

**SELLER DISCLOSURE STATEMENT †
IMPROVED PROPERTY**

SELLER: NATHANAEL DOWNER

† To be used in transfers of improved residential real property, including residential dwellings up to four units, new construction, condominiums not subject to a public offering statement, certain timeshares, and manufactured and mobile homes. See RCW Chapter 64.06 and Section 43.22.432 for further explanations.

INSTRUCTIONS TO THE SELLER

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

NOTICE TO THE BUYER

THE FOLLOWING DISCLOSURES ARE MADE BY THE SELLER ABOUT THE CONDITION OF THE PROPERTY LOCATED AT **294 NE FALLON CT**

CITY **BREMERTON**, COUNTY **KITSAP** ("THE PROPERTY")

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

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

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

Seller is/ is not occupying the property.

I. SELLER'S DISCLOSURES:

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

1. TITLE

- | | YES | NO | DON'T KNOW | |
|---|-------------------------------------|-------------------------------------|--------------------------|----|
| A. Do you have legal authority to sell the property? If no, please explain. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 36 |
| *B. Is title to the property subject to any of the following? | | | | 37 |
| (1) First right of refusal | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 38 |
| (2) Option | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 39 |
| (3) Lease or rental agreement | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 40 |
| (4) Life estate? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 41 |
| *C. Are there any encroachments, boundary agreements, or boundary disputes? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 42 |
| *D. Is there a private road or easement agreement for access to the property? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 43 |
| *E. Are there any rights-of-way, easements, or access limitations that may affect the Buyer's use of the property? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 44 |
| *F. Are there any written agreements for joint maintenance of an easement or right-of-way? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 45 |
| *G. Is there any study, survey project, or notice that would adversely affect the property? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 46 |
| *H. Are there any pending or existing assessments against the property? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 47 |
| *I. Are there any zoning violations, nonconforming uses, or any unusual restrictions on the property that would affect future construction or remodeling? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 48 |
| *J. Is there a boundary survey for the property? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 49 |
| *K. Are there any covenants, conditions, or restrictions recorded against the property? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 50 |

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

SELLER'S INITIALS:  Date: **07/24/12** SELLER'S INITIALS: _____ Date: _____

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(Continued)

	YES	NO	DON'T KNOW	58 59 60
2. WATER				
A. Household Water				
(1) The source of water for the property is: <input checked="" type="checkbox"/> Private or publicly owned water system				61
<input type="checkbox"/> Private well serving only the subject property * <input type="checkbox"/> Other water system				62
*If shared, are there any written agreements?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	63
* (2) Is there an easement (recorded or unrecorded) for access to and/or maintenance of the water source?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	64 65
* (3) Are there any problems or repairs needed?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	66
(4) During your ownership, has the source provided an adequate year-round supply of potable water?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	67 68
If no, please explain: _____				69
* (5) Are there any water treatment systems for the property?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	70
If yes, are they: <input type="checkbox"/> Leased <input type="checkbox"/> Owned				71
* (6) Are there any water rights for the property associated with its domestic water supply, such as a water right permit, certificate, or claim?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	72 73
(a) If yes, has the water right permit, certificate, or claim been assigned, transferred, or changed?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	74 75
* (b) If yes, has all or any portion of the water right not been used for five or more successive years?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	76 77
* (7) Are there any defects in the operation of the water system (e.g. pipes, tank, pump, etc.)?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	78 79
B. Irrigation Water				
(1) Are there any irrigation water rights for the property, such as a water right permit, certificate, or claim?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	80 81
* (a) If yes, has all or any portion of the water right not been used for five or more successive years?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	82 83
* (b) If so, is the certificate available? (If yes, please attach a copy.)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	84
* (c) If so, has the water right permit, certificate, or claim been assigned, transferred, or changed?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	85 86
* (2) Does the property receive irrigation water from a ditch company, irrigation district, or other entity?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	87 88
If so, please identify the entity that supplies water to the property: _____				89
C. Outdoor Sprinkler System				
(1) Is there an outdoor sprinkler system for the property?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	90 91
* (2) If yes, are there any defects in the system?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	92
* (3) If yes, is the sprinkler system connected to irrigation water?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	93
3. SEWER/ON-SITE SEWAGE SYSTEM				94
A. The property is served by:				95
<input checked="" type="checkbox"/> Public sewer system <input type="checkbox"/> On-site sewage system (including pipes, tanks, drainfields, and all other component parts)				96
<input type="checkbox"/> Other disposal system				97
Please describe: _____				98
B. If public sewer system service is available to the property, is the house connected to the sewer main?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	99 100
If no, please explain: _____				101
* C. Is the property subject to any sewage system fees or charges in addition to those covered in your regularly billed sewer or on-site sewage system maintenance service?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	102 103
D. If the property is connected to an on-site sewage system:				104
* (1) Was a permit issued for its construction, and was it approved by the local health department or district following its construction?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	105 106
(2) When was it last pumped? _____				107
* (3) Are there any defects in the operation of the on-site sewage system?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	108
(4) When was it last inspected? _____			<input checked="" type="checkbox"/>	109
By whom: _____				110
(5) For how many bedrooms was the on-site sewage system approved? _____ bedrooms			<input checked="" type="checkbox"/>	111

SELLER'S INITIALS:  Date: **07/24/12** SELLER'S INITIALS: _____ Date: _____

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	YES	NO	DON'T KNOW	
E. Are all plumbing fixtures, including laundry drain, connected to the sewer/on-site sewage system?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	112 113 114
If no, please explain: _____				115
*F. Have there been any changes or repairs to the on-site sewage system?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	116
G. Is the on-site sewage system, including the drainfield, located entirely within the boundaries of the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	117 118
If no, please explain: _____				119
*H. Does the on-site sewage system require monitoring and maintenance services more frequently than once a year?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	120 121

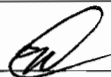
NOTICE: IF THIS RESIDENTIAL REAL PROPERTY DISCLOSURE IS BEING COMPLETED FOR NEW CONSTRUCTION WHICH HAS NEVER BEEN OCCUPIED, SELLER IS NOT REQUIRED TO COMPLETE THE QUESTIONS LISTED IN ITEM 4 (STRUCTURAL) OR ITEM 5 (SYSTEMS AND FIXTURES).

4. STRUCTURAL

*A. Has the roof leaked within the last 5 years?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	125 126
*B. Has the basement flooded or leaked?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	127
*C. Have there been any conversions, additions or remodeling?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	128
* (1) If yes, were all building permits obtained?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	129
* (2) If yes, were all final inspections obtained?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	130
D. Do you know the age of the house?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	131
If yes, year of original construction: 2008				132
*E. Has there been any settling, slippage, or sliding of the property or its improvements?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	133
*F. Are there any defects with the following: (If yes, please check applicable items and explain.)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	134
<input type="checkbox"/> Foundations	<input type="checkbox"/> Decks	<input type="checkbox"/> Exterior Walls		135
<input type="checkbox"/> Chimneys	<input type="checkbox"/> Interior Walls	<input type="checkbox"/> Fire Alarms		136
<input type="checkbox"/> Doors	<input type="checkbox"/> Windows	<input type="checkbox"/> Patio		137
<input type="checkbox"/> Ceilings	<input type="checkbox"/> Slab Floors	<input type="checkbox"/> Driveways		138
<input type="checkbox"/> Pools	<input type="checkbox"/> Hot Tub	<input type="checkbox"/> Sauna		139
<input type="checkbox"/> Sidewalks	<input type="checkbox"/> Outbuildings	<input type="checkbox"/> Fireplaces		140
<input type="checkbox"/> Garage Floors	<input type="checkbox"/> Walkways	<input type="checkbox"/> Wood Stoves		141
<input type="checkbox"/> Siding	<input type="checkbox"/> Other _____			142
*G. Was a structural pest or "whole house" inspection done?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	143
If yes, when and by whom was the inspection completed?				144 145
H. During your ownership, has the property had any wood destroying organism or pest infestation?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	146
I. Is the attic insulated?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	147
J. Is the basement insulated?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	148

5. SYSTEMS AND FIXTURES

*A. If any of the following systems or fixtures are included with the transfer, are there any defects?				149 150
If yes, please explain: _____				151
Electrical system, including wiring, switches, outlets, and service	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	152
Plumbing system, including pipes, faucets, fixtures, and toilets	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	153
Hot water tank	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	154
Garbage disposal	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	155
Appliances	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	156
Sump pump	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	157
Heating and cooling systems	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	158
Security system <input type="checkbox"/> Owned <input type="checkbox"/> Leased	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	159
Other _____	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	160
*B. If any of the following fixtures or property is included with the transfer, are they leased?				161
(If yes, please attach copy of lease.)				162
Security System _____	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	163
Tanks (type): _____	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	164
Satellite dish _____	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	165
Other: _____	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	166

SELLER'S INITIALS:  Date: 07/24/12 SELLER'S INITIALS: _____ Date: _____

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10. FULL DISCLOSURE BY SELLERS

A. Other conditions or defects:

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

YES NO DON'T KNOW 225

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B. Verification

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

Date: 07/24/12 Date: _____ 230

Seller: [Signature] Seller: _____ 231

NOTICES TO THE BUYER

SEX OFFENDER REGISTRATION

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

PROXIMITY TO FARMING

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

II. BUYER'S ACKNOWLEDGEMENT

Buyer hereby acknowledges that:

- A. Buyer has a duty to pay diligent attention to any material defects that are known to Buyer or can be known to Buyer by utilizing diligent attention and observation. 247
- B. The disclosures set forth in this statement and in any amendments to this statement are made only by the Seller and not by any real estate licensee or other party. 248
- C. Buyer acknowledges that, pursuant to RCW 64.06.050 (2), real estate licensees are not liable for inaccurate information provided by Seller, except to the extent that real estate licensees know of such inaccurate information. 249
- D. This information is for disclosure only and is not intended to be a part of the written agreement between the Buyer and Seller. 250
- E. Buyer (which term includes all persons signing the "Buyer's acceptance" portion of this disclosure statement below) has received a copy of this Disclosure Statement (including attachments, if any) bearing Seller's signature(s). 251
- F. If the house was built prior to 1978, Buyer acknowledges receipt of the pamphlet *Protect Your Family From Lead in Your Home*. 252

DISCLOSURES CONTAINED IN THIS DISCLOSURE STATEMENT ARE PROVIDED BY SELLER BASED ON SELLER'S ACTUAL KNOWLEDGE OF THE PROPERTY AT THE TIME SELLER COMPLETES THIS DISCLOSURE. UNLESS BUYER AND SELLER OTHERWISE AGREE IN WRITING, BUYER SHALL HAVE THREE (3) BUSINESS DAYS FROM THE DAY SELLER OR SELLER'S AGENT DELIVERS THIS DISCLOSURE STATEMENT TO RESCIND THE AGREEMENT BY DELIVERING A SEPARATELY SIGNED WRITTEN STATEMENT OF RESCISSION TO SELLER OR SELLER'S AGENT. YOU MAY WAIVE THE RIGHT TO RESCIND PRIOR TO OR AFTER THE TIME YOU ENTER INTO A SALE AGREEMENT.

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

DATE: _____ DATE: _____ 261

BUYER: _____ BUYER: _____ 262

BUYER'S WAIVER OF RIGHT TO REVOKE OFFER

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

DATE: _____ DATE: _____ 268

BUYER: _____ BUYER: _____ 269

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

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

DATE: _____ DATE: _____ 271

BUYER: _____ BUYER: _____ 272

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

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SELLER'S INITIALS: [Signature]

Date: 07/24/12

SELLER'S INITIALS: _____

Date: _____