

PUBLIC OFFERING STATEMENT
FOR
SKYLINE SOUTH

RIGHT TO CANCEL.

(1) You are entitled to receive a copy of this public offering statement and all material amendments to this public offering statement before conveyance of your unit. Under RCW 64.90.635, you have the right to cancel your contract for the purchase of your unit within seven days after first receiving this public offering statement. If this public offering statement is first provided to you more than seven days before you sign your contract for the purchase of your unit, you have no right to cancel your contract. If this public offering statement is first provided to you seven days or less before you sign your contract for the purchase of your unit, you have the right to cancel, before conveyance of the unit, the executed contract by delivering, no later than the seventh day after first receiving this public offering statement, a notice of cancellation pursuant to section (3) of this notice. If this public offering statement is first provided to you less than seven days before the closing date for the conveyance of your unit, you may, before conveyance of your unit to you, extend the closing date to a date not more than seven days after you first received this public offering statement, so that you may have seven days to cancel your contract for the purchase of your unit.

(2) You have no right to cancel your contract upon receipt of an amendment to this public offering statement; however, this does not eliminate any right to rescind your contract, due to the disclosure of the information in the amendment, that is otherwise available to you under generally applicable contract law.

(3) If you elect to cancel your contract pursuant to this notice, you may do so by hand-delivering notice of cancellation, or by mailing notice of cancellation by prepaid United States mail, to the seller at the address set forth in this public offering statement or at the address of the seller's registered agent for service of process. The date of such notice is the date of receipt, if hand-delivered, or the date of deposit in the United States mail, if mailed. Cancellation is without penalty, and all payments made to the seller by you before cancellation must be refunded promptly."

OTHER DOCUMENTS CREATING BINDING LEGAL OBLIGATIONS. This public offering statement is a summary of some of the significant aspects of purchasing a unit in this common interest community. The governing documents and the purchase agreement are complex, contain other important information, and create binding legal obligations. You should consider seeking the assistance of legal counsel.

OTHER REPRESENTATIONS. You may not rely on any statement, promise, model, depiction, or description unless it is (1) contained in the public offering statement delivered to you or (2) made in writing signed by the declarant or dealer or the declarant's or dealer's agent identified in the public offering statement. A statement of opinion, or a commendation of the real estate, its quality, or its value, does not create a warranty, and a

statement, promise, model, depiction, or description does not create a warranty if it discloses that it is only proposed, is not representative, or is subject to change.

MODEL UNITS. Model units are intended to provide you with a general idea of what a finished unit might look like. Units being offered for sale may vary from the model unit in terms of floor plan, fixtures, finishes, and equipment. You are advised to obtain specific information about the unit you are considering purchasing.

RESERVE STUDY. The association does not have a current reserve study. Any reserve study should be reviewed carefully. It may not include all reserve components that will require major maintenance, repair, or replacement in future years, and may not include regular contributions to a reserve account for the cost of such maintenance, repair, or replacement. You may encounter certain risks, including being required to pay as a special assessment your share of expenses for the cost of major maintenance, repair, or replacement of a reserve component, as a result of the failure to: (1) Have a current reserve study or fully funded reserves, (2) include a component in a reserve study, or (3) provide any or sufficient contributions to a reserve account for a component."

DEPOSITS AND PAYMENTS. Only earnest money and reservation deposits are required to be placed in an escrow or trust account. Any other payments you make to the seller of a unit are at risk and may be lost if the seller defaults.

CONSTRUCTION DEFECT CLAIMS. 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.

ASSOCIATION INSURANCE. The extent to which association insurance provides coverage for the benefit of unit owners (including furnishings, fixtures, and equipment in a unit) is determined by the provisions of the declaration and the association's insurance policy, which may be modified from time to time. You and your personal insurance agent should read the declaration and the association's policy prior to closing to determine what insurance is required of the association and unit owners, unit owners' rights and duties, what is and is not covered by the association's policy, and what additional insurance you should obtain."

QUALIFIED WARRANTY. Your unit is not covered by a qualified warranty under chapter 64.35 RCW. "

1. **Identification of Declarant:** Dennis Sawby Construction, LLC
4411 ROSECRANS RD, WEST RICHLAND, WA, 99353
2. **Identification of Managing Company:** N/A

3. **Relationship of Declarant to Management Company:** N/A
4. **Common Interest Community Name:** Skyline South
5. **Type of Community:** Plat Community with Townhouses
6. **Last Five Common Interest Communities Formed by Declarant or Declarant's Affiliate:**
 - a. **Panorama Vista,** A plat community located in West Richland, WA.
7. **Nature of Interest For Sale:** Buyer is being offered constructed townhouse or single family dwellings which will be subject to a Homeowner's Association in which the owners shall be members and the Association will own and be responsible for maintaining common areas of the community.
8. **Description of the Common Interest Community:** The community will be exclusively for residential use. The community will consist of 54 Units with each Unit being either a townhouse or a single family dwelling. Common areas will be transferred to the Association which the Association may develop into community functions at the Association's discretion. There are also common amenities in conjunction with the rights-of-way granted to governmental municipalities such as roadways, walkways, parking areas, parks, open buffer spaces and wetlands areas, if any.
9. **Estimated Date of Construction of Units and Common Elements.** Declarant desires that completion of construction of Units will occur prior to December 31, 2025. Common Area development will be at the discretion of the Association following the transition period. Declarant shall be responsible for minimal landscaping in the Common Areas during the Development Period to avoid having the Common Areas to be a nuisance.
10. **Number of Existing Units:** 54 Units are complete or in construction.
11. **Types and Status of Common Elements:** Two tracts of land subject to easements are the Common Elements which could serve as future parks or recreation areas at the discretion of the Association. During the Development Period, these tracts will not be developed and will be subject only to minimal landscaping.
12. **Limited Common Areas:** There are no anticipated limited common areas. The Declaration sets forth the responsibilities of Unit owners regarding adjoining walls and structures serving more than one Unit.
13. **Rights of Non-Owners to Use Common Areas:** Public rights-of-way will be subject to public use. Easements of record may be accessed by grantees for the purpose shown of record. Invitees and Licensees may have access to common areas in a manner

consistent with the Association's Declaration, Bylaws, and Rules and Regulations as amended.

14. **Services the declarant provides or expenses that the declarant pays that are not reflected in the budget, but that the declarant expects may become at any subsequent time a common expense of the association, and the projected common expense attributable to each of those services or expenses:** Minimal landscaping of the undeveloped tracts.

15. **Estimated Assessment at Time of Purchase:** There is a \$500 initial contribution to be paid to the Association by the purchaser of such Lot. The annual general per lot assessment shall be the amount of the Associations operation budget divided by the sum of the number of Lots. Assessments are not anticipated to commence until the Association is transitioned to the homeowners as the initial contribution is intended to pay for the expenses of common element upkeep, Association incorporation and maintenance, and Association insurance during the Development Period.

16. **Description of Liens on the Common Elements Which Will Survive Closing:** None.

17. **Express Construction Warranties to be Provided to the Purchaser:** Declarant in its capacity as Declarant is not providing any construction warranties. While the purchase and sale agreement between buyer and seller may vary between purchasers, Dennis Sawby Construction, LLC will generally be providing a one-year warranty on the construction of units.

18. **Whether Units or Common Elements are Covered by a Qualified Warranty:** No.

19. **Are There Any Multiunit Residential Buildings Included In The Community:** Yes.

20. **Are there any unsatisfied judgments or litigation pending regarding the community:** No.

21. **Known Litigation Brought By the Association, a Unit Owner or Government Entity Against the Declarant in the Previous Five Years:** None.

22. **Restrictions**

- a. **Restrictions on Use:** Use is limited to residential use and there are additional restrictions on architecture, aesthetics, signage, animals and vehicle parking regarding the use of the property.

- b. **Lease Restrictions:** Homes on Lots cannot be leased in-part, any lease must have an initial term of at least six months and home owners will be required to provide written copies of the lease to the Association.
 - c. **Rights of First Refusal:** None
 - d. **Minimum Sale Amounts:** None.
23. **Insurance Coverage Provided for the Benefit of the Owners:** None
24. **Any current or expected fees or charges not included in the common expenses to be paid by unit owners for the use of the common elements:** None anticipated.
25. **Bonds or other assurances from third parties have been provided for completion of all improvements that the declarant is obligated to build:** None.
26. **A summary of, and information on how to obtain a full copy of, any reserve study and a statement as to whether or not it was prepared in accordance with RCW 64.90.545 and 64.90.550 or the governing documents:** Prior to transition, Declarant may be contacted at the address above. After transition, the Homeowners Association will be responsible for establishing procedures for access to the reserve study and budget.
27. **Arrangements with Other Common Interest Communities:** None.
28. **The estimated current common expense liability for the Lots being offered:** \$35 per unit per month.
29. **Except for real property taxes, real property assessments and utility liens, any assessments, fees, or other charges known to the declarant and which, if not paid, may constitute a lien against any unit or common elements in favor of any governmental agency:** None.
30. **A brief description of any parts of the common interest community, other than the owner's unit, which any owner must maintain:** The entryways into the Unit and exterior elements servicing the Unit such as balconies.
31. **Whether timesharing is permitted or prohibited:** There are no provisions for timesharing in the Community.
32. **Special Declarant Rights:** During the Development Period, the Declarant reserves the right to amend the restrictions and Covenants effecting the property.
33. **Any liens on real estate to be conveyed to the association:** None

34. **A list of any physical hazards known to the declarant that particularly affect the common interest community or the immediate vicinity in which the common interest community is located and which are not readily ascertainable by the purchaser:** Steep inclines, public roads and nearby undeveloped property.

35. **Any building code violation of which the declarant has actual knowledge and which has not been corrected:** None

36. **Are there any conversion buildings located within the community:** No.

37. **Any other information and cross-references that the declarant believes will be helpful in describing the common interest community to the recipients of the public offering statement, all of which may be included or not included at the option of the declarant:** None.

38. **Are there any age-related occupancy restrictions:** No.

Enclosed with this public offering statement are copies of each of the following documents: The declaration; the survey; the organizational documents; the rules and regulations, and if any- the following; the current or proposed budget for the association; a dated balance sheet of the association; any inspection and repair report or reports prepared in accordance with the requirements of RCW 64.55.090; and any qualified warranty provided to a purchaser by a declarant together with a history of claims under the qualified warranty.

Dennis Sawby, Member
Dennis Sawby Construction, LLC

Buyer's Signature Acknowledging Receipt:

Date