



KING COUNTY

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

Signature Report

May 23, 2006

Ordinance 15475

Proposed No. 2006-0140.3

Sponsors Ferguson

1 AN ORDINANCE authorizing the King County executive
2 to sell the Northgate park and ride lot at 11203 5th Avenue
3 NE, Seattle 98125, to the city of Seattle for use as a public
4 park; and declaring an emergency.

5
6

7 BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

8 SECTION 1. Findings:

9 A. King County's growth management policies promotes the creation of housing in
10 urban areas to minimize sprawl and encourage urban development, walking and other
11 benefits of downtown development.

12 B. Consolidation of the park and ride spaces adjacent to the Northgate Transit
13 Center provides important benefits to Metro's customers and provides better service and
14 reliability.

15 C. The relocation of the Northgate park and ride lot at 11203 5th Avenue NE,
16 Seattle, Washington, to parking stalls closer to the Northgate Transit Center will

17 consolidate the Metro transit service and will help stimulate development near and
18 around the transit center.

19 D. The plan to replace existing park and ride facilities that are presently provided
20 at the Northgate park and ride lot located at 11203 5th Avenue NE, and to convey that lot
21 to the city of Seattle requires the execution of leases for replacement garage parking
22 space with two project developers as well as a purchase and sale agreement with the city
23 of Seattle, together with an appropriation necessary to fund the leases. The project
24 developers have existing deadlines for the execution of leases with the county and for the
25 conveyance of property between them that are necessary to support their project
26 financing that will expire during the first week in June 2006. Delay of execution of these
27 agreements past those deadlines would create a significant risk of cancellation of the
28 projects or substantial project delays and cost increases to the county. Unless this
29 ordinance is enacted as an emergency ordinance it will not be possible to accomplish the
30 timely execution of the leases and purchase and sale agreement, all of which are
31 necessary to allow the plan to proceed.

32 SECTION 2. The Metro transit division is declaring the Northgate park and ride lot
33 at 11203 5th Avenue NE, surplus to its needs. Pursuant to K.C.C. 4.56.140, the county may
34 dispose of county property to another governmental agency by negotiation, upon such terms
35 as may be agreed upon and for such consideration as may be deemed by the county to be
36 adequate. The proceeds from the sale will provide revenue to pay for the lease of
37 replacement stalls in a location closer to the transit center. This surplus agreement is subject
38 to sale at the price identified in the real estate purchase and sale agreement attached to this
39 ordinance.

40 SECTION 3. The King County executive is hereby authorized on behalf of the
41 county to execute a purchase and sale agreement with the city of Seattle, for sale of the
42 Northgate park and ride lot 11203 5th Avenue NE, in substantially the form of Attachment
43 A to this ordinance.

44 SECTION 4. The appropriate county officials, agents and employees are hereby
45 authorized to take all actions necessary to implement the sale and all actions up to now taken
46 by county officials, agents and employees consistent with the terms and purposes of the
47 purchase and sale agreement are hereby ratified, confirmed and approved.

48 SECTION 5. If any one or more of the covenants or agreements provided in this
49 ordinance to be performed on the part of the county is declared by any court of competent
50 jurisdiction to be contrary to law, then such a covenant or covenants, agreement or
51 agreements, are null and void and shall be deemed separable from the remaining
52 covenants and agreements of this ordinance and shall in no way affect the validity of the
53 other provisions of this ordinance or of the purchase and sale agreement.

54 SECTION 6. The council finds as a fact and declares that an emergency exists

55 and that this ordinance is necessary for the immediate preservation of public peace, health
56 or safety or for the support of county government and its existing public institutions.
57

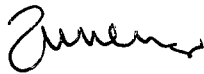
Ordinance 15475 was introduced on and passed as amended by the Metropolitan King
County Council on 5/22/2006, by the following vote:

Yes: 8 - Mr. Phillips, Mr. von Reichbauer, Ms. Lambert, Mr. Ferguson, Mr.
Gossett, Ms. Hague, Ms. Patterson and Mr. Constantine
No: 0
Excused: 1 - Mr. Dunn

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON

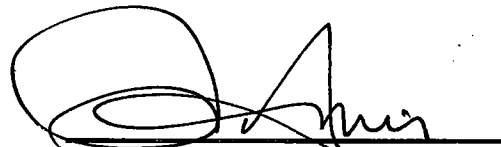

Larry Phillips, Chair

ATTEST:



Anne Noris, Clerk of the Council

APPROVED this 24 day of May, 2006.


Ron Sims, County Executive

Attachments A. Real Estate Purchase and Sale Agreement Revised 5-22-06

RECEIVED
2006 MAY 26 PM 1:31
CLERK
KING COUNTY COUNCIL

REAL ESTATE PURCHASE AND SALE AGREEMENT

This REAL ESTATE PURCHASE AND SALE AGREEMENT (the "Agreement") is made as of the date this instrument is fully executed by KING COUNTY, a political subdivision of the State of Washington ("Seller"), and THE CITY OF SEATTLE, a municipal corporation ("Buyer").

RECITALS

- A. Seller is the owner of the Property, as hereinafter defined.
- B. Seller wishes to sell, and Buyer agrees to purchase, the Property on the terms and conditions described herein.

NOW, THEREFORE, in consideration of the foregoing recitals and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

AGREEMENT

1. **PROPERTY:** Seller hereby agrees to sell and convey to Buyer and Buyer agrees to purchase from Seller, subject to the terms and conditions set forth herein, the following:

1.1. **Real Property:** That certain land (the "Property") situated in King County, Washington and legally described as follows:

The north half of the southeast quarter of the northeast quarter of the southwest quarter of Section 29, Township 26 North, Range 4 East, W. M., in King County, Washington; except the east 30 feet for road; and the west 30 feet for road; and except that portion conveyed to the City of Seattle for street by deed recorded under Recording Number 19990826001222 (being known as Lots 10, 11, 12, 16, 17, and 18 of Green's Rich Acres according to an unrecorded Plat thereof,

including all rights, privileges and easements appurtenant thereto, including, without limitation, all minerals, oil, gas and other hydrocarbon substances in, on and under the Property, if any, all development rights, if any, air rights, if any, water, if any, water rights, if any, and any and all easements, rights-of-way, covenants and other appurtenances used in connection with the beneficial use and enjoyment of the Property.

1.2. **Improvements:** All improvements and fixtures owned by Seller and located on the Property.

1.3. **Personal Property:** The Property does not include any of Seller's personal property, machinery, trade fixtures or equipment presently located on the Property, if any, which Seller shall remove prior to closing.

1.4 **Intangible Property:** Seller represents and warrants that except as explicitly set forth, there is no intangible personal property owned by Seller and used in the ownership, use and operation of the Property and the Improvements.

2. **PURCHASE PRICE:**

2.1 **Purchase Price:** The total purchase price for the Property is Nine Million Five Hundred Thousand Dollars (\$9,500,000.00) ("**Purchase Price**"). The Purchase Price shall be adjusted as provided in Section 9 below and paid in cash or immediately available funds in two installments. The first installment of Three Million Dollars (\$3,000,000) (the "**Initial Installment**") is due no later than November 15, 2006, and the balance of the Purchase Price shall be paid at Closing. Escrow Agent shall deposit the Initial Installment in an interest-bearing account at a financial institution approved by Buyer, and all interest accruing thereon shall become a part of the Initial Installment and be applied to the Purchase Price at Closing or disbursed as provided in Section 13, below.

2.2 **Escrow Holder:** Pacific Northwest Title Company of Washington, Inc. ("Escrow Holder" in its capacity as escrow holder and "Title Company" in its capacity as title insurer) has been designated as Escrow Holder hereunder by mutual agreement of Buyer and Seller. Upon mutual execution of this Agreement by the parties Escrow Holder shall open a closing escrow in accordance with the terms of this Agreement.

3. **TITLE:**

3.1 **Title to Real Property:** At Closing, Seller will execute and deliver to Buyer a Bargain and Sale Deed in the form attached as Exhibit A conveying and warranting good and marketable title to the Property free and clear of all defects or encumbrances except those contained in the general or special exceptions in Commitment for Title Insurance for the Property issued by Pacific Northwest Title Company on April 27, 2001, under order number 433148, as supplemented, with the exception of unrecorded leaseholds created during the period when Seller owned the Property. Notwithstanding the foregoing, Seller shall cause, at Seller's sole expense, all mortgages, deeds of trust, connection charges, hook up fees, mitigation impact fees and any other monetary obligation and liens that are due for the Property prior to the Closing Date to be fully satisfied, released and discharged of record on or prior to the Closing Date and without necessity of Buyer's objection.

3.2 **Title Insurance:** At Closing, and as a condition precedent to Buyer's obligation to purchase the Property, Buyer shall, at Seller's expense, obtain a standard owner's policy of title insurance issued by Title Company, dated as of the Closing Date and insuring Buyer in the amount of the Purchase Price against loss or damage by reason of any defect in Buyer's title to the Property subject only to the printed exclusions appearing in the policy form

and the permitted exception in Section 4.3. The title policy shall provide full coverage against construction liens and shall contain such endorsements as Buyer may require in its sole and absolute discretion. Buyer, in Buyer's discretion, may elect to obtain an owner's extended form policy of title insurance. Buyer shall pay any additional premium for such policy and any endorsements it requests.

4. CONTINGENCIES:

4.1 Inspection and Environmental Review Contingency: Buyer's purchase of the Property is expressly contingent upon Buyer's review and approval, in Buyer's sole discretion, of the Property which may include a physical inspection and an environmental site assessment verifying that the Property complies with all environmental laws and there are not and have not been any significant releases of Hazardous Materials (each as defined in Exhibit B) on the Property, as well as a review of the feasibility of the Property for Buyer's intended use. Seller shall provide all information in Seller's possession or control that relates to the condition of the Property, including full and complete copies of all environmental reports, studies and data regarding the environmental conditions of the Property in Seller's possession or control to Buyer to within five (5) days following mutual execution of this Agreement for Buyer's review during the Contingency Period defined in Section 4.4. Buyer shall bear the cost of any environmental site assessment. Seller hereby grants Buyer's employees, agents, consultants and contractors a right of entry onto the Property, subject to the rights of all tenants of the Property, provided that Buyer shall provide Seller with at least 24 hours' written notice prior to any entry. Buyer shall furnish Seller with copies of all reports and results of any inspections or environmental assessments concerning the Property. Buyer shall repair any damage to the Property caused by Buyer, its employees or agents during such inspection, including properly closing in place all test wells that will remain on the Property. Buyer shall protect, defend and hold Seller harmless from any claims, liabilities, costs or liens that may be filed against Seller or the Property as a result of such due diligence investigation, which indemnification shall survive the termination of this Agreement; provided, however, that in no event will Buyer be liable for, or required to indemnify Seller on account of any preexisting soil, groundwater or other environmental contamination of the Property, or any other physical condition in, on, over, under or concerning the Property.

In the event Buyer obtains information, which indicates the potential for contamination of the Property by Hazardous Materials, Buyer shall have the right, but not the obligation, to require further sampling and analysis of the Property by its environmental consultants.

4.2 Document Inspection Contingency: Buyer's purchase of the Property is contingent upon Buyer's review and approval in Buyer's sole discretion, of the following documents in Seller's possession or control which Seller agrees to deliver to Buyer within five (5) days following mutual execution of this Agreement (to the extent not previously delivered): any and all surveys of the Property; any environmental reports or studies, including any hazardous or toxic waste assessments; all soils, traffic or other engineering reports; all

governmental approvals, permits or licenses; any and all current (within the last 3 years) appraisals of the Property; and all agreements or contracts with any utility providers.

4.3 Title Review Contingency: Buyer's purchase of the Property is contingent upon Buyer's review and approval in Buyer's sole discretion of title to the Property. Buyer acknowledges that it has received a copy of the Commitment for Title Insurance from Pacific Northwest Title Company of Washington, Inc., issued March 19, 2004, under order no. 433148, as updated by Supplemental Report #1, dated August 4, 2005, and Supplemental Report #2, dated January 3, 2006 (collectively, the "Preliminary Report"), and hereby waives any objection to the special and general exceptions including Special Exception Number 1 on Exhibit B to the Preliminary Report. Within five (5) days of the execution of this agreement, the Seller shall provide to the Buyer any existing and proposed easements, covenants, restrictions, agreements or other documents or matters that affect the Property and that are not disclosed by the title record. **Seller represents and warrants that it has reviewed a copy of the preliminary title commitment provided by Buyer.**

Any liens, encumbrances, easements, restrictions, conditions, covenants, rights, right-of-way and other matters affecting title to the Real Property that arise or appear of record or are revealed after the date of the Title Report but before the Closing Date (collectively the "Intervening Liens") shall be subject to Buyer's approval. Buyer shall have ten (10) days after receipt of written notice of any Intervening Lien, together with a description thereof and a copy of the instrument creating or evidencing the Intervening Lien, to submit written objections thereto. If Seller does not within five (5) days after receipt of such objections provide evidence reasonably satisfactory to Buyer that it will remove such Intervening Liens, Buyer may elect to terminate this Agreement, and neither Seller nor Buyer shall have any further rights, duties or obligations under this Agreement.

4.4 Removal of Contingencies: Buyer shall have a period of fifteen (15) days, the Contingency Period, from the date all parties have signed this Agreement to remove or waive the above contingencies (collectively the "Contingencies"), which decision shall be at Buyer's sole discretion. The Contingencies shall be deemed waived by Buyer unless Buyer sends a written notice of objection to Seller at the address set forth in Section 10 of this Agreement. If Buyer so objects in writing and Seller does not within five (5) days thereafter provide Buyer with evidence satisfactory to Buyer of such removal, or provide Buyer with evidence satisfactory to Buyer that such exceptions will be removed on or before the Closing, Buyer may terminate this Agreement prior to the Closing Date by written notice to Seller and neither party hereto shall have any further rights, duties or obligations under this Agreement. If Buyer does not so terminate this Agreement, the Contingencies shall be deemed waived by Buyer. Notwithstanding the foregoing, Seller shall remove without notice all monetary liens or encumbrances as provided in Section 3.1 of this Agreement.

5. CONDITIONS PRECEDENT TO CLOSING: The parties' obligations under this Agreement are expressly conditioned on, and subject to satisfaction of the following conditions precedent:

5.1 **Performance by Buyer and Seller.** Buyer and Seller shall have timely performed all obligations required of them under this Agreement.

5.2 **Representations and Warranties True.** The representations and warranties of the parties contained herein shall be true as of the date of this Agreement and as of the Closing Date.

Except as otherwise expressly provided herein, if any of the foregoing conditions are not satisfied, the party benefited by such condition shall have the right at its sole election either to waive the condition in question and proceed with the purchase and sale of the property or in the alternative, to terminate this Agreement whereupon neither party hereto shall have any further rights, duties or obligations under this Agreement.

6. **SELLER'S REPRESENTATIONS, WARRANTIES AND COVENANTS:** Seller represents warrants and covenants to the Buyer at the date of execution of this Agreement and the date of closing that:

6.1 **Organization:** Seller is a political subdivision of the State of Washington. This Agreement has been duly authorized, executed and delivered by Seller and constitutes the legal, valid and binding obligation of Seller enforceable in accordance with its terms. No other authorizations or approvals, whether of governmental bodies or otherwise, will be necessary in order for Seller to enter in and perform its obligations under this Agreement. Neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated hereunder will (i) be in violation of Seller's legal authority, (ii) conflict with or result in the breach of any law, regulation, writ, injunction or decree of any court or governmental instrumentality applicable to Seller, or (iii) constitute a breach of any evidence of indebtedness or agreement to which Seller is a party or by which it is bound. The persons signing this Agreement on behalf of Seller represent and warrant they have the requisite authority to bind the entity on whose behalf they are signing.

6.2. **Title:** Seller has reviewed the Title Report and Seller is not aware of any other matters that adversely affect title to the Property.

6.3 **Leases:** The Property is not subject to any leases, tenancies, options, purchase rights; or rights of persons in possession.

6.4 **Litigation:** Seller represents and warrants that there is no claim, litigation, proceeding or governmental investigation pending or threatened against or relating to the Property or Seller's ownership thereof, or the transactions contemplated by this Agreement or any dispute arising out of any contract or commitment entered into by Seller regarding the Property, nor is there any basis known to Seller for any such action.

6.5 **Compliance with Laws:** Seller has paid, or will concurrent with Closing pay, all mitigation impact fees, connection charges, hook-up fees, and other payments if any, required to be paid as a condition to use or development of the Property or any building permit

approved or issued by King County or other governmental entity. Seller has not received any notice that the Property or the current use of the Property by Seller for parking purposes does not comply with all zoning, use, environmental, flood control, planning, subdivision, wetlands, fire, health, traffic and similar laws, rules and regulations and Seller has not received any written notice claiming that the Property is in violation of any agreements, covenants or restrictions affecting the Property. Seller does not know of any material defect in the Property.

6.6 Environmental Matters: Seller has not intentionally withheld any material information concerning Hazardous Materials (as defined in Exhibit B) with respect to the Property.

6.7 Fees and Commissions: Seller shall pay for any broker's or other commissions or fees incurred by Seller in connection with the sale of the Property and Seller shall indemnify and hold Buyer harmless from all such claims for commission and/or fees, except those claims arising as a result of Buyer's activities. This indemnification shall survive the Closing Date and recording of the Statutory Warranty Deed to the Property.

6.8 Documents Delivered to Buyer: Seller has not intentionally failed to deliver to Buyer true and complete copies of any documents regarding the Property in Seller's possession or control. Seller warrants that, to the best of knowledge, all certificates, schedules and other documents containing factual information delivered or to be delivered by Seller or by Seller's agents in connection with this Agreement are, to the best of Seller's knowledge, true and correct and do not contain any untrue statement of material fact or omit to state any material fact.

6.9 Indemnification: Seller agrees to indemnify, defend, and hold harmless Buyer, its employees, agents, heirs, successors and assigns, from and against any and all damage, claim, liability or loss, including reasonable attorneys' and other fees, arising out of or in any way connected to Seller's breach of any representation or warranty contained herein. This indemnification shall survive the Closing Date and recording of the Bargain and Sale Deed to the Property.

7. BUYER'S REPRESENTATIONS AND COVENANTS: Buyer represents, warrants and covenants to the Seller at the date of execution of this Agreement and the date of closing that:

7.1 Authority: Buyer is a political subdivision of the State of Washington and has full authority to enter into, execute and perform its obligations under this Agreement. The persons signing this Agreement represent and warrant that they have the requisite authority to bind the Buyer.

7.2 Fees and Commissions: Buyer has not utilized the services of any broker or other person for whom a commission or fee has been incurred in connection with the sale of the Property. Buyer shall indemnify and hold Seller harmless from all such claims for commissions and/or fees arising as a result of the inaccuracy of this representation. This indemnification shall survive the Closing Date and recording of the Statutory Warranty Deed to the Real Property.

7.3 **Indemnification:** Buyer agrees to indemnify, defend and hold harmless Seller, its employees, agents, heirs and assigns, from and against any and all damage, claim liability or loss, including reasonable attorneys' and other fees, arising out of or in any way connected to Buyer's breach of any representation or warranty contained herein.

8. **CONDITION OF PROPERTY:** Buyer and Seller acknowledge and agree that Buyer has conducted a physical inspection and made all investigations Buyer deems necessary in connection with its purchase of the Property and that, as of the date hereof, Seller has provided Buyer with copies of all reports in Seller's possession that relate to the condition of the Property. Buyer further acknowledges and agrees that, except to the extent of Seller's express representations and warranties contained in this Agreement; any fraud or deliberate misrepresentation by Seller; and any obligations under any state or federal environmental law, Seller shall have no liability for, and that Buyer shall have no recourse against the Seller for, any defect or deficiency of any kind whatsoever in the Property including without limitation those relating to Hazardous Substances, without regard to whether such defect or deficiency was discovered or discoverable by the Buyer or Seller.

EXCEPT FOR THE WARRANTIES, REPRESENTATIONS AND INDEMNIFICATIONS CONTAINED IN THIS AGREEMENT, SELLER DOES NOT MAKE AND SPECIFICALLY DISCLAIMS ANY WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, WITH RESPECT TO THE PROPERTY AND NO EMPLOYEE OR AGENT OF SELLER IS AUTHORIZED OTHERWISE. WITHOUT LIMITATION, THE FOREGOING SPECIFICALLY EXCLUDES, EXCEPT FOR WARRANTIES, REPRESENTATIONS AND INDEMNIFICATIONS CONTAINED IN THIS AGREEMENT, ANY WARRANTIES OR REPRESENTATIONS WITH RESPECT TO THE STRUCTURAL CONDITION OF THE PURCHASED ASSETS, THE AREA OF LAND BEING PURCHASED, THE EXISTENCE OR NON-EXISTENCE OF ANY POLLUTANTS, CONTAMINANTS, HAZARDOUS WASTE, DANGEROUS WASTE, TOXIC WASTE, UNDERGROUND STORAGE TANKS OR CONTAMINATED SOIL, OR THE ACTUAL OR THREATENED RELEASE, DEPOSIT, SEEPAGE, MIGRATION OR ESCAPE OF SUCH SUBSTANCES AT, FROM OR INTO THE PURCHASED ASSETS, AND THE COMPLIANCE OR NONCOMPLIANCE OF THE PURCHASED ASSETS WITH APPLICABLE FEDERAL, STATE, COUNTY AND LOCAL LAWS AND REGULATIONS, INCLUDING, WITHOUT LIMITATION, ENVIRONMENTAL LAWS AND REGULATIONS AND SEISMIC/BUILDING CODES, LAWS AND REGULATIONS.

9. **CLOSING:**

9.1 **Time for Closing:** The sale will be closed ("Closing") in the office of the Escrow Holder on February 1, 2008, unless the parties agree otherwise. It is agreed that time is of the essence in this Agreement.

Buyer and Seller shall deposit in escrow with the Escrow Holder all instruments, documents and moneys necessary to complete the sale in accordance with this Agreement. The

Escrow Holder is instructed to prepare a certification that Seller is not a "foreign person" within the meaning of the Foreign Investment in Real Property Tax Act ("FIRPTA"). Seller agrees to sign this certification. As used in this Agreement, "Closing" and "Closing Date" means the date on which all appropriate documents are recorded and proceeds of the sale are available for disbursement to Seller.

9.2 Prorations; Closing Costs: All rents, utilities and other expenses associated with the Property shall be prorated as of Closing. Seller will pay all past due local improvement district or special assessments, if any, all connection charges, hook-up fees, mitigation impact fees or other monetary obligations and liens filed against the Property prior to the Closing Date. Seller will pay real estate excise taxes (if any are due), and all real and personal property taxes due and payable through the date of Closing. Because Buyer is exempt from property taxes, no tax proration for ad valorem property taxes will be required. Local improvement district and/or special assessments shall be pro-rated as of Closing. The parties will share the escrow fees. Seller will pay the premium for an owner's standard coverage policy of title insurance and Buyer shall pay the incremental costs for any extended coverage if Buyer elects to obtain an extended coverage owner's policy, the cost of any endorsements it requests, the cost of any survey and the cost of recording the Bargain and Sale Deed from the Seller.

9.3 Seller's Option to Use Property for up to 30 months after Closing for Park and Ride Lot: If Seller determines that sufficient park and ride parking stalls will not be available to Seller on other properties in the Northgate area either on an interim or permanent basis which will fully mitigate the loss of stalls resulting from the sale of the Property at Closing, then upon the written request of Seller provided to Buyer on or before the Closing, Seller shall have the right to use some or all of the property for park and ride purposes. Seller's request also shall inform Buyer of the number of stalls required and the reasons therefor. Such use by Seller shall be for up to thirty months after the earlier of either:

- a. the closing date, or
- b. the date of Seller's receipt of formal written notice of termination of either of Seller's Garage Leases from either Northgate Mall Partnership or Northgate South Commons LLC.

Seller agrees to notify Buyer of any termination of the Garage Leases or delay in performance thereunder within fifteen (15) days after Seller receives written notice of such termination or delay. Notification shall be sent by U.S. Postal Service certified return receipt requested delivery to the Superintendent of the Department of Parks and Recreation. Failure to provide such notice shall not waive Seller's right to use the property for park and ride purposes.

In the event of such use, Seller shall pay Buyer monthly for each month of such use in an amount equal to the fair market rental rate of the land at its highest and best use. If Seller and Buyer cannot agree upon such rate, the rate shall be determined by a mutually selected appraiser. The rent shall be adjusted once a year for the change in the Consumer Price Index for Seattle-Tacoma-Bremerton for All Urban Consumers (1982-84 = 100) published by the United States Department of Labor's Bureau of Labor Statistics. Seller shall remain responsible for all operation and maintenance costs associated with the Seller's use of such property.

10. **NOTICES:** Any notices required herein shall be in writing and shall be deemed to have been duly given if delivered personally, sent by nationally recognized overnight delivery service, or if mailed or deposited in the United States mail and sent by registered or certified mail, return receipt requested, postage prepaid to the parties at the addresses listed below:

TO SELLER:

TO BUYER:

or to such other addresses as either party may from time to time designate in writing and deliver in a like manner. Notices may also be given by facsimile transmission (provided the fax machine has printed a confirmation of receipt). All notices that are mailed shall be deemed received three business days after mailing. All other notices shall be deemed complete upon actual receipt or refusal to accept delivery.

11. **RISK OF LOSS:** Seller shall bear the risk of loss of or damage to the Property prior to Closing. In the event of such loss or damage to the Property, Seller shall promptly notify Buyer thereof and Buyer may, in its sole discretion, terminate this Agreement by giving notice of termination to the Seller, in which event neither party hereto shall have any further rights, duties or obligations under this Agreement.

12. **WASTE; ALTERATION OF PROPERTY:** Seller shall not commit waste on the Property, nor shall Seller remove trees or other vegetation, coal, minerals or other valuable materials nor shall Seller substantially alter the surface or subsurface of the Property without the express written consent of Buyer. Seller shall not construct any improvements on the Property nor enter into any lease, license, easement, covenant or other agreement giving any person the right to use, restrict the use of, or occupy the Property without the express written consent of Buyer.

13. **DEFAULT; REMEDIES:** If Buyer fails, without legal excuse, to complete the purchase of the Property in accordance with the terms of this Agreement (all Contingencies to Buyer's obligations having been removed or waived and all conditions precedent to Closing having been satisfied or waived), and provided Seller is not in default under this Agreement, the Escrow Holder shall deliver to Seller the Initial Installment, including accrued interest, as Seller's sole and exclusive remedy. Buyer and Seller agree that it would be impractical and extremely difficult to estimate the damages suffered by Seller as a result of Buyer's default, and that under the circumstances existing as of the date of this Agreement, the Initial Installment is a reasonable estimate of the damages which Seller will incur as a result of such failure. If this

transaction fails to Close as a result of Seller's default or any reason other than Buyer's default, then, provided Buyer is not in default under this Agreement, Buyer may elect to pursue any one or more of the following remedies: (a) terminate this Agreement, in which event Escrow Holder shall return the Initial Installment to Buyer, including accrued interest; (b) sue for damages; or (c) specifically enforce this Agreement.

14. **SURVIVAL OF RELEASE, WARRANTIES AND INDEMNITIES:** The terms, covenants, releases, representations, warranties and indemnities set forth in this Agreement including, but not limited to the provisions of Sections 6 and 7, shall not merge into the deed of conveyance, but shall survive Closing.

15. **SEVERABILITY:** In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such provisions had not been contained herein.

16. **COUNTERPARTS:** This Agreement and the documents to be delivered hereunder may be executed in any number of counterparts, and each such counterpart hereof shall be deemed to be an original instrument, but all such counterparts together shall constitute but one agreement.

17. **NO JOINT VENTURE:** It is not intended by this Agreement to, and nothing contained in this Agreement shall, create any partnership, joint venture or other arrangement between Buyer and Seller other than that of seller and purchaser of property. No term or provision of this Agreement is intended to be, or shall be, for the benefit of any person, firm, organization or corporation not a party hereto, and no such other person, firm, organization or corporation shall have any right or cause of action hereunder.

18. **GENERAL:** This is the entire agreement of the Buyer and Seller with respect to the Property and supersedes all prior or contemporaneous agreements between them, written or oral. This Agreement may be modified only in writing, signed by Buyer and Seller. Any waivers under this Agreement must be in writing. A waiver of any right or remedy in the event of a default will not constitute a waiver of such right or remedy in the event of any subsequent default. This Agreement is for the benefit of, and binding upon, Buyer and Seller and their heirs, personal representatives, successors and assigns. The captions of this Agreement are for convenience and reference only and in no way define, limit or describe the scope or intent of this Agreement. The invalidity or unenforceability of any provision of this Agreement will not affect the validity or enforceability of any other provision.

19. **GOVERNING LAW:** This Agreement shall be governed by and construed and enforced in accordance with Washington law.

SELLER:

KING COUNTY, a political subdivision of the State of Washington.

By: _____

Name: _____

Title: _____

Date : _____

BUYER:

THE CITY OF SEATTLE, a political subdivision of the State of Washington.

By: _____

Date: _____

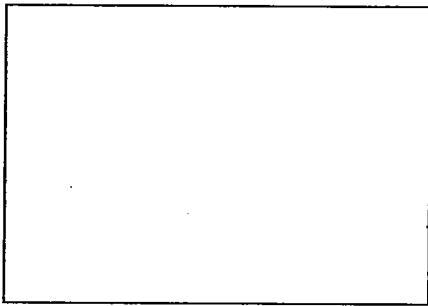
Approved As to Form:

Prosecuting Attorney

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me, and said person acknowledged that she signed this instrument, on oath stated that she is authorized to execute the instrument and acknowledged it as the _____ to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: _____.

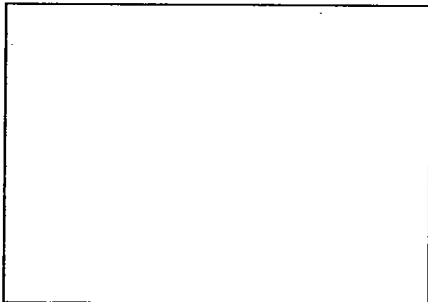


Notary Public
Print Name _____
My commission expires _____

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me, and said person acknowledged that she signed this instrument, on oath stated that she/he is authorized to execute the instrument and acknowledged it as _____ to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: _____.



Notary Public
Print Name _____
My commission expires _____

EXHIBIT A

FORM OF BARGAIN AND SALE DEED

Bargain and Sale Deed

FOR VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged, King County, a political subdivision of the State of Washington ("Grantor"), does hereby grant, bargain, sell and convey to the City of Seattle, a Washington municipal corporation ("Grantee"), that real property situate in the County of King, State of Washington, and described as follows:

The north half of the southeast quarter of the northeast quarter of the southwest quarter of Section 29, Township 26 North, Range 4 East, W. M., in King County, Washington; except the east 30 feet for road; and the west 30 feet for road; (being known as Lots 10, 11, 12, 16, 17, and 18 of Green's Rich Acres according to an unrecorded Plat thereof

(the "Property").

Including all rights, privileges and easements appurtenant thereto, including, without limitation, all minerals, oil, gas and other hydrocarbon substances in, on and under the Property, all development rights, air rights, water, water rights, and any and all easements, rights-of-way, covenants and other appurtenances used in connection with the beneficial use and enjoyment of the Property.

Dated this _____ day of _____, 200__.

SELLER:

King County
a political subdivision of the State of Washington

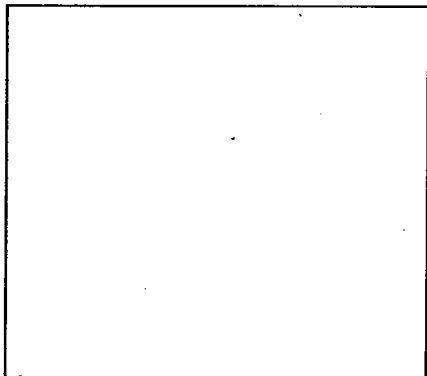
By: _____

Its: _____

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me, and said person acknowledged that he/she signed this instrument, on oath stated that he/she was authorized to execute the instrument and acknowledged it as the _____ of King County, a Washington political subdivision, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: _____



Notary Public
Print Name _____
My commission expires _____

EXHIBIT B

Definitions

The term "Environmental Laws" includes without limitation, the Federal Resource Conservation and Recovery Act of 1976, 42 U.S.C. Section 6901 et seq., Federal Comprehensive Environmental Response, Compensation, and Liability Act of 1980, 42 U.S.C. Section 9601 et seq., Federal Hazardous Materials Transportation Control Act, 49 U.S.C. Section 1801 et seq., Federal Clean Air Act, 42 U.S.C. Section 7401 et seq., Federal Water Pollution Control Act, Federal Water Act of 1977, 33 U.S.C. Section 1251 et seq., Federal Insecticide, Fungicide and Rodenticide Act, Federal Pesticide Act of 1978, 7 U.S.C. Section 136 et seq., Federal Toxic Substances Control Act, 15 U.S.C. Section 2601 et seq., Federal Safe Drinking Water Act, 42 U.S.C. Section 300f et seq., Washington Water Pollution Control Act, RCW Chapter 90.48, Washington Clean Air Act, RCW Chapter 70.94, Washington Solid Waste Management Recovery and Recycling Act, RCW Chapter 70.95, Washington Hazardous Waste Management Act, RCW Chapter 70.105, Washington Hazardous Waste Fees Act, RCW Chapter 70.95E, Washington Model Toxics Control Act, RCW Chapter 70.105D, Washington Nuclear Energy and Radiation Act, RCW Chapter 70.98, Washington Radioactive Waste Storage and Transportation Act of 1980, RCW Chapter 70.99, Washington Underground Petroleum Storage Tanks Act, RCW Chapter 70.148, and any regulations promulgated thereunder, all as amended from time to time.

The term "Hazardous Materials" shall include without limitation:

(i) Those substances included within the definitions of "hazardous substances," "hazardous materials," "toxic substances," or "solid waste" in the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. §§ 9601 et seq.) ("CERCLA"), as amended by Superfund Amendments and Reauthorization Act of 1986 (Pub. L. 99-499, 100 Stat. 1613) ("SARA"), the Resource Conservation and Recovery Act of 1976 (42 U.S.C. §§ 6901 et seq.) ("RCRA"), and the Hazardous Materials Transportation Act, 49 U.S.C. §§ 1801 et seq., and in the regulations promulgated pursuant to said laws, all as amended;

(ii) Those substances listed in the United States Department of Transportation Table (49 CFR 172.101 and amendments thereto) or by the Environmental Protection Agency (or any successor agency) as hazardous substances (40 CFR Part 302 and amendments thereto);

(iii) Any material, waste or substance which is (A) petroleum, (B) asbestos, (C) polychlorinated biphenyls, (D) designated as a "hazardous substance" pursuant to Section 311 of the Clean Water Act, 33 U.S.C. §§ 1251 et seq. (33 U.S.C. §§ 1321) or listed pursuant to Section 307 of the Clean Water Act (33 U.S.C. 1317); (E) flammable explosives, (F) radon gas, (G) lead or lead-based paint, (H) radioactive materials, (I) coal combustion by-products, or (J) urea formaldehyde foam insulation;

(iv) Those substances defined as “dangerous wastes,” “hazardous wastes” or as “hazardous substances” under the Water Pollution Control Act, RCW 90.48.010 et seq., the Hazardous Waste Management Statute, RCW 70.105.010 et seq., the Toxic Substance Control Act, RCW 70.105B.010 et seq., the Model Toxics Control Act, RCW 70.105D.010 et seq. and the Toxic Substance Control Act, 15 U.S.C., Section 2601 et seq., and in the regulations promulgated pursuant to said laws, all as amended from time to time;

(v) Storm water discharge regulated under any federal, state or local law, ordinance or regulation relating to storm water drains, including, but not limited to, Section 402(p) of the Clean Water Act, 33 U.S.C. Section 1342 and the regulations promulgated thereunder, all as amended from time to time; and

(vi) Such other substances, materials and wastes which are or become regulated as hazardous or toxic under applicable local, state or federal law, or the United States government, or which are classified as hazardous or toxic or dangerous to human health under federal, state, or local laws or regulations, all as amended from time to time.

“Release” shall mean releasing, spilling, leaking, pumping, pouring, flooding, emitting, emptying, discharging, injecting, escaping, leaching, disposing or dumping, Hazardous Materials in or into the air, soil, surface water or ground water in, on, about or under the Real Property.