

CONDOMINIUM PURCHASE AND SALE AGREEMENT
SPECIFIC TERMS **MLS No.:** _____

1. **Date:** _____, _____
2. **Buyer:** _____
3. **Seller:** Fifth and Madison LLC
4. **Property:** Tax Parcel Nos.: _____ (King County)
Unit No.: _____ Residential Condominium: 5th and Madison
Address: 909 5th Avenue, Seattle Washington 98164
Recording Nos. of Survey Map and Plans: _____
 Condominium Declaration Recording Number: _____
 Declaration Recording Number Not Available, attach ~~NWMLS Form 20~~ See 5th and Madison Sellers Addendum
Parking Space No.: 1 Space TBA Storage Space No.: 1 - TBA
Included Items: stove/range refrigerator washer dryer dishwasher security system satellite dish
 wood stove fireplace insert hot tub other Microwave and Manual Lutron Shades
5. **Purchase Price:** _____
6. **Earnest Money:** (To be held by Selling Broker Closing Agent)
Personal Check: _____
Note: _____
Other (_____): _____ To be deposited within 7 bus. days of mutual acceptance.
7. **Default:** (check only one) Forfeiture of Earnest Money Seller's Election of Remedies
8. **Title Insurance Company:** Pacific NW Title of WA, Inc.
9. **Closing Agent:** a qualified closing agent of Buyer's choice Pacific NW Title and Escrow
10. **Closing Date:** See 5th and Madison Seller's Addendum
11. **Possession Date:** on Closing _____ calendar days after Closing _____
12. **Offer Expiration Date:** _____
13. **Counteroffer Expiration Date:** _____
14. **Addenda:** 5th and Madison Sellers Addendum, 5th and Madison Limited Warranty Addendum and Attachment A

Inspection Addendum: NWMLS 35A NWMLS 35B Other None

15. **Agency Disclosure:** Selling Licensee represents Buyer Seller both parties neither party
Listing Agent represents Seller both parties
16. **Services of Closing Agent for Payment of Utilities:** Requested (Attach NWMLS Form 22K) Waived
17. **New Construction or Conversion:** is (attach ~~NWMLS Form 20~~) is not 5th and Madison Sellers Addendum
18. **Public Offering Statement:** received _____ deliver to Buyer _____ days after mutual acceptance
19. **Resale Certificate:** received N/A deliver to Buyer _____ days after mutual acceptance
20. **Condominium Assessment:** _____ per month and Deposit equal to Two month's assessment at Closing
Fifth and Madison, LLC
By: Stuart Cramer, its Vice President

Buyer's Signature _____ Date _____

Buyer's Signature _____ Date _____

Buyer's Address _____

City, State, Zip _____

Phone _____ Fax _____

Buyer's E-mail Address _____

Selling Broker _____ MLS Office No. _____

Selling Licensee (Print) _____

Phone _____ Fax _____

Seller's Signature _____ Date _____

Seller's Signature _____ Date _____

900 Fourth Avenue, Suite 2700

Seller's Address _____

Seattle, WA 98164

City, State, Zip _____

Phone _____ Fax _____

Seller's E-mail Address _____

Williams Marketing, Inc. 4720

Listing Broker _____ MLS Office No. _____

Leslie Williams/Bryon Ziegler

Listing Agent (Print) _____

206-624-7640 206-624-8152

Phone _____ Fax _____

CONDOMINIUM PURCHASE AND SALE AGREEMENT
GENERAL TERMS
(continued)

- a. **Purchase Price.** Buyer agrees to 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 or gifts, except to the extent otherwise specified in this Agreement. 1-4
- b. **Earnest Money.** Buyer agrees to deliver the Earnest Money within 2 days after mutual acceptance of this Agreement to Selling Licensee who will deposit any check to be held by Selling Broker, 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 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 Earnest Money held by Selling Broker is over \$10,000.00 Buyer has the option to require Selling Broker 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 Closing, Selling Broker 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 Broker 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 Broker or Closing Agent may deduct and pay them therefrom. The parties instruct Closing Agent to: (1) provide written verification of receipt of the Earnest Money and notice of dishonor of any check to the parties and licensees at the addresses and/or fax numbers provided herein; and (2) commence an interpleader action in the Superior Court for the county in which the Property is located within 30 days of a party's demand for the Earnest Money (and deduct up to \$250.00 of the costs thereof) unless the parties agree otherwise in writing. 5-21
- c. **Included Items.** Any of the following items located in or on the Property are included in the sale: built-in appliances; wall-to-wall carpeting; curtains, drapes and all other window treatments; window and door screens; awnings; storm doors and windows; installed television antennas; ventilating, air conditioning and heating fixtures; trash compactor; fireplace doors, gas logs and gas log lighters; irrigation fixtures; electric garage door openers; water heaters; installed electrical fixtures; lighting fixtures; shrubs, plants and trees planted in the ground; and all bathroom and other fixtures. However, items identified in Specific Term No. 4 are included only if the corresponding box is checked. If any of the above Included Items are leased or encumbered, Seller agrees to acquire and clear title at or before Closing. 22-28
- d. **Condition of Title.** Buyer and Seller authorize Selling Licensee, Listing Agent or Closing Agent to insert, attach or correct the Legal Description of the Property. The Property includes an undivided interest in the common and limited common elements, areas and facilities described in the Condominium Declaration. 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 not assumed by Buyer shall be paid 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. 29-38
- e. **Title Insurance.** Seller authorizes Buyer's lender or Closing Agent, at Seller's expense, to apply for an Homeowner's Policy of Title Insurance for One-to-Four Family Residence (ALTA 1998) from the Title Insurance Company. If the Title Insurance Company selected by the parties will not issue a Homeowner's Policy for the Property, the parties agree that the Title Insurance Company shall instead issue a standard form Owner's Policy (ALTA 1992). The Title Insurance Company is to send a copy of the preliminary commitment to both Listing Agent and Selling Licensee. The preliminary commitment, and the title policy to be issued, shall contain no exceptions other than the General Exclusions and Exceptions in the Policy 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. 39-49
- f. **Closing.** This sale shall be closed by the Closing Agent on the Closing Date. If the Closing Date falls on a Saturday, Sunday, or legal holiday as defined in RCW 1.16.050, the Closing Agent shall close the transaction on the next day that is not a Saturday, Sunday, or legal holiday. "Closing" means the date on which all documents are recorded and the sale proceeds are available to Seller. Seller shall deliver keys to Buyer on the Closing Date or on the Possession Date, whichever occurs first. 50-54

Initials: BUYER: _____ DATE: _____ SELLER: _____ DATE: _____ 55
BUYER: _____ DATE: _____ SELLER: _____ DATE: _____ 56

- g. **Possession.** Buyer shall be entitled to possession at 9:00 p.m. on the Possession Date. Seller agrees to maintain the Property in its present condition, normal wear and tear excepted, until the Buyer is entitled to possession. 57-58
- h. **Closing Costs and Prorations.** Seller and Buyer shall each pay one-half of the escrow fee unless this sale is FHA or VA financed, in which case it shall be paid according to FHA or VA regulations. Taxes for the current year, rent, interest, and lienable homeowner's association dues shall be prorated as of Closing. Buyer agrees to 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 them at Closing from money due, or to be paid by, Seller. Buyer agrees to pay for remaining fuel in the fuel tank if, prior to Closing, Seller obtains a written statement as to the quantity and current price from the supplier. Seller agrees to pay all utility charges, including unbilled charges. Unless waived in Specific Term No. 16, 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 agrees to 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). 59-69
- i. **Sale Information.** The Listing Agent or Selling Licensee is 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 Agent and/or Selling Licensee, on request, any and all information and copies of documents concerning this sale. 70-74
- j. **FIRPTA - Tax Withholding at Closing.** The Closing Agent is instructed to prepare a certification (NWMLS Form 22E or equivalent) that Seller is not a "foreign person" within the meaning of the Foreign Investment In Real Property Tax Act. Seller agrees to sign this certification. If Seller is a foreign person, 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. 75-78
- k. **Notices.** In consideration of the license to use this and NWMLS's companion forms and for the benefit of the Listing Agent and the Selling Licensee 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 Agent or at the licensed office of Listing Agent. 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 Licensee or at the licensed office of Selling Licensee. Receipt by Selling Licensee of a Real Property Transfer Disclosure Statement, Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards, Public Offering Statement and/or Resale Certificate shall be deemed receipt by Buyer. Selling Licensee and Listing Agent 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 Licensee and Listing Agent advised of their whereabouts in order to receive prompt notification of receipt of a notice. 79-91
- l. **Computation of Time.** Unless otherwise specified in this Agreement, any period of time 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 shall not include Saturdays, Sundays or legal holidays. Time is of the essence of this Agreement. 92-97
- m. **Facsimile and 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 document or notice shall not be effective unless the parties to this Agreement otherwise agree in writing. 98-101
- n. **Integration.** 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. 102-104
- o. **Assignment.** Buyer may not assign this Agreement, or Buyer's rights hereunder, without Seller's prior written consent, unless provided otherwise herein. 105-106
- p. **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. 109-110

Initials: BUYER: _____ DATE: _____ SELLER: _____ DATE: _____ 111
BUYER: _____ DATE: _____ SELLER: _____ DATE: _____ 112

- 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.
- q. **Attorneys' Fees.** If Buyer or Seller institutes suit against the other concerning this Agreement, the prevailing party is entitled to reasonable attorneys' fees and expenses.
- r. **Offer.** Buyer agrees to 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 actually received by Buyer, by Selling Licensee or at the licensed office of Selling Licensee. If this offer is not so accepted, it shall lapse and any Earnest Money shall be refunded to Buyer.
- s. **Counteroffer.** Seller agrees to sell the Property under the terms and conditions of this Agreement. If Seller makes a counteroffer, Buyer 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 actually received by Seller, by Listing Agent or at the licensed office of Listing Agent. If the counteroffer is not so accepted, it shall lapse and any Earnest Money shall be refunded to Buyer. If no expiration date is specified for a counteroffer, the counteroffer shall expire at 9:00 p.m. 2 days after the counteroffer is signed by the last party making the counteroffer, unless sooner withdrawn.
- t. **Agency Disclosure.** Selling Broker represents the same party that Selling Licensee represents. Listing Broker represents the same party that the Listing Agent represents. If Selling Licensee and Listing Agent are different salespersons affiliated with the same Broker, then both Buyer and Seller confirm their consent to that Broker representing both parties as a dual agent. If Selling Licensee and Listing Agent are the same salesperson representing both parties then both Buyer and Seller confirm their consent to that salesperson and his/her Broker representing both parties as dual agents. All parties acknowledge receipt of the pamphlet entitled "The Law of Real Estate Agency."
- u. **Commission.** Seller and Buyer agree to pay a commission in accordance with any listing or commission agreement to which they are a party. The Listing Broker's commission shall be apportioned between Listing Broker and Selling Broker as specified in the listing. Seller and Buyer hereby consent to Listing Broker or Selling Broker receiving compensation from more than one party. Seller and Buyer hereby assign to Listing Broker and Selling Broker, 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 Broker(s). In any action by Listing or Selling Broker to enforce this paragraph, the prevailing party is entitled to court costs and reasonable attorneys' fees.
- v. **Public Offering Statement.** This paragraph only applies if a Public Offering Statement is required by RCW 64.34. If Buyer has not received a Public Offering Statement (including the Declaration, Survey Map and Plans, Association Articles of Incorporation, Association Bylaws, Association Rules and Regulations, Association Budget and Association Balance Sheet) Seller agrees to deliver a Public Offering Statement to Buyer by the date specified in Specific Term No. 18. Buyer shall be conclusively deemed to have approved the Public Offering Statement unless, within 7 days following receipt, Buyer gives notice of disapproval of the same. If Buyer disapproves the Public Offering Statement, this Agreement shall terminate and the Earnest Money shall be refunded to Buyer.
- w. **Resale Certificate.** This paragraph only applies if a Public Offering Statement is NOT required by RCW 64.34. If Buyer has not received a Resale Certificate, Seller agrees to deliver a Resale Certificate to Buyer by the date specified in Specific Term No. 19. Buyer shall be conclusively deemed to have approved the Resale Certificate unless, within 5 days following receipt, Buyer gives notice of disapproval of the same. If Buyer disapproves the Resale Certificate, this Agreement shall terminate and the Earnest Money shall be refunded to Buyer.
- x. **Condominium Assessment.** The current Condominium Assessment is the amount specified in Specific Term No. 20, but is subject to change from time to time. In addition to Buyer's prorated portion of the Closing month's condominium assessment, a Deposit equal the amount specified in Specific Term No. 20 is required at Closing.
- y. **Cancellation Rights/Lead-Based Paint.** If a residential dwelling was built on the Property prior to 1978, and Buyer receives a Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards (NWMLS Form 22J) after mutual acceptance, Buyer may rescind this Agreement at any time up to 3 days thereafter.
- z. **Property Condition Disclaimer.** Real estate brokers and salespersons do not guarantee the value, quality or condition of the Property. Some properties may contain building materials, including siding, roofing, ceiling, insulation, electrical, and plumbing materials, that have been the subject of lawsuits and/or governmental inquiry because of possible defects or health hazards. In addition, some properties may have other defects arising after construction, such as drainage, leakage, pest, rot and mold problems. Real estate licensees do not have the expertise to identify or assess defective products, materials, or conditions. Buyer is urged to retain inspectors qualified to identify the presence of defective materials and evaluate the condition of the Property.

Initials: BUYER: _____ DATE: _____ SELLER: _____ DATE: _____
 BUYER: _____ DATE: _____ SELLER: _____ DATE: _____

ADDENDUM/AMENDMENT TO PURCHASE AND SALE AGREEMENT

The following is part of the Purchase and Sale Agreement dated _____ 1
between _____ ("Buyer") 2
and 5th and Madison LLC ("Seller") 3
concerning 909 5th Avenue # _____ Seattle, WA 98164 ("the Property") 4

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

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ALL OTHER TERMS AND CONDITIONS of said Agreement remain unchanged. 41

AGENT (COMPANY) _____ 42

BY: _____ 43

Initials: BUYER: _____ DATE: _____ SELLER: _____ DATE: _____ 44

BUYER: _____ DATE: _____ SELLER: _____ DATE: _____ 45

**5TH AND MADISON, A CONDOMINIUM
LIMITED WARRANTY ADDENDUM**

Addendum to Purchase and Sale Agreement dated _____

Unit No. _____
5th and Madison
909 Fifth Avenue
Seattle, Washington 98164

Name of Buyer(s):

The Seller and the Buyer agree that the Seller's and the Declarant's warranties to the Buyer and to the Buyer's successors and transferees, for the Unit and all Common Elements in the Condominium identified above, are limited to the terms stated in this Limited Warranty Addendum (this "Warranty"). This Warranty is provided to Buyer in place of the implied warranties of quality under the Washington Condominium Act, RCW 64.34.445, and shall be binding upon the parties to the extent that it does not reduce the protections provided to Buyer provided by such section. The definitions of terms set forth in the Condominium Declaration apply in this Warranty. As used in this Warranty, the term "Common Elements" includes both the Common Elements and the Limited Common Elements of the Condominium.

1. Limited Warranty. The Unit in the Condominium identified above and the Common Elements are suitable for the ordinary uses of real estate of their type and constructed by or for the Declarant are free from defective materials and have been constructed in accordance with applicable law, in accordance with sound engineering and construction standards, and in a workmanlike manner; provided, however, there shall be no claim under this Warranty unless Buyer or the Association establishes that the alleged breach has adversely affected or will adversely affect the performance of the portion of the Unit or Common Elements alleged to be in breach and the items described below or the Defined Standards and Tolerances in Attachment A hereto shall not reasonably be considered to be defects but are within the normal range of variations or conditions found in condominium units of the type Buyer is purchasing.

2. Modifications and Exclusions.

a. Sound Transmission. The Buyer realizes that the Unit is in a multi-family building in an urban environment; therefore, the Seller makes no warranty or representation as to vertical or horizontal sound transmission that may arise from activities or building systems in any Unit, the interior and exterior Common Elements or outside the Condominium. The Buyer realizes that where condominium units are built above, below, or side by side each other or a common element, it is normal to experience some transmission of sounds between those units from loud music, voices on decks and terraces, heels on uncarpeted floors, water traveling in drains, doors closing and other causes. From time to time, noise from various building systems may be heard from the Unit, including, but not limited to, noise from exhaust fans in utility areas, mechanical equipment on the roof or in other areas, elevators, fluorescent lighting and the transformer vault. While Seller has used construction materials and techniques intended to minimize such sound transmission, Buyer understands and acknowledges that limited sound transmission as described in this paragraph is normal and will not adversely affect the performance of the Unit.

b. View. Seller makes no representation or warranty that the view from the Unit, as of the date this Agreement is signed or as of closing, will not be obstructed or changed in whole or in part at any time in the future. Buyer agrees that Seller is not obligated to investigate or disclose real estate developments in the area that are possible, planned, permitted or under construction, nor is Seller obligated to protect views. This means that even though Seller may know of, or may itself be developing, possible, planned, permitted or under-construction developments that could affect views, Buyer is not

relying on Seller to disclose such developments, and Buyer is releasing Seller from any duty Seller may otherwise have to disclose any such developments. Real estate agents and sales people are generally not experts on future real estate developments, and therefore Buyer agrees that Buyer has not relied and will not rely on statements from real estate agents or sales people about future developments or their impact or lack of impact on views.

c. Appliances and Equipment. The Seller makes no warranties or representations with respect to the appliances and equipment installed in the Unit or the Common Elements, including without limitation the stove, refrigerator, microwave oven, dishwasher, garbage disposal, washer and dryer, water heater, fireplace, garage doors and heating/ventilation equipment. The Seller makes no warranties or representations with respect to equipment provided to Association for use in operation or maintenance of the Common Elements. With respect to all such appliances and equipment, the Seller's sole obligation is to assign to Buyer all warranties and guarantees furnished to the Seller from the suppliers or manufacturers of the items.

d. Damage Caused by Buyer and Others. This Warranty excludes all defects and damage to the extent caused or made worse by (i) negligence, failure to inspect, lack of maintenance, improper maintenance, improper operation or other action by anyone other than the Seller or its agents or contractors; (ii) failure of the Buyer or the Association to minimize or prevent damage in a timely manner, including failure to allow timely access or inspections and repairs by Seller or its agents; (iii) failure of the Buyer or the Association to comply with the warranty requirements of manufacturers or suppliers of appliances, fixtures or equipment; (iv) failure of the Buyer or the Association or their agents, employees, contractors or consultants to follow maintenance recommendations given by the Seller or its agent to the Buyer or the Association or commonly accepted maintenance obligations; (v) ordinary wear and tear, misuse, abuse or neglect; (vi) use for other than its intended purpose; (vii) abnormal loading (including waterbeds) on floors, decks or other surfaces by the Buyer that exceeds design loads that meet building codes; (viii) making or installation of holes, penetrations, windows or skylights in the Unit or Common Elements by anyone other than the Seller or its employees, agents or contractors; (ix) failure of the Buyer or the Association to mitigate damages; or (x) alterations to the Unit or Common Elements by anyone other than the Seller or its employees, agents or contractors.

e. Personal Injury and Consequential Damages. This Warranty excludes bodily injury, illness and death; damage to or theft of personal property; costs of shelter, transportation, food, moving, storage or other incidental expenses relating to relocation during repairs; and consequential, exemplary and punitive damages.

f. Defined Standards and Tolerances. This standards and tolerances for determining whether a breach of this warranty has occurred are specified in Attachment A to this Warranty ("Defined Standards and Tolerances"); provided, however, notwithstanding a failure to meet the Defined Standards and Tolerances, there shall be no claim under this Warranty unless the failure has adversely affected or will adversely affect the performance of a portion of the Unit or Common Elements.

g. Warranty at Time of Purchase. This Warranty applies only to the construction and condition of the Unit and Common Elements at the time of Seller's sale of the Unit to the Buyer. This Warranty does not extend to future performance or duration of any improvement or component of the Condominium, and the Seller makes no such warranty.

h. Other Limitations and Exclusions. This Warranty excludes any loss or damage (i) due to normal wear and tear or normal deterioration; (ii) caused by accidents, riot, fire, explosion, smoke, water escape, falling objects, aircraft, vehicles, acts of God, war, terrorism, lightning, windstorm, hail, flood, mud slide, earthquake, volcanic eruption or changes in underground water table not reasonably foreseeable;

(iii) caused by soil movement; (iv) caused by insects; (v) caused to or by any items supplied by the Buyer or which are not part of the Unit at the time of closing; (vi) relating to cooking odors or other odors from other Units or elsewhere; or (vii) consisting of or relating to temporary ponding or pooling of water on roofs, balconies or other parts of the Condominium, provided such ponding or pooling does not cause damage to the Unit or Common Elements.

3. Apparent Unit Defects. Prior to execution of the purchase and sale agreement for the Unit, the Buyer was given the opportunity to make a detailed walk-through inspection of the Unit with a representative of the Seller (“Initial Inspection”) and to notify the Seller in writing of any defects in appearance or color of, or damage to, the surfaces and fixtures in the Unit (“Apparent Unit Defects”). The Seller shall be obligated to repair only those Apparent Unit Defects that Seller has agreed to repair in an addendum to the purchase and sale agreement for the Unit. Accordingly, the Buyer waives all claims for any Apparent Unit Defects (a) of which the Seller is not notified in writing at the time of the Initial Inspection or (b) of which Seller has been notified and has not agreed in an addendum to the purchase and sale agreement to repair. “Apparent Unit Defects” include but are not limited to defects, inconsistencies, non-conformity and pre-existing damage in and to: paint, wall coverings, ceilings, hardwood and other floor materials, carpets, tiling or ceramic surfaces, electrical and heating/cooling/ventilation fixtures, bathroom fixtures and hardware, door and window hardware, cabinets, countertops and other surfaces in the Units.

4. Apparent Common Element Defects. The Buyer and Seller agree that the Seller is entitled to receive timely notice of any construction defects in the Common Elements in order to verify that such defects have not been caused by subsequent damage and in order to allow the Seller the opportunity to correct such defects. Therefore, within sixty days after the termination of the period of declarant control provided in RCW 64.34.308(4), the Association, by its board of directors, shall participate in a meeting (the “Inspection Meeting”) with the Seller at the Condominium to inspect the Common Elements jointly. Seller may include the general contractor for the Condominium and any of Seller’s agents or consultants in the Inspection Meeting. If the Inspection Meeting has not taken place within the above time, the Seller may schedule it at any time during ordinary business hours or other agreed time, but seven days prior written notice to the Association. At the time of the Inspection Meeting, the Association shall notify the Seller in writing of any defects in the Common Elements which are visible or of which the Association has knowledge (“Apparent Common Element Defects”). The Seller shall with reasonable promptness correct any Apparent Common Element Defects which exist (in accordance with Attachment A hereto, “Defined Standards and Tolerances”) and of which the Association timely notifies the Seller in writing at the time of the Inspection Meeting. The Buyer and the Association waive all claims for any Apparent Common Element Defects of which the Seller is not timely notified in writing, and this Warranty shall exclude any Apparent Common Element Defects of which the Seller is not timely notified in writing. “Apparent Common Element Defects” include but are not limited to visible or apparent defects, inconsistencies, non-conformity and pre-existing damage in and to: decks, patios, walkways, siding, exterior surfaces, roofs, gutters and drainage pipes, landscaping, retaining walls, foundations, paved surfaces, paint, wall coverings, ceilings, hardwood and other floor materials, carpets, tiling or ceramic surfaces, electrical, plumbing and heating/cooling/ventilation fixtures, and door and window hardware.

5. Claims Procedure. Each claim under this Warranty which is made by the Buyer with respect to the Unit, or by the Association with respect to a Common Element, shall first be made in writing, entitled “Notice of Claim,” and shall contain a detailed description of the claimed defect. Each claim shall be mailed, postage paid, to:

Fifth and Madison LLC
900 Fourth Avenue, Suite 2700
Seattle, Washington 98164
Attn: Alex Bennett

or to such other address or addresses as the Seller shall provide to the Buyer. The Buyer shall provide the Seller access and entry to the Unit and Common Elements during normal business hours to inspect and/or repair the claimed defect within 48 hours after any written or spoken request by Seller for such access, or immediately if reasonably necessary to prevent further damage. The Seller shall respond in writing to such claim no later than 30 days after the Seller's receipt of the claim. The Seller shall have the right to cure the defective construction described in the claim to conform with this Warranty within 90 days after responding to the claim or within such longer period as may reasonably be required. The Seller may at its option repair or replace, or pay the reasonable cost of repairing or replacing, such defective construction. The Seller shall not be responsible for exact color, paint matching, texture or finish matches nor for unavailability of materials or components matching materials or equipment originally used. If either party is dissatisfied with the resolution of the claim following the Seller's written response and effort to cure the defective condition, then the parties shall meet within 14 days in an effort to resolve the claim to the parties' mutual satisfaction. Buyer shall pay all costs incurred by Seller in inspecting items not covered by this Warranty based upon prevailing rates for Seller's employees or contractors.

6. Legal Action; Time Limitation. Any legal action asserting a claim under this Warranty or any other claimed warranty relating to the Unit or Common Elements must be commenced within four years after the cause of action accrues. A cause of action accrues, regardless of the Buyer's lack of knowledge of the breach: (a) as to the Unit, the date Buyer is first entitled to possession of the Unit; and (b) as to each Common Element, at the latest of (i) the date the first Unit in the Condominium was conveyed to a bona fide purchaser, (ii) the date the Common Element was completed, or (iii) the date the Common Element was added to the Condominium.

7. Seller's Right to Inspect. The Seller shall be entitled (but shall not be obligated) to inspect any Common Elements at any time without notice to the Buyer or the Association. The Seller shall be entitled (but shall not be obligated) to inspect the Unit at any time until four years after Buyer takes possession of the Unit, or at any time if there is a pending action relating to the condition of any part of the Condominium, upon at least five days' written notice to the Buyer or such shorter time as may be provided by court order.

8. Defects Encountered in Construction Process; Further Disclaimer and Modification of Warranty. The Buyer acknowledges that defects and construction problems may occur during the construction process and be corrected by the builder and subcontractors during the course of or after the construction process, and the Buyer agrees that if defects or construction problems have occurred during the construction process, this is not of itself a matter requiring disclosure to the Buyer. In the event the Seller encounters a problem that it does not intend to correct or issue it wishes to disclose to the Buyer, it reserves the right to disclaim that problem or issue and modify this Warranty accordingly; in which event, the Buyer may (a) rescind the purchase and sale agreement, (b) accept a change to the purchase price, if that is offered by the Seller, or (c) close the purchase of the Unit on the terms of the Warranty, as modified.

9. Subsequent Purchasers. If the Buyer sells the Unit at any time within four years after closing of the sale of the Unit from Seller to Buyer, or Buyer's taking possession of the Unit, whichever is later, Buyer shall notify Seller of the sale in writing and shall include in the signed purchase and sale agreement providing for such sale a provision that the person(s) purchasing the Unit agree that any warranty rights of such person(s) relating to the Unit or Common Elements are limited to the Buyer's rights under this Warranty at the time of such sale. If Buyer fails to comply with this Paragraph, Buyer shall indemnify, defend and hold harmless Seller from and against all damages, costs, attorney fees and expenses caused by such failure.

10. No Other Warranties. The Seller and the Buyer agree that there are no express or implied warranties concerning the design, construction or condition of the Unit or Common Elements arising from Seller's sale of the Unit to the Buyer, other than those stated in this Warranty.

11. Survival and Savings. This Warranty shall survive the conveyance of title, delivery of possession of the Unit, or other final settlement between the Seller and the Buyer, and shall be binding upon the Seller and the Buyer notwithstanding any provision to the contrary contained in the contract of purchase or other writing executed by the Buyer or Seller. If any part of this Warranty is held invalid or unenforceable, such invalidity or unenforceability shall not affect the remainder hereof.

Seller and Buyer have executed this Warranty Addendum as of this ____ day of _____, _____.

SELLER:

BUYER:

Fifth and Madison LLC, a
Delaware limited liability company

By: _____
Its Vice President

ATTACHMENT A TO WARRANTY ADDENDUM

DEFINED STANDARDS AND TOLERANCES

Any construction problem or condition listed below as “Covered” which exists in the Unit or Common Elements will be deemed to be within the coverage of the Warranty, subject to all modifications, exclusions and limitations of the Warranty, provided that the Buyer and the Association have performed proper maintenance of the affected improvements, and provided that the Buyer and Association have complied with all applicable provisions of the Warranty, including all notice provisions. The Seller shall not be responsible for exact color or texture of finishes or finish matches where materials are replaced or repaired or in areas repainted, or where original materials are unavailable. These Defined Standards and Tolerances shall apply at the Initial Inspection and during the term of the Warranty. Construction problems or conditions that either (a) are of the same kind, but not of the same extent or due to the same causes, as those listed as “Covered” or (b) are listed as “Not Covered” will not be deemed to violate the Warranty or to adversely affect the performance of the Unit and/or Common Elements, and will be deemed to be constructed in accordance with sound engineering and construction standards and in a workmanlike manner.

1. Masonry and Concrete
 - (a) Covered:
 - (i) New concrete foundation wall cracks greater than 1/4 inch in width.
 - (ii) Cracks in blocks and mortar joints greater than 3/8 inch in width.
 - (iii) Cracks in concrete floors greater than 1/4 inch in width or 1/4 inch in vertical displacement.
 - (iv) Concrete slab cracks which cause finished floor coverings to rupture.
 - (b) Not Covered:
 - (i) Efflorescence, unless caused by major leakage.
 - (ii) Masonry cleaning and resealing required as ordinary maintenance.
 - (iii) Concrete cleaning and sealing
 - (iv) Striping of parking spaces
 - (v) Uneven pavers due to settlement over time.

2. Foundation Waterproofing
 - (a) Covered:
 - (i) Actual flow and accumulation of a material amount of water in garage areas.
 - (ii) Crawl space ventilation not within applicable building code.
 - (b) Not Covered:
 - (i) Seepage of water or wetness in garage areas.
 - (ii) Water infiltration (and any resulting damage) caused by improper use or maintenance procedures, such as pressure washing or excessive overspray.
 - (iii) Seepage of water between levels of parking garage due to small cracks in concrete walls or floors.
 - (iv) Mold in storage areas and detention vaults.

3. Carpentry
 - (a) Covered:
 - (i) Walls and framing for doors and windows that bulge or bow in excess of 1/4 inch in 32 inches or are out of plumb in excess of 3/4 inch in 8 vertical feet.
 - (b) Not Covered:
 - (i) Vibration or deflection of floors, provided construction is within applicable building code.
 - (ii) Expansion, contraction and shrinkage due to improper heating, cooling or ventilation.

4. Roofing
 - (a) Covered:
 - (i) Roof leaking and flashing leaks due to improper installation or materials, when not caused by snow and ice buildup.
 - (ii) Leaks in scuppers and downspouts not caused by debris.
 - (iii) Inadequate insulation that does not meet applicable building code.
 - (iv) Leakage through louvers and vents.
 - (b) Not Covered:
 - (i) Leakage caused or made worse by buildup of snow, ice or debris.
 - (ii) Water infiltration through vents, drains, vent caps, mechanical equipment, fixtures or attached components, caused by snow, ice, debris, high winds or driving rain.
 - (iii) Ponding of water, if not in excess of manufacturer's installation and material specifications.
 - (iv) Location of mechanical or other equipment on roof.

5. Siding and Caulking
 - (a) Covered:
 - (i) Separation of exterior trim joints in excess of 1/4 inch.
 - (ii) Exterior joint separation of siding, delamination of veneer siding or loose siding, if due to improper installation or materials.
 - (b) Not Covered:
 - (i) Cracks in caulking and shrinkage of caulking due to weather or normal wear.
 - (ii) Damage or change in color due to atmospheric conditions or accumulation of dirt or other contaminants.
 - (iii) Color variation due to repair or replacement.

6. Decks and Terraces
 - (a) Covered:
 - (i) Damage due to improper flashing or sealing.
 - (ii) Loose railings or posts if due to defective materials or improper installation not meeting manufacturer's specifications.
 - (b) Not Covered:
 - (i) Damage due to lack of regular maintenance.
 - (ii) Imperfections in texture or color, including variations due to repair or replacement.
 - (iii) Cracks from expansion and contraction of wood or other floor materials.

- (iv) Vibration or deflection, provided construction is within applicable building code.
- (v) Water buildup caused by debris in drains or lack of maintenance.
- (vi) Damage or change in color due to atmospheric conditions or accumulation of dirt or other contaminants.
- (vii) Damage caused by improper loading or storage.
- (viii) Location of equipment or other items on decks or terraces.

7. Windows and Doors

(a) Covered:

- (i) Warpage of doors in excess of 1/4 inch in 32 inches or are out of plumb in excess of 3/4 inch in 8 vertical feet caused by faulty materials or installation.
- (ii) Door panel splits caused by faulty materials or installation.
- (iii) Windows do not operate with reasonable pressure applied.
- (iv) Drafts around windows and doors due to defective weatherstripping or improper fit.
- (v) Faulty glass or window seals.

(b) Not Covered:

- (i) Warpage of doors caused by owner heating, cooling or ventilation practices, unusually high heat, or temperature or humidity fluctuations.
- (ii) Binding or sticking due to expansion and contraction.
- (iii) Discoloration around vents.
- (iv) Damage or water intrusion resulting from windows or doors left open.
- (v) Light, noise or odor infiltration, provided construction is within applicable building code.
- (vi) Derailed bi-fold, pocket or bi-pass doors or panels.
- (vii) Gaps around doors for ventilation purposes.
- (viii) Damage caused by failure to maintain vents and weeps, including resultant damage.
- (ix) Adjustments to door or window hinges and hardware that are considered maintenance items.

8. Glass and Mirrors

(a) Covered:

- (i) Scratches or flaws in windows, glass and mirrors, if noted on Initial Inspection list.

(b) Not Covered:

- (i) Scratches or flaws in windows, glass and mirrors not noted on Initial Inspection list.

9. Interior Walls and Trim

(a) Covered:

- (i) Faulty installation of trim (separation greater than 1/4 inch).
- (ii) Walls or ceiling cracks greater than 1/8 inch in width. Fixed one time only.

(b) Not Covered:

- (i) Differences in wood or stone grain or color.
- (ii) Color differences in ceramic or concrete finishes.
- (iii) Cracks in tile grout.

- (iv) Surface irregularities in woodwork.
- (v) Cracking of materials or surfaces caused by building movement or settlement.
- (vi) Cracks at wall/ceiling joint due to building movement or settlement.
- (vii) Nail pops.

10. Interior and Exterior Painting and Stucco

- (a) Covered:
 - (i) Peeling paint on railings due to improper installation or defective materials.
- (b) Not Covered:
 - (i) Imperfections not noted on Initial Inspection list; e.g. unless otherwise noted, paint and stucco are accepted "as is."
 - (ii) Color variations, fading or staining due to aging or atmospheric conditions.
 - (iii) Color variations due to repair or replacement.

11. Flooring and Covering

- (a) Covered:
 - (i) Floor covering that becomes loose or bubbles within six months after Initial Inspection, if due to improper installation.
 - (ii) Gaps in carpet seams in excess of 1/8 inch if due to improper installation and reported within six months after Initial Inspection.
- (b) Not Covered:
 - (i) Cracks or separation from expansion and contraction of wood or other floor materials.
 - (ii) Fading of floors and floor materials, including wood.
 - (iii) Color variations in ceramic, stone, wood or other flooring materials.
 - (iv) Noises caused by expansion and contraction of wood or other floor materials.
 - (v) Scratches or damage to flooring not noted during the Initial Inspection.
 - (vi) Location of carpet seams or slightly raised carpet seams.
 - (vii) Damage caused by improper heating, cooling or ventilation practices.
 - (viii) Sealing of tile, stone, grout or other surfaces. (Buyer is responsible for sealing.)

12. Cabinets and Countertops

- (a) Covered:
 - (i) Delamination of kitchen countertops if caused by defective materials or installation.
 - (ii) Cabinet doors and drawers warpage in excess of 3/8 inch caused by faulty materials or installation.
 - (iii) Cabinet separates from wall or ceiling in excess of 1/4 inch.
- (b) Not Covered:
 - (i) Differences in wood grain or color.
 - (ii) Differences in grain or color of wood, ceramic, stone, granite or other material in cabinets or countertops.
 - (iii) Scratches, flaws or damage to cabinets or countertops, unless noted on Initial Inspection list.
 - (iv) Cracking of grout.

- (v) Cracking of materials or surfaces caused by building movement or settlement.
- (vi) Warpage of cabinet doors caused by owner heating or cooling practices, unusually high heat, or temperature or humidity fluctuations.

13. Cooling, Heating and Ventilation

- (a) Covered:
 - (i) Insufficient cooling, heating or ventilation due to improper installation.
- (b) Not Covered:
 - (i) Noise due to normal expansion and contraction and air flow.
 - (ii) Clogged condensation lines.
 - (iii) Damage or failure due to lack of maintenance or failure to operate heating, cooling or ventilation elements as recommended.
 - (iv) Addition of heating, cooling or ventilation systems to any area not provided with such systems as part of initial building construction, unless required by applicable building code.
 - (v) Damage to any item or materials stored in unheated areas.

14. Plumbing, Sprinkler System and Irrigation

- (a) Covered:
 - (i) Pipes freeze and burst if caused by defective workmanship or materials.
 - (ii) Plumbing malfunctions as result of defective workmanship or materials.
 - (iii) Pipes that make loud, hammering noises.
- (b) Not Covered:
 - (i) Noise due to normal expansion and contraction and water flow.
 - (ii) Cosmetic damage to fixtures.
 - (iii) Cracking of materials, surfaces or tub, shower or basin units caused by building movement or settlement.
 - (iv) "Sudsing" or backflow in sinks and other plumbing fixtures, provided plumbing is within applicable code.
 - (v) Staining and performance problems due to water quality.
 - (vi) Unsatisfactory water pressure, provided construction is within applicable building code.
 - (vii) Damage to or blockage of sprinkler or plumbing systems caused by improper use or storage of materials in close proximity.

15. Electrical and Telephone

- (a) Covered:
 - (i) Outlets, switches, or fixtures fail due to faulty installation or materials.
- (b) Not Covered:
 - (i) Cosmetic damage to fixtures.
 - (ii) Noise due to normal operation of electrical or electrical/mechanical equipment.
 - (iii) Electrical fluctuations, provided construction is within applicable building code.
 - (iv) Damage caused by faulty appliances.
 - (v) Electrical and radio noise and interference from inside or outside the building, provided construction is within applicable building code.
 - (vi) Location or placement of equipment, provided it meets code.

16. Security System
- (a) Covered:
 - (i) Performance not meeting manufacturer's standards.
 - (b) Not Covered:
 - (i) Replacement of security entry devices.
 - (ii) Limitations in the security system that are inherent in the original design specifications or manufacturer's products.
17. Landscaping and Courtyard
- (a) Covered:
 - (i) Newly planted trees and shrubs that die during first growing season unless caused by failure to maintain properly.
 - (b) Not Covered:
 - (i) Damage to or loss of preexisting trees and plants.
 - (ii) Damage to water features caused by improper maintenance or operation.
 - (iii) Damage caused by freezing temperatures or severe weather.
 - (iv) Location or placement of trees, shrubs, irrigation systems or other landscape elements.
 - (v) Settlement of soil or mulch in landscaped beds or planters.
18. Cosmetic Items
- (a) Covered:
 - (i) Items identified as Apparent Unit Defects during Initial Inspection.
 - (b) Not Covered:
 - (i) Chips, scratches, or marks on tile, woodwork, walls, floors, ceilings, porcelain, brick, mirrors, plumbing fixtures, countertops, lighting fixtures, appliances, cabinets, and the like which are not identified as Apparent Unit Defects during Initial Inspection.
 - (ii) Irregularities in painting or staining.
 - (iii) Checking or cracking of wood due to drying-out process.
 - (iv) Upkeep of any cosmetic element.

**5TH AND MADISON
A CONDOMINIUM**

**SELLER'S ADDENDUM TO
CONDOMINIUM PURCHASE AND SALE AGREEMENT**

(Use with NWMLA Form 28, Rev. 6/92 or later)
(Replaces NWMLA Form 29)

THIS ADDENDUM between _____ (“Buyer”) and Fifth and Madison LLC, a Delaware limited liability company (“Seller”), is an addendum to a Condominium Real Estate Purchase and Sale Agreement dated _____ between Buyer and Seller (the “Purchase and Sale Agreement”) relating to Unit _____ (the “Unit”) in 5th and Madison, a condominium, per Condominium Declaration for 5th and Madison, a condominium, recorded by Seller under King County Recording No. 20071024001822 (the “Declaration”).

1. **OCCUPANCY REPRESENTATION.** Buyer hereby represents that the Unit will be Buyer’s primary residence second home investment property (check one) upon closing of the purchase thereof. Buyer agrees to make the same representation to any lending institution to which application is made for a loan to purchase the Unit.

2. **FINANCING.** Buyer’s obligation to purchase the Unit pursuant to the Agreement _____ is _____ is not (check one) conditioned on Buyer’s obtaining financing for a portion of the Purchase Price. The following provision applies to the Agreement (check provision):

_____ If the Purchase and Sale Agreement is subject to Buyer’s securing financing for the purchase of the Unit, Buyer shall, within three (3) business days after mutual acceptance of the Purchase and Sale Agreement, contact Mike Bassi at Wells Fargo Mortgage or other representative designated by him (the “Preferred Lender”) to ascertain whether Buyer will likely qualify for financing. His telephone number is (425) 468-8606 and email address is michael.bassi@wellsfargo.com. If the Preferred Lender determines that Buyer is unlikely to qualify for financing, either Buyer or Seller may elect to terminate the Purchase and Sale Agreement by written notice to the other party. Upon such termination, Buyer’s earnest money deposit shall be returned and this Agreement shall be null and void. In any event, Buyer shall have until fourteen (14) days after mutual execution of the Agreement to satisfy or waive Buyer’s financing contingency. If Buyer provides Seller with written notice within that period that Buyer’s financing contingency has not been satisfied or waived, Buyer’s earnest money deposit shall be returned to Buyer and this Agreement shall be null and void. Accordingly, if Buyer fails to deliver such notice to Seller, Buyer’s financing contingency shall be deemed satisfied or waived by Buyer. Buyer shall pay all costs associated with obtaining and closing financing.

_____ If the Agreement is not conditioned on financing, Buyer represents to Seller that Buyer has sufficient funds to close the purchase of the Unit without financing and Buyer shall provided evidence satisfactory to Seller (such as a credit report and financial statement) three (3) days after mutual execution of the Agreement that Buyer has sufficient funds to close. If Buyer does not timely provide Seller with evidence satisfactory to Seller, Seller may terminate the Agreement at any time thereafter by notice to Buyer, in which case the earnest money deposit shall be returned to Buyer.

3. **SELECTION OF LENDER.** Buyer acknowledges that Buyer’s choice of lender may affect the success of this transaction. Seller has selected the Preferred Lender based on its successful track record for processing and closing transactions, the variety of programs they offer. Use of a lender other than the Preferred Lender by Buyer shall be subject to Seller’s written approval, which approval will not be unreasonably withheld if the use of the other lender will not adversely affect Buyer’s ability to

close the transaction by the closing date specified in the Purchase and Sale Agreement. If Buyer is unable to close the purchase of the Unit on the date provided in the Purchase and Sale Agreement due to Buyer's use of a lender other than the Preferred Lender, Buyer shall be charged delay damages of \$100 per day for each day closing is delayed.

Furthermore, if Buyer is using a lender other than the Preferred Lender for financing to purchase the Unit, with approval of Seller as provided above, Buyer shall, within five (5) days after Seller's approval, provide to Seller written evidence satisfactory to Seller indicating the Buyer's lender will not require Fannie Mae Form 1027 or 1028 approvals or any other Fannie Mae approvals. Until such evidence has been furnished to Seller, Seller may terminate the Purchase and Sale Agreement at any time prior to Closing.

4. DEFAULT. If Buyer defaults under the Agreement (i.e., Buyer fails, without legal excuse, to complete the purchase of the Unit by the Closing Date) then that portion of Buyer's earnest money deposit which does not exceed five percent (5%) of the Purchase Price shall be forfeited to Seller as the sole and exclusive remedy available to Seller by Buyer's default. If, in connection with Buyer's default, there is a dispute over whether Buyer's earnest money deposit shall be forfeited to Seller, Seller may sell the Unit to a third party free and clear of any claim by Buyer.

5. BUYER'S ACCESS PRIOR TO CLOSING. Prior to closing, Seller or Seller's agent must accompany Buyer (or Buyer's agent) whenever Buyer (or Buyer's agent) inspects or visits the Unit or the interior of the building in which the Unit is located.

6. NOISE; VIEWS. Buyer acknowledges that Seller and Seller's agents, including but not limited to the marketing agent, listing agent and sales agent, make no representation or warranty as to any sounds audible within the Unit which may arise from activities in any other unit, any common element of the Condominium, or anywhere outside the Condominium. Buyer further acknowledges that Seller and Seller's agents, including but not limited to the marketing agent, listing agent and sales agent, make no representation or warranty that the view from the Unit, as of the date the Agreement is signed or as of closing, will not be obstructed or changed in whole or in any part at any time in the future. Buyer acknowledges that Seller undertakes no obligation to investigate or disclose real estate developments in the area that are possible, planned, permitted or under construction, nor does Seller undertake any duty to protect views. This means that even though Seller may know of developments that could affect views, Buyer acknowledges that Buyer is not relying on Seller to disclose such developments, and Buyer acknowledges that Buyer is releasing Seller from any duty Seller might otherwise have to disclose such developments known to Seller. Buyer acknowledges that Buyer is purchasing a Unit in an area that may experience considerable and rapid development, and such developments could affect views. In fact, construction of projects in the vicinity of the Condominium could substantially affect views from the Units in any direction. Buyer acknowledges that Seller does not undertake any duty to investigate or disclose any developments that may involve Seller or any company affiliated with Seller and including any development that is now known to Seller or becomes known to Seller after the Agreement is signed. If Buyer desires to investigate the potential for future development in the area, information is available from the City of Seattle's Department of Planning and Development and from other sources.

7. BUYER'S ACCEPTANCE OF UNIT, COLOR SELECTION AND FINISHES; LIMITATION OF WARRANTIES. Buyer acknowledges that (a) construction of improvements within the Unit is complete; (b) the Unit is ready for occupancy; (c) Buyer has inspected the Unit thoroughly; and (d) except as noted in an addendum to the Purchase and Sale Agreement and Seller's Limited Warranty, Buyer accepts the Unit and the color selections and finishes in the Unit, including but not limited to countertops and backsplashes, cabinets, floor coverings and wood flooring, paint, appliances, window mullions, and other interior finishes in their existing condition ("AS IS"). Buyer acknowledges

and agrees that the Limited Warranty made a part of the Agreement is provided in place of the implied warranties of quality under the Washington Condominium Act, RCW 64.34.445, and shall be binding upon the parties to the extent that it does not reduce the protections provided to Purchaser provided by such section. Buyer further agrees:

a. that the intent and purpose of the Limited Warranty is to provide the Buyer and Seller, prior to the consummation of a transaction, with a clear and predictable understanding of their rights, duties and obligations;

b. that the provisions of the Limited Warranty, and the rights, duties and obligations of the Seller and Buyer thereunder, is given by the Seller and accepted by the Buyer: (i) in lieu of and to the exclusion of all other express or implied warranties (including without limitation any implied warranty of habitability, merchantability or fitness for a particular use); and (ii) in lieu of and to the exclusion of all other legal or equitable rights, remedies or causes of action;

c. that the Limited Warranty is not intended to be in addition to the implied warranties of quality provided by RCW 64.34.445(2), but rather that such implied warranties are to be interpreted and enforced in accordance with the provisions of the Limited Warranty;

d. that in the event of any variance (including without limitation variances due to definition of defects, exclusions, performance standards, deductibles, remedies or measure of damages) between the provisions of the Limited Warranty and an asserted interpretation of the implied warranties provided by RCW 64.34.445(2), that the provisions of the Limited Warranty shall control to the maximum extent permitted by law;

e. that Buyer's acknowledgment and agreement is a direct and material inducement to Seller's agreement to sell the Unit for the agreed price, and has been relied upon by Seller (and Seller's contractor, subcontractors, vendors, suppliers and other professionals); and

f. that Buyer's acknowledgment and agreement shall be binding upon Buyer in Buyer's capacity as a Unit Owner and an Association Officer and Board member, and be binding with respect to both the Unit and the Common Elements.

8. NOTICE REGARDING COMMENCEMENT OF LAWSUIT. CHAPTER 64.50 RCW CONTAINS IMPORTANT REQUIREMENTS YOU MUST FOLLOW BEFORE YOU MAY FILE A LAWSUIT FOR DEFECTIVE CONSTRUCTION AGAINST THE SELLER OR BUILDER OF YOUR HOME. FORTY-FIVE DAYS BEFORE YOU FILE YOUR LAWSUIT, YOU MUST DELIVER TO THE SELLER OR BUILDER A WRITTEN NOTICE OF ANY CONSTRUCTION CONDITIONS YOU ALLEGE ARE DEFECTIVE AND PROVIDE YOUR SELLER OR BUILDER THE OPPORTUNITY TO MAKE AN OFFER TO REPAIR OR PAY FOR THE DEFECTS. YOU ARE NOT OBLIGATED TO ACCEPT ANY OFFER MADE BY THE BUILDER OR SELLER. THERE ARE STRICT DEADLINES AND PROCEDURES UNDER STATE LAW, AND FAILURE TO FOLLOW THEM MAY AFFECT YOUR ABILITY TO FILE A LAWSUIT.

9. SELLER'S EXISTING MORTGAGE. Buyer is advised that there is an underlying mortgage loan on the Condominium. Buyer understands that all of the terms and provisions of the Agreement are and shall be subordinated to the lien of any such existing mortgage, but if this transaction is consummated, Seller shall cause the mortgage to be partially released upon closing to the extent of Buyer's interest purchased. Buyer is advised that Seller's mortgage may have a presale requirement.

10. TITLE INSURANCE AND ESCROW. Title insurance shall be ordered through Pacific Northwest Title Company (the "Title Company"), 215 Columbia Street, Seattle, WA 98104. Trulene Glenn at the Title Company (the "Closing Agent") shall act as escrow agent for the closing. Her telephone number is (206) 343-1321 and her email address is truleneglenn@pnwt.com. Seller reserves the right to change the title company and the Closing Agent at any time before closing upon notice to Buyer. Buyer shall pay one-half of the normal schedule escrow fee. Seller may be entitled to a builder's discount on its portion of the escrow fee. Seller authorizes Buyer's lender or Closing Agent, at Seller's expense, to apply for a standard form owner's policy of title insurance from the Title Insurance Company. The Title Company is to send a copy of the preliminary commitment to both Listing Agent and Selling Licensee. 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, including any matters disclosed in the Public Offering Statement. 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. [This paragraph supersedes paragraph (e) of NWMLS Financing Addendum Form 28.]

11. PARKING/STORAGE. Parking space(s) and/or storage area(s) for owners of units in the Condominium are located within the garage below the Condominium, rights to which have been conveyed by exclusive easement with the owner of the garage. The location of the parking spaces and storage areas assigned to Units in the Condominium are shown on the Survey Map and Plans and assigned to particular Units in the Declaration. Buyer shall have the exclusive right to use one parking space and one storage area, as provided in the Declaration. The location and size of any parking space or storage area, as shown on the Survey Map and Plans or any other plan or document, are approximate and not intended to be an exact depiction thereof. Buyer will be responsible for verifying that Buyer's vehicle or vehicles are able to enter the parking area and assigned parking space.

12. UNIT AREA. The areas of the Units shown in the recorded Declaration are based on a surveyor's "as built" determination of the boundaries of the Units. The vertical boundaries of the Units were measured from the inside face of the window wall, exterior surface of the perimeter stud walls that abut other Units (party walls) and inside face of stud walls abutting interior common elements. The "as built" areas may be different from the areas shown on plans, specifications, listing agreements, or advertising brochures for the Condominium.

13. DECLARATION AND BYLAWS. Seller may make amendments to the Declaration, Articles, Bylaws, Survey Map and Plans, Association Budget, Limited Warranty and Public Offering Statement prepared by or for Seller as Seller may deem desirable (or as may reasonably be required by lenders, investors, or title insurance companies to meet reasonable requirements for title insurance and mortgagee protection); but if before this sale is closed any material amendments are made to such documents, Buyer shall be entitled to rescind the Purchase and Sale Agreement. Buyer's failure to disapprove in writing any of the documents referred to in this paragraph (or amendments thereto) within seven days of receipt of such documents (or amendments) shall be deemed Buyer's approval thereof.

14. ASSESSMENTS. At closing, Buyer shall pay to the Association for the Condominium an amount equal to two months' assessments which will be treated as an initial contribution to the working capital of the Association; provided that if Seller has previously paid such contribution with respect to the Unit, the escrow agent shall pay Buyer's contribution to Seller. Buyer shall also pay a pro-

rata amount of the current month's assessment for the Unit. Buyer acknowledges that the initial level of assessments is an estimate, which may be changed prior to and after closing.

15. INSULATION. Federal law may require disclosure of the following information:

Insulation	Type	Thickness	R-Value
Exterior walls – glass curtain walls	Glass	1”	2.5
Exterior walls – opaque metal panels	Batt	10.5”	28
Residential terrace deck	Batt	9.5”	30
Residential terrace overhang	Rigid	3”	30
Entry overhang	Batt	9.5”	30
Over garage	Batt	9.5”	30
Roof	Tapered rigid	6”(avg)	30

16. CONDOMINIUM HOMEOWNERS INSURANCE. Purchaser understands that the Declaration requires each Unit Owner to obtain and maintain a condominium homeowners insurance policy, with standard coverages. Purchaser is required to furnish to the escrow agent at closing with a certificate of insurance or other evidence satisfactory to Seller that Purchaser has obtained such insurance.

17. REAL ESTATE TAXES. Seller has paid the real estate taxes for 2007 on the property of which the Condominium is a part. Those property taxes did not include any valuation for the improvements in the Condominium. If real estate taxes for 2007 are increased after closing due to a change in valuation attributable to construction of the Condominium, any tax increase shall be allocated to the Condominium and allocated to the unit owners in accordance with their Allocated Interests.

18. COMPLETE AGREEMENT; 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 document signed by Buyer and Seller. Buyer and all agents acknowledge that no agent has the authority to make, or has made, any agreement, promise, or representation on behalf of Seller and that Buyer may not rely on any representations or agreements that are not contained in this Agreement, including flyers, brochures, renderings, advertisements or listing information.

19. ASSIGNMENT. Buyer may not assign Buyer's rights under the Purchase and Sale Agreement without the prior written consent of Seller, which it may withhold in its sole discretion.

20. WAIVER OF TRANSFER DISCLOSURE STATEMENT. Since Buyer is receiving a Public Offering Statement in connection with the purchase of the Unit, Buyer acknowledges that Seller is not required to furnish Buyer with a Real Estate Transfer Disclosure Statement under RCW 64.04 and Buyer hereby waives receipt of same.

21. ATTORNEY REVIEW. This transaction is subject to review and approval of Buyer's attorney. Such approval shall be deemed to have been given unless within seven (7) days after mutual acceptance Seller receives written notice of disapproval together with an explanation of the reasons therefor.

22. RISK OF LOSS. All risks of loss shall be upon the Seller until closing or earlier occupancy by Buyer.

23. EMAIL NOTICES. The parties agree that notices and documents may be sent by email to the email addresses in the Purchase and Sale Agreement or otherwise provided by one party to the other.

24. ADDENDUM CONTROLS. The provisions of this Addendum shall control over any conflicting provisions of the Purchase and Sale Agreement or any other written document.

BUYER:

_____ Date: _____

_____ Date: _____

SELLER:

FIFTH AND MADISON LLC, a Delaware
limited liability company

By _____

Date: _____

Its Authorized Signatory

ADDENDUM/AMENDMENT TO PURCHASE AND SALE AGREEMENT

The following is part of the Purchase and Sale Agreement dated _____, 200_____ 1
between _____ ("Buyer") 2
and _____ ("Seller") 3
concerning _____ ("the Property") 4

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

Seller discloses to Buyer that some cooking odors exhausting from the cooking hood in individual units are 6
flowing back into the cooking hood of neighboring units. Seller has identified a potential fix to the problem 7
which will result in the installation of a fan in the duct system above the ceiling in the common area hallway that 8
will pull cooking odors when the hood is opened in the unit where cooking is taking place. The individual fans 9
in each cooking hood will be removed and each cooking hood will be further modified to replace the existing 10
manual backdraft damper with an electric backdraft damper that will open and allow air to flow through the 11
hood when the hood is opened by the unit owner where cooking takes place. This fix is currently under review 12
for approval by the HOA. 13
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ALL OTHER TERMS AND CONDITIONS of said Agreement remain unchanged. 41

AGENT (COMPANY) _____ 42

BY: _____ 43

Initials: BUYER: _____ DATE: _____ SELLER: _____ DATE: _____ 44

BUYER: _____ DATE: _____ SELLER: _____ DATE: _____ 45

5TH AND MADISON, A CONDOMINIUM

ADDENDUM NO. 1 TO PUBLIC OFFERING STATEMENT

This Addendum No. 1 to the Public Offering Statement of 5th and Madison, a condominium (the "Condominium") dated November 5, 2007 (the "POS"), provides purchasers of Units in the Condominium with a copy of Amendment No. 1 to Condominium Declaration for 5th and Madison, a Condominium, recorded under King County Recorder's No. 20080327001650.

DATED: March 28, 2008.

Foster Pepper PLLC
Attention: Gary N. Ackerman
1111 Third Avenue, Suite 3400
Seattle, Washington 98101-3299



AMENDMENT NO. 1 TO CONDOMINIUM DECLARATION
FOR
5TH AND MADISON, A CONDOMINIUM

Grantor/Declarant: FIFTH AND MADISON LLC, a Delaware limited liability company
Additional names on pg. N/A

Grantee: 5TH AND MADISON, A CONDOMINIUM;
5TH AND MADISON OWNERS ASSOCIATION
Additional names on pg. N/A

Legal Description: 5TH AND MADISON, a condominium, according to the Condominium
Declaration recorded under King County Recorder's No. 20071024001822

Abbreviated form: Ptn. of Lots 1-8, Boren's C.D. Adn., Vol. 1, Pg. 25, Block 22

Assessor's Tax Parcel ID #: 0942000365

Reference # (if applicable): 20071024001822; 20071024001821
Additional numbers on pg. N/A

*Pacific NW Title
W 6049
18 pgs*

DEPARTMENT OF ASSESSMENTS
Examined and approved this 27th day of
Mar, 2008

S noble
Assessor

Dianne Murdock
Deputy Assessor

SCHEDULE D

5TH AND MADISON, A CONDOMINIUM

Parking and Storage Assignments

Unit	Parking	Storage ^{1/}
203	D32	D27
204	C53	C36
205	D02	D44
300	C57	C40
301	C42	C25
302	C43	C26
303	C32	F09
304	C52	C35
305	D09	D52
400	C39	C22
401	C44	C27
402	C22	E18
403	C21	E17
404	C03	C08
405	C31	F08
500	C47	C30
501	C46	C29
502	C12	E09
503	C13	E10
504	C41	C24
505	C19	E15
600	B26	B17
601	C48	C31
602	C25	F04
603	C18	E14
604	C49	C32
605	C50	C33
700	B33	B24
701	D08	D07
702	C37	C20
703	B29	B20
704	C51	C34
705	B28	B19
800	C14	C41
801	C10	E07
802	D22	D17
803	C38	C21
804	C09	E06
805	B25	B16
900	D14	D09
901	D07	D05

Unit	Parking	Storage ^{1/}
902	D21	D16
903	D34	D29
904	C45	C28
905	B22	B11
1000	C15	E11
1001	C07	E04
1002	D10	D03
1003	D11	D04
1004	C06	C12
1005	C11	E08
1100	C16	E12
1101	C04	C07
1102	C54	C37
1103	C55	C38
1104	B01	D30
1105	D03	D45
1200	D28	D23
1201	C02	C09
1202	C27	F06
1203	C28	F05
1204	C01	C13
1205	B23	B12
1400	B32	B23
1401	B20	B13
1402	C56	C39
1403	C40	C23
1404	B21	B15
1405	C05	C10
1500	B30	B21
1501	D26	D21
1502	D06	D49
1503	D05	D50
1504	D27	D22
1505	C08	E05
1600	B16	D47
1601	B11	D40
1602	C33	C14
1603	C34	C15
1604	B24	B14
1605	C26	F07
1700	B15	D46
1701	D01	D51
1702	D12	D06
1703	D13	D08
1704	B27	B18
1705	C20	E19

Unit	Parking	Storage ¹¹
1800	B14	D43
1801	C35	C17
1802	D30	D25
1803	D29	D24
1804	D23	D18
1805	C24	F03
1900	D16	D11
1901	D15	D10
1902	C30	C16
1903	C29	C18
1904	B31	B22
1905	C23	E16
2000	B13	D42
2001	D04	D48
2002	C17	E13
2003	D25	D20
2004	B18	B30
2005	D33	D28
2100	B19	D33
2101	B10	D34
2102	D24	D19
2103	D17	D12
2104	B34	B25
2105	D31	D26
2200	B12	D41
2201	B35	B26
2202	C36	C19
2203	D18	D13
2204	B36	B27
2205	B17	E03
2300	B02	D39
2301	B37	B28
2302	D19	D14
2303	D20	D15
2304	B38	B29
2305	B03	F10
PH1	B04, B05	D35, D36
PH2	B06, B07	D37, D38
PH3	B08, B09	D31, D32

¹¹Storage area B02 is a common element for use by management.

5TH AND MADISON, A CONDOMINIUM

**ADDENDUM NO. 1 TO PUBLIC OFFERING STATEMENT
ACKNOWLEDGEMENT OF RECEIPT**

The undersigned prospective purchaser(s) of a Unit in 5th and Madison, a condominium, acknowledges receipt on the date indicated below of the Public Offering Statement dated November 5, 2007, and Addendum No. 1 thereto dated March 28, 2008, together with a copy of each of the documents listed therein.

Dated: _____

PURCHASER

RECEIPT FOR EARNEST MONEY

This Receipt is for Earnest Money received as part of the Purchase and Sale Agreement dated _____
between _____ ("Buyer")
and Fifth and Madison LLC ("Seller")
concerning 909 5th Avenue # Seattle WA 98104 ("the Property")

On _____, the undersigned received earnest money from Buyer in the amount
of _____ by personal check cashier's check promissory note cash
 other (_____).

- _____
 Selling Licensee
 Selling Broker
 Closing Agent
 Other _____

NOTE: If the Earnest Money is cash, you must deposit it or deliver it not later than the first banking day following receipt, regardless of the terms of the Agreement.

5TH AND MADISON, A CONDOMINIUM

PUBLIC OFFERING STATEMENT ACKNOWLEDGEMENT

In connection with the purchase of a Unit in 5th and Madison, a condominium, the undersigned Purchaser hereby acknowledges receipt, and the undersigned Selling Agent hereby certifies delivery, of a Public Offering Statement dated November 5, 2007, together with copies of all of the documents referred to therein (the "POS").

Purchaser and Selling Agent further acknowledge: that Selling Agent does not have the authority to make, and has not made, any representation or promise on behalf of Seller; and that Seller is liable only for representations and promises contained either in the POS or other written document signed by Seller.

PURCHASER:

Dated: _____

Signature

Print Name

Dated: _____

Signature

Print Name

SELLING AGENT:

Dated: _____

By _____

Its _____

INSTRUCTIONS TO SELLING AGENT

Upon delivery of the POS to the Purchaser, the above acknowledgement must be signed by the Purchaser and Selling Agent; and returned to the Listing Agent. Purchase and Sale Agreements will not be accepted by Seller unless accompanied by the Purchaser's written acknowledgement of receipt of the foregoing documents.