

### SELLER DISCLOSURE STATEMENT UNIMPROVED PROPERTY

SELLER: Arden Tree Farms

Seller

Seller

To be used in transfers of unimproved residential real property, including property zoned for residential use that is not improved by one or more residential dwelling units, a residential condominium, a residential timeshare or a mobile or manufactured home. Unimproved residential real property does not include commercial real estate as defined in RCW 60.42.005 or property defined as "timber land" under RCW 84.34.020. See RCW Chapter 64.06 for further information.

#### 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 check "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 a Buyer and Seller.

#### NOTICE TO THE BUYER

THE FOLLOWING DISCLOSURES ARE MADE BY THE SELLER ABOUT THE CONDITION OF THE PROPERTY LOCATED AT XX Matsen Creek Rd Parcel 73706310001000, 737072200010006, CITY Kettle Falls, STATE \_\_\_\_\_, ZIP 99141, COUNTY Ferry ("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/ [X] 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

A. Do you have legal authority to sell the property? If no, please explain  [ ] [ ] [ ] [ ]

\*B. Is title to the property subject to any of the following?

(1) First right of refusal  [ ]  [ ] [ ] [ ]

(2) Option  [ ]  [ ] [ ] [ ]

(3) Lease or rental agreement  [ ]  [ ] [ ] [ ]

(4) Life estate?  [ ]  [ ] [ ] [ ]

\*C. Are there any encroachments, boundary agreements, or boundary disputes?  [ ] [ ]  [ ] [ ]

\*D. Is there a private road or easement agreement for access to the property?  [ ] [ ] [ ] [ ]

\*E. Are there any rights-of-way, easements, or access limitations that affect the Buyer's use of the property?  [ ]  [ ] [ ] [ ]

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	YES	NO	DON'T KNOW	N/A	
*F. Are there any written agreements for joint maintenance of an easement or right of way? . . . . .	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	52
*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"/>	<input type="checkbox"/>	53
*H. Are there any pending or existing assessments against the property? . . . . .	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	54
*I. Are there any zoning violations, nonconforming uses, or any unusual restrictions on the property that affect future construction or remodeling? . . . . .	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	55 56
*J. Is there a boundary survey for the property? . . . . .	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	57
*K. Are there any covenants, conditions, or restrictions recorded against title to the property? . . . . .	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	58

**NOTICE TO BUYER:** Covenants or deed restrictions based on race, creed, sexual orientation, or other protected class were voided by RCW 49.60.224 and are unenforceable. Washington law allows for the illegal language to be struck by bringing an action in superior court or by the free recording of a restrictive covenant modification document. Many county auditor websites provide a short form with instructions on this process. 59  
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**2. WATER** 65

**A. Household Water** 66

(1) Does the property have potable water supply? . . . . .	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	67
(2) If yes, the source of water for the property is: <input type="checkbox"/> Private or publicly owned water system					68
<input type="checkbox"/> Private well serving only the property * <input type="checkbox"/> Other water system					69
*If shared, are there any written agreements? . . . . .	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	70
* (3) Is there an easement (recorded or unrecorded) for access to and/or maintenance of the water source? . . . . .	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	71 72
* (4) Are there any problems or repairs needed? . . . . .	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	73
(5) Is there a connection or hook-up charge payable before the property can be connected to the water main? . . . . .	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	74 75
(6) Have you obtained a certificate of water availability from the water purveyor serving the property? (If yes, please attach a copy.) . . . . .	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	76 77
(7) Is there a water right permit, certificate, or claim associated with household water supply for the property? (If yes, please attach a copy.) . . . . .	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	78 79
(a) If yes, has the water right permit, certificate, or claim been assigned, transferred, or changed? . . . . .	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	80 81
* (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 type="checkbox"/>	<input checked="" type="checkbox"/>	82 83
(c) If no or don't know, is the water withdrawn from the water source less than 5,000 gallons a day? . . . . .	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	84 85
* (8) Are there any defects in the operation of the water system (e.g. pipes, tank, pump, etc.)? . . . . .	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	86

**B. Irrigation Water** 87

(1) Are there any irrigation water rights for the property, such as a water right permit, certificate, or claim? (If yes, please attach a copy.) . . . . .	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	88 89
(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 type="checkbox"/>	<input checked="" type="checkbox"/>	90 91
(b) If yes, has the water right permit, certificate, or claim been assigned, transferred, or changed? . . . . .	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	92 93

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	YES	NO	DON'T KNOW	N/A	
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					95
* (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"/>	<input type="checkbox"/>	96
If so, please identify the entity that supplies irrigation water to the property:					97
_____					98
<b>C. Outdoor Sprinkler System</b>					99
(1) Is there an outdoor sprinkler system for the property? .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	100
*(2) If yes, are there any defects in the system? .....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	101
*(3) If yes, is the sprinkler system connected to irrigation water? .....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	102
<b>3. SEWER/SEPTIC SYSTEM</b>					103
<b>A. The property is served by:</b>					104
<input type="checkbox"/> Public sewer system					105
<input type="checkbox"/> On-site sewage system (including pipes, tanks, drainfields, and all other component parts)					106
<input type="checkbox"/> Other disposal system					107
Please describe: _____					108
<b>B. Is the property subject to any sewage system fees or charges in addition to those covered in your regularly billed sewer or on-site sewage system maintenance service? .....</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	109
					110
<b>C. If the property is connected to an on-site sewage system:</b>					111
*(1) Was a permit issued for its construction? .....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	112
*(2) Was it approved by the local health department or district following its construction? ....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	113
(3) Is the septic system a pressurized system? .....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	114
(4) Is the septic system a gravity system? .....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	115
*(5) Have there been any changes or repairs to the on-site sewage system? .....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	116
(6) Is the on-site sewage system, including the drainfield, located entirely within the boundaries of the property? .....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	117
If no, please explain: _____					118
					119
*(7) Does the on-site sewage system require monitoring and maintenance services more frequently than once a year? .....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	120
					121
<b>4. ELECTRICAL/GAS</b>					122
<b>A. Is the property served by natural gas? .....</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	123
<b>B. Is there a connection charge for gas? .....</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	124
<b>C. Is the property served by electricity? .....</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	125
<b>D. Is there a connection charge for electricity? .....</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	126
<b>*E. Are there any electrical problems on the property? .....</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	127
<b>5. FLOODING</b>					128
<b>A. Is the property located in a government designated flood zone or floodplain? .....</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	129

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	YES	NO	DON'T KNOW	N/A	
*C. Is the property classified or designated as forest land or open space? .....	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	166 167
D. Do you have a forest management plan? If yes, attach. ....	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	169
*E. Have any development-related permit applications been submitted to any government agencies? ..	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	170
If the answer to E is "yes," what is the status or outcome of those applications?					171 172
F. Is the property located within a city, county, or district or within a department of natural resources fire protection zone that provides fire protection services? .....	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	173 174

**10. FULL DISCLOSURE BY SELLERS**

A. Other conditions or defects:					175
*Are there any other existing material defects affecting the property that a prospective buyer should know about? .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	176 177 178
B. Verification					179
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.					180 181 182 183

  
 Seller \_\_\_\_\_  
 Arden Tree Farms

Date \_\_\_\_\_

Seller \_\_\_\_\_

Date \_\_\_\_\_

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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).

* - Forest Fire occurred on prop. in 2015					186 187 188
* - At time of sale, USPS Rd. Easement must be transferred to new owner by written notification to USPS.					189 190 191 192 193 194 195 196 197 198 199 200 201 202 203 204 205 206 207 208 209 210 211 212

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<b>II. NOTICES TO THE BUYER</b>	213
<b>1. SEX OFFENDER REGISTRATION</b>	214
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.	215 216 217
<b>2. PROXIMITY TO FARMING/WORKING FOREST</b>	218
THIS NOTICE IS TO INFORM YOU THAT THE REAL PROPERTY YOU ARE CONSIDERING FOR PURCHASE MAY LIE IN CLOSE PROXIMITY TO A FARM OR WORKING FOREST. THE OPERATION OF A FARM OR WORKING FOREST INVOLVES USUAL AND CUSTOMARY AGRICULTURAL PRACTICES OR FOREST PRACTICES, WHICH ARE PROTECTED UNDER RCW 7.48.305, THE WASHINGTON RIGHT TO FARM ACT.	219 220 221 222
<b>3. OIL TANK INSURANCE</b>	223
THIS NOTICE IS TO INFORM YOU THAT IF THE REAL PROPERTY YOU ARE CONSIDERING FOR PURCHASE UTILIZES AN OIL TANK FOR HEATING PURPOSES, NO COST INSURANCE MAY BE AVAILABLE FROM THE POLLUTION LIABILITY INSURANCE AGENCY.	224 225 226
<b>III. BUYER'S ACKNOWLEDGEMENT</b>	227
<b>1. BUYER HEREBY ACKNOWLEDGES THAT:</b>	228
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.	229 230
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.	231 232
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.	233 234
D. This information is for disclosure only and is not intended to be a part of the written agreement between the Buyer and Seller.	235
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).	236 237
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.	238 239 240 241 242 243
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.	244 245 246
_____ Buyer _____ Date _____ Buyer _____ Date	247 248
<b>2. BUYER'S WAIVER OF RIGHT TO REVOKE OFFER</b>	249
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.	250 251
_____ Buyer _____ Date _____ Buyer _____ Date	252 253
<b>3. BUYER'S WAIVER OF RIGHT TO RECEIVE COMPLETED SELLER DISCLOSURE STATEMENT</b>	254
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.	255 256 257
_____ Buyer _____ Date _____ Buyer _____ Date	258 259

*AP-GM*  
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