing. An adjustment of prorations after closing (whether due to subsequent new construction tax increase or unit tax segregation) will only be made if the amount of adjustment would exceed \$50.
25. **Association Assessments.** Monthly Owner Association assessments shall be prorated between Seller and Buyer as of the date of closing. In addition, Buyer at closing shall pay for the account of the Association a working capital contribution deposit in the amount set forth in the Public Offering Statement. Each monthly assessment shall include the Unit's prorata share of all Association Common Expenses (including without limitation all periodic and installment charges by governmental agencies and utility providers, such as sewer capacity surcharges). If Seller has previously paid such contribution, the

escrow agent shall pay Buyer's contribution to Seller. Buyer acknowledges that the initial level of assessments is an estimate only which may change prior to and after closing. Seller may elect to pay the Association's actual operating costs, and delay commencement of monthly assessments.

26. **Assignment.** Buyer may not assign Buyer's rights under the Agreement without the prior written consent of Seller.
27. **Mediation/Arbitration.** All disputes involving Seller, Buyer and/or Owners Association based on express or implied warranties or other construction issues shall be resolved by the mediation/arbitration provisions of the Limited Warranty.
28. **Occupancy Representation.** Buyer hereby represents that upon closing of the purchase of the Unit, the Unit will be Buyer's primary residence second home investment property. Buyer agrees to make the same representation to any lending institution: which may now hold a mortgage on any portion of the Condominium; or which may be financing the purchase of any other units in the Condominium; or to which Buyer makes application for a loan to purchase a Unit.
29. **Selection of Lender, Title Insurer & Escrow Agent.** Due to Seller's volume of transactions and the need to coordinate all condominium sales, there is a benefit to both parties to deal with lenders, title insurers and escrow agents familiar with the Condominium. The companies recommended by Seller for this Condominium have been selected based upon a successful track record for processing and closing transactions, and have been provided with all the information necessary to facilitate the timely processing of your transaction. Buyer agrees to apply for and obtain financing through a lender, and accept the title policy issued by a title insurer, and utilize an escrow agent, as approved by Seller. Other lenders, title insurers and escrow agents will be given consideration at Buyer's request, and must be approved in writing, in advance, by Seller. The pre-approved lender, title insurer and escrow agent are listed below, but Seller reserves the right to change that list at any time before Closing. Seller shall consent to any lender with whom Buyer has made loan application upon informing Seller as to the status of the application and compliance with Paragraph 30(a), below.
30. **Approved Lender/Title Insurer/Escrow Agent.**
- (a) **Lender:** Golf Savings Bank (**Loan Officers:** Chris Anderson **Telephone:** (425)712-4234; or Jill Scavotto **Telephone:** (425)712-4248 ("Seller's Preferred Lender"), or other lender if pre-approved by Seller [*Buyer to initial below as appropriate*):
- Buyer agrees to use Seller's Preferred Lender. Seller agrees to waive \$250 outside lender processing fee.
- Seller agrees to allow Buyer to select lender; provided that Buyer's lender agrees in writing to satisfy any FNMA or other presale requirements, Buyer agrees to pay Seller a non-refundable lender processing fee of \$250. If Seller does not receive such lender waivers and such processing fee within five (5) days of mutual acceptance, Seller may elect to terminate this Agreement, in which case earnest money shall be refunded to Buyer.
- (b) **Title Insurer** [*check one*]: Pacific Northwest Title (**Title Officer:** John Wahl **Telephone:** (425)258-6450); or _____
- (c) **Escrow Agent** [*check one*]: Realty Escrow (**Escrow Agent Name:** Jana Tobenson **Telephone:** (206)546-5155); or _____
- [**NOTE:** Buyer shall pay one-half the normal scheduled escrow fee. Seller shall be entitled to any builder's discount on the escrow fee.]
31. **Other Provisions.** None as set forth below:
- Jeffrey W. Mietzner, an owner of Mietzner Ash Way, LLC, is a licensed Real Estate Broker and owner of HomeMarketing, Inc. Karen Orkney, an owner of Mietzner Ash Way, LLC, is a licensed Real Estate Agent and owner of HomeMarketing, Inc. Tara Mietzner is a licensed Real Estate Agent of HomeMarketing, Inc. Mike Mietzner, an owner of Mietzner Ash Way, LLC, is an owner of HomeMarketing, Inc. Richard H. Mietzner, owner of Realty Escrow, Inc., is related to the owners of Mietzner Ash Way, LLC.

