

INSPECTION ADDENDUM TO PURCHASE AND SALE AGREEMENT

The following is part of the Purchase and Sale Agreement dated _____ 1
 between _____ ("Buyer") 2
Buyer Buyer
 and _____ ("Seller") 3
Seller Seller
 concerning _____ (the "Property"). 4
Address City State Zip

1. **a. INSPECTION CONTINGENCY.** This Agreement is conditioned on Buyer's subjective satisfaction with inspections of the Property and the improvements on the Property. Buyer's inspections may include, at Buyer's option and without limitation, the structural, mechanical and general condition of the improvements to the Property, compliance with building and zoning codes, an inspection of the Property for hazardous materials, a pest inspection, and a soils/stability inspection. The inspection must be performed by Buyer or a person licensed (or exempt from licensing) under Chapter 18.280 RCW.

Sewer Inspection. Buyer's inspection of the Property may; may not (may, if not checked) include an inspection of the sewer system, which may include a sewer line video inspection and assessment and may require the inspector to remove toilets or other fixtures to access the sewer line.

Buyer's Obligations. All inspections are to be (a) ordered by Buyer, (b) performed by inspectors of Buyer's choice, and (c) completed at Buyer's expense. Buyer shall not alter the Property or any improvements on the Property without first obtaining Seller's permission. Buyer is solely responsible for interviewing and selecting all inspectors. Buyer shall restore the Property and all improvements on the Property to the same condition they were in prior to the inspection. Buyer shall be responsible for all damages resulting from any inspection of the Property performed on Buyer's behalf.

BUYER'S NOTICE. This inspection contingency SHALL CONCLUSIVELY BE DEEMED WAIVED unless within _____ days (10 days if not filled in) after mutual acceptance of this Agreement (the "Initial Inspection Period"), Buyer gives notice (1) approving the inspection and waiving this contingency; (2) disapproving the inspection and terminating the Agreement; (3) that Buyer will conduct additional inspections; or (4) proposing repairs to the property or modifications to the Agreement. If Buyer disapproves the inspection and terminates the Agreement, the Earnest Money shall be refunded to Buyer. If Buyer proposes repairs to the property or modifications to the Agreement, including adjustments to the purchase price or credits for repairs to be performed after Closing, the parties shall negotiate as set forth in paragraph 1.c, below. The parties may use NWMLS Form 35R to give notices required by this Addendum.

ATTENTION BUYER: If Buyer fails to give timely notice, then this inspection contingency shall be deemed waived and Seller shall not be obligated to make any repairs or modifications. Buyer shall not provide the inspection report, or portions of the report, to Seller, unless Seller requests otherwise or as required by paragraph 1.b.

b. Additional Inspections. If an inspector so recommends, Buyer may obtain further evaluation of any item by a specialist at Buyer's option and expense if, on or before the end of the Initial Inspection Period, Buyer provides Seller a copy of the inspector's recommendation and notice that Buyer will seek additional inspections. If Buyer gives timely notice of additional inspections, Buyer shall have _____ (5 days if not filled in) after giving the notice to obtain the additional inspection(s) by a specialist.

c. Buyer's Requests for Repairs or Modifications. If Buyer requests repairs or modifications under paragraph 1.a. or 1.b., the parties shall negotiate as set forth in this paragraph. Buyer's initial request and Seller's response made in accordance with the following procedures are irrevocable for the time period provided.

(i) Seller's Response to Request for Repairs or Modifications. Seller shall have _____ days (3 days if not filled in) after receipt of Buyer's request for repairs or modifications to give notice that Seller (a) agrees to the repairs or modifications proposed by Buyer; (b) agrees to some of the repairs or modifications proposed by Buyer; (c) rejects all repairs or modifications proposed by Buyer; or (d) offers different or additional repairs or modifications. If Seller agrees to the terms of Buyer's request for repairs or modifications, this contingency shall be satisfied and Buyer's Reply shall not be necessary. If

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Continued

Seller does not agree to all of Buyer's repairs or modifications, Buyer shall have an opportunity to reply, as follows: 48
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(ii) Buyer's Reply. If Seller does not agree to all of the repairs or modifications proposed by Buyer, Buyer shall have _____ days (3 days if not filled in) from either the day Buyer receives Seller's response or, if Seller fails to timely respond, the day Seller's response period ends, whichever is earlier, to (a) accept the Seller's response at which time this contingency shall be satisfied; (b) agree with the Seller on other remedies; or (c) disapprove the inspection and terminate the Agreement, in which event, the Earnest Money shall be refunded to Buyer. 50
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ATTENTION BUYER: These time periods for negotiating repairs or modifications shall not repeat. The parties must either reach a written agreement or Buyer must terminate this Agreement by the Buyer's Reply deadline set forth in paragraph 1.c.ii. Buyer's inaction during Buyer's reply period shall result in waiver of this inspection condition, in which case Seller shall not be obligated to make any repairs or modifications whatsoever AND THIS CONTINGENCY SHALL BE DEEMED WAIVED. 56
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d. Repairs. If Seller agrees to make the repairs proposed by Buyer, then repairs shall be accomplished at Seller's expense in a commercially reasonable manner and in accordance with all applicable laws no fewer than _____ days (3 days if not filled in) prior to the Closing Date. In the case of hazardous materials, "repair" means removal or treatment (including but not limited to removal or, at Seller's option, decommissioning of any oil storage tanks) of the hazardous material at Seller's expense as recommended by and under the direction of a professional selected by Seller. Seller's repairs are subject to re-inspection and approval, prior to Closing, by the inspector who recommended the repair, if Buyer elects to order and pay for such re-inspection. If Buyer agrees to pay for any repairs prior to Closing, the parties are advised to seek the counsel of an attorney to review the terms of that agreement. 61
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e. Oil Storage Tanks. Any inspection regarding oil storage tanks or contamination from such tanks shall be limited solely to determining the presence or non-presence of oil storage tanks on the Property, unless otherwise agreed in writing by Buyer and Seller. 70
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f. On-site Sewage Disposal Systems Advisory: Buyer is advised that on-site sewage disposal systems, including "septic systems," are subject to strict governmental regulation and occasional malfunction and even failure. Buyer is advised to consider conducting an inspection of any on-site sewage system in addition to the inspection of the Property provided by this Form 35 by including an appropriate on-site sewage disposal inspection contingency such as NWMLS Form 22S (Septic Addendum). 73
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2. NEIGHBORHOOD REVIEW CONTINGENCY: Buyer's inspection includes Buyer's subjective satisfaction that the conditions of the neighborhood in which the Property is located are consistent with the Buyer's intended use of the Property (the "Neighborhood Review"). The Neighborhood Review may include Buyer's investigation of the schools, proximity to bus lines, availability of shopping, traffic patterns, noise, parking and investigation of other neighborhood, environmental and safety conditions the Buyer may determine to be relevant in deciding to purchase the Property. If Buyer does not give notice of disapproval of the Neighborhood Review within _____ (3 days if not filled in) of mutual acceptance of the Agreement, then this Neighborhood Review condition shall conclusively be deemed satisfied (waived). If Buyer gives a timely notice of disapproval, then this Agreement shall terminate and the Earnest Money shall be refunded to Buyer. 78
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3. PREINSPECTION CONDUCTED. Buyer, prior to mutual acceptance of this Agreement, conducted a building, hazardous substances, building and zoning code, pest or soils/stability inspection of the Property, and closing of this Agreement is not conditioned on the results of such inspections. Buyer elects to buy the Property in its present condition and acknowledges that the decision to purchase the property was based on Buyer's prior inspection and that Buyer has not relied on representations by Seller, Listing Broker or Selling Broker. 87
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4. WAIVER OF INSPECTION. Buyer has been advised to obtain a building, hazardous substances, building and zoning code, pest or soils/stability inspection, and to condition the closing of this Agreement on the results of such inspections, but Buyer elects to waive the right and buy the Property in its present condition. Buyer acknowledges that the decision to waive Buyer's inspection options was based on Buyer's personal inspection and Buyer has not relied on representations by Seller, Listing Broker or Selling Broker. 93
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Buyer's Initials Date Buyer's Initials Date Seller's Initials Date Seller's Initials Date