

**RESIDENTIAL REAL ESTATE PURCHASE AND SALE AGREEMENT  
UNITED STATES BANKRUPTCY COURT FOR THE  
WESTERN DISTRICT OF WASHINGTON, AT SEATTLE**

THIS AGREEMENT is entered into by and between the below named Buyer and the below named Seller, in his or her capacity as a United States Bankruptcy Trustee for the below named bankruptcy estate. The Buyer agrees to purchase and the Seller agrees to sell the described property pursuant to the following terms and conditions:

**BUYER(S):** \_\_\_\_\_  
**ADDRESS:** \_\_\_\_\_  
**PHONE/EMAIL:** \_\_\_\_\_

**SELLER:**     **Nancy L. James, Trustee in Bankruptcy for:  
Our Stepping Stone Property, LLC  
Bankruptcy Number: #20-11239**

**PROPERTY**  
**STREET ADDRESS: 35300 SE Center St Unit A, Snoqualmie, WA 98065**

**LEGAL DESCRIPTION:** Attached on Exhibit "A" hereto.

**PURCHASE PRICE:**         \$

**DATE OF CLOSING:** Closing shall occur within 30 days of Court Approval.

**SELLING AGENCY/ID/LIC:** \_\_\_\_\_  
**ADDRESS:** \_\_\_\_\_  
**AGENT NAME/LAG#:** \_\_\_\_\_  
**PHONE/EMAIL:** \_\_\_\_\_  
**OFFICIAL DOC EMAIL** \_\_\_\_\_

**LISTING AGENCY/ID/LIC:** Remax Northwest Realtors /7171/ #24352  
**ADDRESS:**                     300 NE 97<sup>th</sup> St., Seattle, WA 98115  
**AGENT NAME/LAG:**             Rik Jones (57595)  
**PHONE/EMAIL:**                 206-528-4470; Rik@RikJones.com  
**OFFICIAL DOC EMAIL**         notice@northwestrealtors.com

**TITLE INSURANCE COMPANY:** Old Republic (#5207-172191)

**EARNEST MONEY AMOUNT:** \$  
**FORM OF EARNEST MONEY:** [   ] Cash  
  [   ] Personal Check  
  [   ] Cashier's Check  
  [   ] Wired

Buyer: \_\_\_\_\_  
          Initials            Date

Seller: \_\_\_\_\_  
          Initials            Date

1. **No Representations or Warranties.** The Seller is a bankruptcy trustee and therefore he/she has no personal knowledge regarding the property. There are no representations or warranties regarding the property or its condition. **All sales are "as is, where is" and without any representations or warranties of any kind express or implied.**

2. **Earnest Money Forfeiture.** In the event the Buyer fails, without legal excuse, to complete the purchase of the property, the earnest money deposit made by the Buyer shall be forfeited to the Seller as the sole and exclusive remedy available to the Seller for such failure. If the earnest money deposit is greater than five percent of the purchase price, only that portion of the earnest money deposit equal to five percent of the purchase price shall be forfeited to the Seller. By their initials below, Buyer and Seller specifically acknowledge that they have read the preceding provision regarding forfeiture of the earnest money and understand and agree to it.

Buyer Initials Here: \_\_\_\_\_

Seller Initials Here: \_\_\_\_\_

3. **Financing.** This offer [ ] is [ ] is not conditioned upon Buyer obtaining a [ ] conventional [ ] FHA [ ] VA purchase loan.

4. **Down Payment/Loan Application.** Buyer agrees to pay \$\_\_\_\_\_ down, and to make an application, in good faith, within seven days after mutual acceptance of this Agreement, for a market rate loan to pay the balance of the purchase price. If application is not made within 7 (seven) days, Seller may retain the earnest money and this Agreement shall terminate.

5. **Financing Deadline/Seller Termination Notice.** If Buyer has not within 30 days after mutual acceptance of this Agreement, given notice that Buyer has obtained financing or waived the financing condition, then this Agreement shall terminate upon the expiration of the 30th day after mutual acceptance. If termination occurs, Seller shall remit the earnest money to the Buyer.

6. **Loan Costs.** Seller will not be responsible for any loan costs except (1) such portion of Buyer's costs that Buyer is prohibited from paying pursuant to applicable FHA regulations; and (2) if this sale is financed by a VA loan, the Seller agrees to pay those closing costs Buyer is prohibited from paying pursuant to applicable VA regulations.

7. **Inspections.** The Buyer has seven (7) days from the date of mutual acceptance to inspect the premises. Unless the Buyer provides Seller with notice within said seven (7) days that the property is not acceptable then the inspection requirement will be deemed to be waived on the close of business, seven (7) days from mutual acceptance. Notwithstanding the foregoing, if the financing institution requires an additional inspection, Seller agrees to permit such inspection. **The Buyer will pay all costs and fees associated with such inspections and Seller shall have no liability therefore.** Buyer will return the property to its original condition after said inspection or test. The Buyer will hold the Seller, its officers, agents and attorneys harmless from all claims arising out of Buyer's inspection or testing of the property.

8. **Defects.** Buyer represents to the Seller that Buyer will fully inspect the property and Buyer assumes the responsibility and risks of all defects and conditions, including such defects and conditions, if any, that cannot be observed by casual inspection. Seller makes no representation or warranties expressed or implied of any kind with respect to, among other things: (a) the dimension, size or acreage of the premises; (b) any applicable governmental laws or regulations; (c) availability of water, sewer or other utilities; (d) the environmental condition of the property; or (e) the existence or non-existence of urea-formaldehyde or asbestos.

Buyer: \_\_\_\_\_  
          Initials                Date

Seller: \_\_\_\_\_  
          Initials                Date

9. **Personal Property.** The Seller is a bankruptcy trustee and has no knowledge of whether or not there is any leased personal property on the premises. It shall be up to the Buyer to make an appropriate investigation to determine whether or not there is any leased property on the premises **which in any case is not included in the sale.** The debtor(s) may claim personal property on the premises, such as non built-in appliances, drapes, curtains, etc., as exempt property. In such instance that personal property is not included in the sale.

10. **Feasibility Study.** If the Purchase and Sale Agreement is subject to a feasibility study and the sale does not close because of any contingency which the Buyer does not waive, then prior to returning any earnest money or promissory note the Buyer shall provide the Seller with a copy of every study, report, analysis or appraisal regarding the property.

11. **Hazardous Waste.** The trustee, as a bankruptcy trustee, has no actual personal knowledge of the presence of any hazardous waste on the property, including, but not limited to, petroleum products and asbestos, and has no actual personal knowledge of the violation of any environmental law, regulation or ordinance with respect to the property. Buyer understands and agrees that any knowledge about the condition of the property of other parties including the trustee's real estate agent, debtor, the debtor's employees and agents, or any other persons or entities shall not be imputed to the trustee or the estate. Buyer hereby assumes all risk and costs related to the presence of hazardous waste and the environmental condition of the property. Buyer hereby waives any and all rights of contribution, indemnity and/or reimbursement with respect to any and all defects, including but not limited to, hazardous waste and environmental condition.

12. **Possession.** Buyer shall be entitled to possession at 9:00 pm 3 days after closing.

13. **Closing.** "Closing" means the date on which all documents are recorded and the sales proceeds are available to Seller. Seller agrees to maintain the property in substantially its present condition, normal wear and tear excepted, until Buyer is entitled to possession. Seller does not agree to clean the interiors or exteriors of any structures. The sale is "as is, where is."

14. **Escrow Agent.** The transaction shall be escrowed by **Law Office of Wanda Reif Nuxoll, PS., 22525 SE 64<sup>th</sup> Pl. Ste #245 Issaquah, WA 98027 (206)749-2850** or such other escrow the Seller may designate.

15. **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, including but not limited to zoning; easements and encroachments not materially affecting the value of or unduly interfering with Buyer's intended use of the property; and reserved oil and/or mineral rights. Monetary encumbrances not assumed by the Buyer shall be removed from the title by the Seller on or before closing. If for any reason the Seller is unable to transfer marketable title to the Buyer then this Agreement is null and void, the Buyer's earnest money, if any, shall be returned and the Seller shall be released of all obligations hereunder.

16. **Title Insurance.** Seller shall provide a standard form of title insurance from a title insurance company of Seller's choice. Seller authorizes lender or closing agent, at Seller's expense, to apply for a standard form buyer's policy of title insurance with homeowner's additional protection and inflation protection endorsement if available at no additional cost. The preliminary commitment therefore, and the policy to be issued, shall contain no exceptions other than general exclusions and exceptions in said standard form. If title cannot be made so insurable prior to closing, the earnest money shall, unless Buyer elects to waive such defects or encumbrances, be refunded to the Buyer, less any unpaid costs described in paragraph 22 hereof, and this Agreement shall thereupon be terminated.

Buyer: \_\_\_\_\_  
          Initials                  Date

Seller: \_\_\_\_\_  
          Initials                  Date

17. **Title Transfer.** Title shall be transferred by the bankruptcy trustee's quit claim deed.

18. **Buyer's Funds To Close.** Buyer represents Buyer has sufficient funds to close this sale in accordance with this Agreement, and is not relying on any contingent source of funds or gifts unless expressly set forth elsewhere in this Agreement.

19. **Closing Costs And Pro-Ration.** Buyer and Seller shall each pay one-half of the escrow fee. Seller shall pay excise tax. Taxes for the current year shall be pro-rated. Buyer shall pay for oil in the oil tank. Buyer is not liable for pre-closing utility bills.

20. **Sale Information.** Selling agent is authorized to report this Agreement (including price and all terms) to the Northwest Multiple Listing Associations or such other applicable listing association that publishes it to its members, financing institutions, appraisers and anyone else related to the sale. Buyer and Seller authorize all lenders, closing agents, appraisers, title insurance companies and other parties related to the sale, to furnish the listing and/or selling agents, on request, any and all information, and copies of documents concerning the status, progress and final disposition of financing, appraisal, closing, title condition, and any other matter concerning this sale, including buyer's credit report.

21. **Notices.** Unless otherwise specified, any notice required or permitted in, or related to, this Agreement (including any addenda hereto) must be in writing, signed by any one Buyer or Seller (including either husband or wife) and received by selling agent who, *for this limited purpose, shall be the agent of both parties.* Any time limit in or applicable to a notice shall commence on the date following receipt of the notice by the selling agent, unless that is a Saturday, Sunday or holiday, in which event it will commence on the next following business day. Buyer must keep selling agent advised of their whereabouts to receive prompt notification of receipt of a notice. Selling agent has 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 on this Agreement.

22. **Earnest Money Receipt And Disbursement.** Selling agent acknowledges receipt from Buyer of the earnest money as set forth above in the form indicated to be held in closing agent's pooled trust account (with interest paid to the Washington Housing Fund or such other relevant fund in accordance with applicable laws). Agent shall not deposit any check until Buyer and Seller both have signed this Agreement. Any unpaid loan or sale costs incurred for the Buyer, including credit report, appraisal fee, and escrow cancellation fee, may be paid from the earnest money prior to its disbursement.

23. **Seller Conditions.** This Agreement is subject to approval by the Bankruptcy Court. Unfortunately, the trustee does not always have access to a title report or information with respect to the tax consequences of a sale when a purchase offer is made. Accordingly, the purchase agreement is conditioned on: (1) the trustee obtaining an opinion from an accountant that the proposed sale will not result in adverse tax consequences and (2) if the trustee in his or her sole discretion deems it appropriate, the court authorizing an award to the estate of reasonable fees and expenses pursuant to 11 U.S.C. Section 506(c) if there are liens against the property.

24. **Subsequent Offers.** All purchase agreements are subject to approval and order of the Bankruptcy Court. The Seller will apply to the Bankruptcy Court for approval of the sale set forth herein as soon as reasonably practicable. The Bankruptcy Court hearing generally takes place within six weeks of mutual acceptance. Further, if the trustee receives a better offer on the property prior to the court hearing, the trustee may accept such offer contingent upon approval of the court and request that the court accept the better offer. This clause is an explanation of the law and removal of this clause from this Agreement will not change the law. The trustee agrees, however, to follow the procedure set forth in the next paragraph allowing for Buyer to attempt to match an opportunity competing offer.

Buyer: \_\_\_\_\_  
          Initials                      Date

Seller: \_\_\_\_\_  
          Initials                      Date

25. **Competing Bids.** If this agreement is the first agreement the Seller has accepted regarding the subject property, the Seller, subject to court approval, hereby agrees that the Buyer may match the proposed purchase price of any third party offer. In order to bring this paragraph into effect, Buyer must notify the Seller within 24 hours of receipt from the Seller of written notice of the third party's offer. The Buyer's notice shall be in writing and state that the Buyer needs to meet or exceed the third party's price and other terms. Price increases must be in increments of not less than one percent of the original offer. If an offer is received within 24 hours of the court hearing date, the court may have the proposed purchasers submit in writing their last, highest, and best offers at or following the hearing to approve the sale.

26. **Agreement To Purchase And Time Limit For Acceptance.** Buyer offers to purchase the property on the above terms and conditions. Seller has until the close of business on the date set forth below to accept this offer. Acceptance is not effective until a signed copy hereof is actually received by the office of the selling agent. If this offer is not so accepted, it shall lapse and selling agent shall refund the earnest money to Buyer.

27. **Counteroffers.** If a party makes a counteroffer the other party shall have until 9:00 p.m. on the second day following receipt of the counteroffer to accept it. Acceptance is only effective by delivering a signed acceptance of the counteroffer to the office of the selling broker.

28. **Commission.** A real estate commission will be paid in accordance with the listing agreement and pursuant to an order of the Bankruptcy Court.

29. **Resale Certificate.** If the subject real property is a condominium, Seller agrees to deliver a Resale Certificate to Buyer within ten (10) days after mutual acceptance of this Agreement by all parties. **Buyer shall be conclusively deemed to have approved said Resale Certificate unless within five (5) days following receipt thereof, Buyer gives notice of disapproval of the same.** If Buyer disapproves said Resale Certificate, this Agreement shall terminate and the earnest money shall be refunded to Buyer.

30. **Disclosure Statement.** The Seller is a bankruptcy trustee and therefore exempt from providing a real property transfer disclosure statement and therefore no such statement will be provided.

31. **Earnest Money Deposit.** Selling Broker will deposit any check to be held by Selling Broker as earnest money within three (3) days after receipt or mutual acceptance, whichever occurs later. If the earnest money is held by Selling Broker and is over \$10,000.00 it shall be deposited into an interest bearing trust account in Selling Broker'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 agrees to reimburse Selling Broker for bank charges and fees in excess of the interest earned, if any. If the Buyer does not complete an IRS Form W-9 before Selling Broker must deposit the earnest money or if the earnest money is \$10,000.00 or less, the earnest money shall be deposited into the Housing Trust Fund Account. Selling Broker may transfer the earnest money to Closing Agent. Buyer agrees to pay financing and purchase costs incurred by Buyer. If all or part of the earnest money is to be refunded to Buyer and any such costs remain unpaid, the Selling Broker or Closing Agent may deduct and pay them therefrom.

32. **Lead Paint.** Many used homes, especially those constructed before 1978, contain lead point paint. Lead paint is poisonous, especially for children. The Seller has no knowledge with respect to the presence or absence of lead paint in the subject property. The Buyer shall undertake such investigation as he or she deems prudent in the circumstances. The Buyer shall conduct an initial inspection for the presence of lead paint within the seven (7) day time frame set forth in paragraph 7 herein. However, provided that the Buyer obtains specimens for analysis within the original inspection period and delivers them to a laboratory, upon written notice to the Seller within the original seven (7) day period, the Buyer may have an additional ten

Buyer: \_\_\_\_\_  
          Initials                    Date

Seller: \_\_\_\_\_  
          Initials                    Date

(10) days to obtain the results of a laboratory analysis for the presence of lead. If the Buyer does not obtain such laboratory samples, deliver them to a laboratory and provide the Seller with notice within seven (7) days for mutual acceptance, this contingency will be deemed to be waived on the close of business seven days from mutual acceptance. Unless the Buyer notifies the Seller within such additional ten (10) days period that the property is not acceptable due to the presence of an unsafe level of lead paint, then this contingency will be deemed waived.

33. **Agency Disclosure.** The Northwest Multiple Listing Association requires real estate licensees (agents) to disclose to the Buyer and Seller in a real estate transaction whether the licensee represents the Seller, the Buyer, both the Seller and the Buyer, or neither. The listing licensee represents the Seller. The selling licensee represents:

Seller  Buyer  Neither  Both.

Seller Licensee (Selling Agent) Initials Here: \_\_\_\_\_ Buyer Initials Here: \_\_\_\_\_

34. **Addenda.** The following addenda are attached hereto and made a part of this Agreement:  
 None  Attached as listed:

SELLER - \_\_\_\_\_, Trustee in Bankruptcy

By: Nancy L. James, Trustee in Bankruptcy for Our Stepping Stone Property, LLC

\_\_\_\_\_  
(Print Full Name)

Date: \_\_\_\_\_

BUYER - \_\_\_\_\_

BUYER- \_\_\_\_\_

\_\_\_\_\_  
(Print Full Name)

\_\_\_\_\_  
(Print Full Name)

Date: \_\_\_\_\_

Date: \_\_\_\_\_

DEADLINE FOR ACCEPTANCE

(Not less than three business days from receipt by Seller):

\_\_\_\_\_

Buyer: \_\_\_\_\_  
Initials                  Date

Seller: \_\_\_\_\_  
Initials                  Date