



KING COUNTY

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

Signature Report

September 28, 2004

Ordinance 15027

Proposed No. 2004-0370.2

Sponsors Edmonds

1 AN ORDINANCE authorizing the sale of one parcel of
2 surplus county-owned real property located in King County
3 council district 1.
4
5

6 BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

7 SECTION 1. Findings:

8 A. King County owns one parcel of property that has been declared surplus to the
9 needs of the department of transportation.

10 B. The property identified in this ordinance is Northshore Park and Ride.

11 C. Notices were sent to county departments and none expressed an interest in the
12 properties.

13 D. The various cities, water, sewer, fire and school districts were notified
14 regarding the county's plan to surplus and sell the properties.

15 E. The real estate services section of the facilities management division finds the
16 properties surplus to the county's present and foreseeable needs.

17 F. The property is zoned residential and has been declared suitable for affordable
18 housing under the Growth Management Act.

19 G. Under K.C.C. 4.56.100, when no county department or governmental agency
20 has expressed a need for surplus real property, but the property meets the criteria for
21 affordable housing, the property shall be offered for sale through a request for proposals.

22 H. A request for proposals for affordable housing was issued and the top-ranked
23 developer was selected on June 2, 2003

24 I. Negotiations with the selected developer failed due to the developer's inability
25 to design and phase a residential development satisfactory to the Kenmore city council.

26 J. The city of Kenmore has tendered an offer to purchase the property for its own
27 uses, which may include an affordable housing component.

28 K. The department of transportation, transit division, has entered into a purchase
29 and sale agreement with the city of Kenmore for sale of the subject property in the
30 amount of \$2,525,000.00.

31 L. Sale of the subject property to the city of Kenmore will allow the transit
32 division to meet its financial obligations to expand the capacity of the nearby Kenmore
33 Park and Ride.

34 SECTION 2. The King County executive is hereby authorized to execute the

35 necessary documents to sell surplus Parcel 1 in accordance with K.C.C. 4.56.100, and
 36 enter into a direct negotiated sale with the city of Kenmore; provided that the city of
 37 Kenmore agrees to the insertion in the deed of a covenant in substantially the following
 38 form: " Buyer, on behalf of itself, its successors, assignees, lessees and licensees,
 39 covenants and intends that any development of the Property include high density housing
 40 with at least twenty-five percent of the units satisfying the affordability criteria of K.C.C.
 41 4.56.070(E) as it may be amended from time to time.

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43

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 2004 OCT -7 PM 12:06
 CLERK
 KING COUNTY COUNCIL


Ordinance 15027 was introduced on 7/26/2004 and passed as amended by the Metropolitan King County Council on 9/27/2004, by the following vote:

Yes: 12 - Mr. Phillips, Ms. Edmonds, Mr. von Reichbauer, Ms. Lambert, Mr. Pelz, Mr. McKenna, Mr. Ferguson, Mr. Hammond, Mr. Gossett, Mr. Irons, Ms. Patterson and Mr. Constantine
 No: 0
 Excused: 1 - Ms. Hague

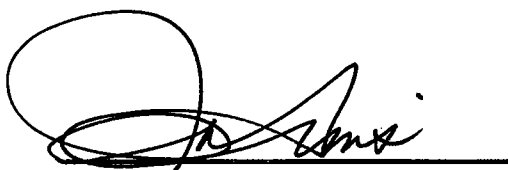
KING COUNTY COUNCIL
KING COUNTY, WASHINGTON


 Larry Phillips, Chair

ATTEST:



Anne Noris, Clerk of the Council
APPROVED this 10 day of OCTOBER, 2004.



 Ron Sims, County Executive

Attachments A. Legal Description, B. Draft Real Estate Purchase and Sale Agreement, C. Ground Lease, D. Area Map

<u>PARCEL</u>	<u>PROPERTY NAME AND SHORT LEGAL DESCRIPTION</u>	<u>APPRAISED VALUE</u>
1	<u>Northshore Park-and-Ride</u> Portion of Government Lot 1, 11-26-04 Tax Account Number: 1126049152	\$2,500,000

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Attachment B

DRAFT

2004-370

REAL ESTATE PURCHASE AND SALE AGREEMENT

July 1, 2004

THIS REAL ESTATE PURCHASE AND SALE AGREEMENT ("Agreement") is made and entered into as of _____, 2004, by and between KING COUNTY, a municipal corporation and political subdivision of the State of Washington (the "Seller") and CITY OF KENMORE, a municipal corporation of the State of Washington (the "Buyer").

RECITALS

A. Seller owns that certain real property located in the City of Kenmore, County of King, State of Washington, which consists of approximately 4.72 acres, commonly identified as the Northshore Park-and-Ride lot, the legal description of which is attached hereto as EXHIBIT A (the "Property").

B. Seller is desirous of selling the Property and Buyer is desirous of purchasing the Property.

AGREEMENT

NOW, THEREFORE, in consideration of the promises and mutual covenants contained herein, and other valuable consideration, receipt and sufficiency of which are hereby acknowledged, the parties hereto covenant and agree as follows:

ARTICLE 1. PURCHASE AND TRANSFER OF ASSETS

1.1. **PROPERTY TO BE SOLD.** Subject to and upon the terms and conditions set forth in this Agreement, Seller shall sell, convey, assign, transfer and deliver to Buyer on the Closing Date (as hereinafter defined in Section 10.1 of this Agreement) and Buyer shall buy, assume and accept from Seller on the Closing Date the following assets and properties:

(a) all of Seller's right, title and interest in the Property as described in **EXHIBIT A**;

(b) all of Seller's right, title and interest in improvements and structures located on the Property, if any;

(c) all of Seller's right, title and interest in and to tangible personal property, if any, owned by the Seller and attached, appurtenant to or used in connection with the Property ("Personal Property"), except for passenger shelters, which shall be retained on the Property, as described in Section 5.6 of this Agreement; and

(d) all of Seller's tenements, hereditaments, easements and rights appurtenant to the Property including but not limited to, all of the Seller's right, title, and interest in and to streets, alleys or other public ways adjacent to the Property, easements for public utilities, all sewers and service drainage easements, all rights of connection to the sewers, and all rights of ingress and egress, and all leases, licenses, government approvals and permits affecting the Property.

Hereinafter, the items listed in Section 1.1 are collectively referred to as the "Purchased Assets."

ARTICLE 2. PURCHASE PRICE

2.1. PURCHASE PRICE AND PAYMENT. In consideration of the sale, transfer, conveyance, assignment and delivery of the Purchased Assets, Buyer shall, in full payment therefore, pay to Seller on the Closing Date a total purchase price of **TWO MILLION FIVE HUNDRED TWENTY-FIVE THOUSAND DOLLARS AND NO CENTS (\$2,525,000.00)** (the "Purchase Price").

2.2. ALLOCATION OF PURCHASE PRICE. Seller and Buyer agree that the entire Purchase Price is allocable to real property and that the value of the Seller's Personal Property, if any, is *de minimus*.

ARTICLE 3. REPRESENTATIONS AND WARRANTIES OF THE PARTIES

3.1. WARRANTIES AND REPRESENTATIONS OF SELLER. Seller represents and warrants as follows:

3.1.1. Definition of Seller. The Seller is a municipal corporation and subdivision of the State of Washington duly organized, validly existing and in good standing under the laws of the State of Washington. Seller has all requisite corporate power and authority

to carry on its business as it is now being conducted in the place where such businesses are now conducted.

3.1.2. Execution, Delivery and Performance of Agreement, Authority. The execution, delivery and performance of this Agreement by Seller (i) is within the powers of Seller as a municipal corporation, (ii) has been or will be on or before the Closing Date, duly authorized by all necessary action of the Seller's legislative authority, and (iii) does not and will not violate any provision of any law, rule, regulation, order, writ, judgment, decree or award to which the Seller is a party to or which is presently in effect and applicable to Seller. This Agreement constitutes the legal, valid and binding obligation of Seller enforceable against Seller in accordance with the terms thereof.

3.1.3. Litigation. There is no pending, or to the best of Seller's knowledge, threatened lawsuit or material claim against or relating to Seller with respect to the Property, which shall impede or materially affect Seller's ability to perform the terms of this Agreement. There is no pending or, to the best of Seller's knowledge, contemplated condemnation or similar proceeding with respect to the Property or any part thereof.

3.1.4. Assessments. There is no pending, or to the best of Seller's knowledge, contemplated local improvement district or other special assessment or charge with respect to the Property, except as may be disclosed in the Title Commitment described in Section 4.1 of this Agreement.

3.1.5. Full Disclosure. No representation or warranty by Seller in this Agreement or in any instrument, certificate or statement furnished to Buyer pursuant hereto, or in connection with the transactions contemplated hereby, contains or will contain any untrue statement of a material fact or fail to state a material fact which is necessary to make the statements set forth therein not false or misleading.

3.1.6. No Broker. No broker, finder, agent or similar intermediary has acted for or on behalf of Seller in connection with this Agreement or the transactions contemplated hereby, and no broker, finder, agent or similar intermediary is entitled to any broker's, finder's or similar fee or commission in connection with this Agreement based on an agreement, arrangement or understanding with Buyer or any action taken by Buyer.

3.1.7. Contracts. There are no contracts or other obligations outstanding for the sale, exchange, transfer, lease, rental or use of the Property or any portion thereof.

3.1.8. Future Agreements. From and after the date hereof, unless this Agreement is terminated in accordance with its terms, Seller shall not without the prior written consent of Buyer:

- (i) enter into any agreement, contract, commitment, lease or other transaction that affects the Property in any way; or
- (ii) sell, dispose of or encumber any portion of the Property.

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3.1.9 Maintenance of the Property. Seller shall continue to maintain the Property in compliance with all applicable laws and pay all costs of the Property with respect to the period prior to the Closing Date.

3.1.10 Condition of the Property. Seller has not intentionally withheld any material information concerning environmental matters with respect to the Property. To the best of Seller's knowledge (i) there has been no generation, treatment, storage, transfer, disposal or release of Hazardous Substances on the Property at any time during Seller's ownership or use thereof; (ii) there are no underground storage tanks on the Property nor have underground storage tanks been removed from the Property; and (iii) Seller is not aware of any facts which would lead it to believe that there are any Hazardous Substances on the Property. For purposes of this Agreement, the term Hazardous Substances shall mean: "hazardous substance" as defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended ("CERCLA"); "hazardous waste" as defined by the Resource Conservation and Recovery Act of 1976 ("RCRA") as amended; hazardous wastes, hazardous materials, hazardous substances, toxic waste, toxic materials, or toxic substances as defined in state or federal statutes or regulations; asbestos-containing materials, polychlorinated biphenyls; radioactive materials, chemicals known to cause cancer or reproductive toxicity; petroleum products, distillates or fractions; any substance the presence of which is prohibited by statute or regulation; and any substance for which any statute or regulation requires a permit or special handling in its use, collection, storage, treatment or disposal.

3.1.11. Assistance with Due Diligence. Seller shall fully and promptly cooperate with Buyer's due diligence activities, provided that such cooperation is at no additional expense or liability to Seller. Seller shall promptly deliver to Buyer all documents and materials concerning the Property which Buyer may request during the Due Diligence Period (as defined in Section 5.1 of this Agreement) that are in Seller's possession or control.

3.1.12. Risk of Loss. Until the Closing Date, the risk of loss relating to the Property shall rest with the Seller. Risk of Loss shall be deemed to include any property damage occurring as a result of an "Act of God," including, but not limited to, earthquakes, tremors, wind, rain or other natural occurrence

3.1.13. Foreign Person. Seller is not a foreign person and is a "United States Person" as such term is defined in Section 7701 (a) (30) of the Internal Revenue Code of 1986, as amended (the "Code") and shall deliver to Buyer prior to the Closing Date, an affidavit, as set forth in EXHIBIT B (Certificate of Non-Foreign Status), evidencing such fact, and such other documents as may be required under the Code

3.2. REPRESENTATIONS AND WARRANTIES OF BUYER. Buyer represents and warrants as follows:

3.2.1. Organization. Buyer is a municipal corporation of the State of Washington duly organized, validly existing and in good standing under the laws of the State of

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Washington. **Buyer** has all requisite corporate power and authority to carry on its business as it is now being conducted in the place where such businesses are now conducted.

3.2.2. Execution, Delivery and Performance of Agreement, Authority. The execution, delivery and performance of this Agreement by **Buyer** (i) is within the powers of **Buyer** as a municipal corporation, (ii) has been or will be on or before the Closing Date, duly authorized by all necessary action of the **Buyer's** legislative authority, and (iii) does not and will not violate any provision of any law, rule, regulation, order, writ, judgment, decree or award to which the **Buyer** is a party to or which is presently in effect and applicable to **Buyer**. This Agreement constitutes the legal, valid and binding obligation of **Buyer** enforceable against **Buyer** in accordance with the terms hereof.

3.2.3. Litigation. There is no pending or, to the best of **Buyer's** knowledge, threatened lawsuit or material claim against or relating to **Buyer** that shall impede or materially affect **Buyer's** ability to perform the terms of this Agreement.

3.2.4. Full Disclosure. No representation or warranty by **Buyer** in this Agreement or in any instrument, document, certificate or statement furnished to **Seller** pursuant hereto, or in connection with the transactions contemplated hereby, contains or will contain any untrue statement of a material fact or fail to state a material fact which is necessary to make the statements set forth therein not false or misleading.

3.2.5. Condition of Property. **Buyer** acknowledges that, within the Due Diligence Period, it will have conducted a physical inspection and made all investigations **Buyer** deems necessary in connection with its purchase of the Purchased Assets, and that, as of the date hereof, **Seller** has provided **Buyer** with copies of all reports in **Seller's** possession that have been requested by **Buyer**. Upon waiver or satisfaction by **Buyer** of its contingencies pursuant to Article 5, **Buyer** will be deemed to have approved the physical condition of the Property and agrees to accept and purchase the same "AS IS, WHERE IS", including, without limitation, 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 Property and the compliance or noncompliance of the Property with applicable federal, state, county and local laws and regulations including, without limitation, environmental laws and regulations. **Buyer** acknowledges and agrees that, except to the extent of **Seller's** representations and warranties in Section 3.1 of this Agreement, and to the extent of any fraud or deliberate misrepresentation by **Seller**, **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, without regard to whether such defect or deficiency was discovered or discoverable by the **Buyer** or **Seller**.

3.2.6. No Broker. No broker, finder, agent or similar intermediary has acted for or on behalf of **Buyer** in connection with this Agreement or the transactions contemplated hereby, and no broker, finder, agent, or similar intermediary is entitled to any broker's, finder's or similar fee or commission in connection with this Agreement

based on an agreement, arrangement, or understanding with the Buyer or any action taken by the Buyer.

ARTICLE 4. TITLE MATTERS

4.1. **TITLE.** Seller shall deliver to Buyer good and marketable title, free and clear of all liens, defects and encumbrances except for the Permitted Exceptions (as defined in Section 4.1.3 of this Agreement).

4.1.1. **Title Commitment.** Buyer shall obtain a current ALTA form of commitment for an owner's policy of title insurance (the "Title Commitment") issued by Pacific Northwest Title Company, Inc. (the "Title Company"), describing the Property, listing Buyer as the prospective named insured and showing as the policy amount the total purchase price for the Property.

4.1.2. **Survey.** Prior to the expiration of the Due Diligence Period (as defined in Section 5.1 of this Agreement), Buyer shall have the option, at its expense, to have prepared and furnished to the Title Company, Buyer and Seller a survey (the "Survey") of the Property prepared by a licensed public surveyor.

4.1.3. **Review of Title Commitment and Survey.** Buyer shall have until fourteen (14) days after receipt of the last dated Title Commitment and Survey, if any has been obtained, (the "Review Period") in which to notify Seller of any objections Buyer has to any matters shown or referred to in the Title Commitment or Survey. Any exceptions or other items that are set forth in the Title Commitment or the Survey and to which Buyer does not object within the Review Period shall be deemed to be permitted exceptions ("Permitted Exceptions"). With regard to items to which Buyer does object within the Review Period, Seller shall notify Buyer within ten (10) days after Seller receives Buyer's notice of objections of any exceptions to the title or items on the Survey which Seller is not willing or able to remove or otherwise resolve, and Buyer may, at Buyer's option, either waive the objections not cured or Buyer may terminate this Agreement by written notice to Seller. Notwithstanding the foregoing, all monetary liens or encumbrances shall be paid by Seller at Closing.

4.2. **CONVEYANCE.** Seller shall convey to Buyer the title to the Property by Statutory Warranty Deed in the form attached hereto as EXHIBIT C, subject only to the Permitted Exceptions. Rights reserved in federal patents or state deeds, building or use restrictions general to the district, and building or zoning regulations or provisions shall be deemed Permitted Exceptions.

ARTICLE 5.

CONTINGENCIES

5.1. DUE DILIGENCE AND FEASIBILITY. Buyer shall satisfy itself by investigation and inspection, at its cost and expense in its sole and absolute discretion, that condition of the Property for Buyer's contemplated use meets with its approval. If Buyer approves of the condition of the Property, Buyer agrees to notify Seller, in writing, thereby removing the contingency. Buyer shall make such determination within twenty-one (21) days following the date of mutual execution of this Agreement ("Due Diligence Period"). In the event this contingency is not satisfied or waived within the Due Diligence Period, Buyer may terminate this Agreement upon written notice to Seller on or before the expiration of the Due Diligence Period, and neither party shall have any further rights or obligations to the other hereunder

5.1.1. INSPECTIONS. During the Due Diligence Period, Buyer, its designated representatives or agents shall have the right at Buyer's expense to (i) obtain a Phase I or Phase II Environmental Assessment on the Property and perform any and all tests, inspections and studies deemed necessary therewith; and (ii) examine all due diligence materials that Buyer may request from Seller.

5.1.2 RIGHT OF ENTRY. Buyer and Buyer's designated representatives or agents shall have the right and Seller hereby grants to Buyer and Buyer's designated representatives the right to enter the Property and conduct the tests, investigations and studies set forth in this Article 5 upon three (3) days advance written notice; provided that such right of entry will be limited to those times and dates that will not disrupt Seller's operations and activities on the Property. Invasive tests of the Property, such as drilling or excavation shall be subject to Seller's prior written approval.

5.2. LICENSES. Within the Due Diligence Period, Buyer shall grant Seller authorization to conduct the activities on the Property listed below subject to the conditions contained herein. If Buyer and Seller fail to enter into the necessary agreements within the Due Diligence Period, this Agreement shall become null and void unless the parties agree in writing to an extension of the contingency period.

5.2.1. Bus Loop, Layover and Comfort Station Requirements. In order for Seller to continue to provide transit service to the Northshore area, it is necessary for Seller to maintain a bus loop and layover area for buses at or next to the Property. At bus layover areas, it is necessary for bus operators to have access to comfort stations (restrooms), located nearby.

5.2.1.1. Buyer agrees to allow Seller to continue to use the existing bus stop, bus loop, layover area and comfort station on the Property from the Closing Date until Buyer gives Seller written Notice to Vacate. Seller shall cease operation of the area within 180 days of

receiving the Notice to Vacate. The existing bus loop, layover area and comfort station are identified in **EXHIBIT D** (Northshore P&R Layover), which is attached hereto and made a part hereof.

5.2.1.2. Seller agrees to pay **Buyer** \$50 per month, paid quarterly, to cover the costs of utilities associated with **Seller's** use of the existing comfort station until **Seller** ceases transit operations on the Property. Payment will be pro rated for months in which **Seller's** use is less than a full month. **Buyer** acknowledges and agrees that **Seller** needs continued use of the bus loop for access to the bus stop, bus layover and comfort station.

5.2.1.3. Seller agrees to maintain the existing bus loop, layover area and comfort station until **Seller** ceases transit operations on the Property. **Buyer** acknowledges and agrees that the layover area and comfort station will be maintained for the exclusive use of **Seller's** transit operators. **Buyer** acknowledges and agrees that **Seller** and transit customers may need to enter the bus loop area for boarding and deboarding buses on the Property.

5.2.1.4. Buyer and **Seller** agree to immediately begin working to identify future bus layover areas on or near the Property with necessary bus access and to continue to work in a collaborative partnership. The intent of the parties is for the **Seller** to secure a mutually agreeable bus layover location to replace the exiting layover area once the **Seller** ceases transit operations on the Property.

5.2.2. PARK-AND-RIDE. Until the Kenmore Park-and-Ride Expansion project is complete, the **Seller** desires to use the Property for park-and-ride purposes subject to the following conditions.

5.2.2.1. Buyer agrees to allow **Seller** and King County Metro Transit customers to continue to use the Property for park-and-ride purposes until November 30, 2004, or the **Seller's** Kenmore Park-and-Ride Expansion project is completed and occupancy permitted, whichever is later. At such time as the project is completed and occupancy permitted, King County Metro Transit customers will be directed to the expanded Kenmore Park-and-Ride lot and use of the Property for park-and-ride purposes will terminate. After said use, **Seller** may remove the bus shelter and related passenger facilities from the site.

5.2.2.2. Seller agrees to pay **Buyer** for interim parking at 100 spaces at \$4

per month per space for each month beyond the Closing date of this agreement until the new lot is permitted. Payment will be pro rated for months in which Seller's use is less than a full month.

ARTICLE 6.
COVENANTS OF SELLER PENDING CLOSING

6.1 **CONDUCT, NOTICE OF CHANGE.** Seller covenants that between the date hereof and the Closing Date, Seller shall take all such actions as may be necessary to assure that the representations and warranties set forth in Article 3 hereof will be true and complete as of the Closing Date (except such representations, warranties and matters which relate solely to an earlier date), and all covenants of Seller set forth in this Agreement which are required to be performed by it at or prior to the Closing Date shall have been performed at or prior to the Closing Date as provided for in this Agreement. Seller shall give Buyer prompt written notice of any material change in any of the information contained in the representations and warranties made in Article 3 or elsewhere in this Agreement which occurs prior to the Closing Date.

ARTICLE 7.
COVENANTS OF BUYER PENDING CLOSING

7.1 **CONDUCT, NOTICE OF CHANGE.** Buyer covenants that between the date hereof and the Closing Date, Buyer shall take all such actions as may be necessary to assure that the representations and warranties set forth in Article 3 hereof will be true and complete as of the Closing Date (except such representations, warranties and matters which relate solely to an earlier date), and that all covenants of Buyer set forth in this Agreement which are required to be performed by it at or prior to the Closing Date shall have been performed at or prior to the Closing Date as provided for in this Agreement. Buyer shall give Seller prompt written notice of any material change in any of the information contained in the representations and warranties made in Article 3 or elsewhere in this Agreement which occurs prior to the Closing Date.

ARTICLE 8.
CONDITIONS PRECEDENT TO BUYER'S OBLIGATIONS

All obligations of Buyer hereunder are subject to the fulfillment of each of the following conditions at or prior to the Closing Date, and Seller shall exert its best efforts to cause each such condition to be fulfilled:

8.1. **DELIVERY OF DOCUMENTS.** Seller shall have delivered to Buyer at or prior to Closing all documents required by the terms of this Agreement to be delivered to Buyer.

8.2. **REPRESENTATIONS, WARRANTIES AND COVENANTS.** All representations, warranties and covenants of Seller contained herein or in any document delivered pursuant hereto shall be true and correct in all material respects when made and as of the Closing Date.

8.3. **OBLIGATIONS.** All obligations required by the terms of this Agreement to be performed by Seller at or before the Closing Date shall have been properly performed in all material respects.

8.4. **TITLE.** Any and all matters shown or referred to in the Title Commitment to which Buyer has objected within the time specified in Section 4.1, shall have been cured by Seller, unless such objections have been waived by Buyer.

8.5. **APPROVAL OF COUNSEL.** Seller's counsel shall have approved this document as to form as evidenced by such counsel's signature on this Agreement.

8.6. **CONDEMNATION.** No portion of the Purchased Assets shall have been taken or damaged by any public or quasi-public body, and Seller shall not have transferred any portion of the Purchased Assets to any such body in lieu of condemnation.

ARTICLE 9. CONDITIONS PRECEDENT TO SELLER'S OBLIGATIONS

All obligations of Seller to close on the Closing Date are subject to the fulfillment of each of the following conditions at or prior to the Closing Date, and Buyer shall exert its best efforts to cause each such condition to be so fulfilled:

9.1. **REPRESENTATIONS, WARRANTIES AND COVENANTS.** All representations, warranties and covenants of Buyer contained herein or in any document delivered pursuant hereto shall be true and correct in all material respects when made and as of the Closing Date.

9.2. **OBLIGATIONS.** All obligations required by the terms of this Agreement to be performed by Buyer at or before the Closing Date shall have been properly performed in all material respects.

9.3. **APPROVAL OF COUNSEL.** Buyer's counsel shall have approved this document as to form as evidenced by such counsel's signature on this Agreement.

9.4. **DELIVERY OF DOCUMENTS.** Buyer shall have delivered to Seller at or prior to Closing Date all documents required by the terms of this Agreement to be delivered to Seller.

9.5. **TITLE.** Buyer shall have caused the Title Company to be irrevocably committed to issue an owner's policy of title insurance for the full amount of the Purchase Price, effective as of the Closing Date, containing no exceptions other than the Permitted Exceptions.

ARTICLE 10. CLOSING

10.1. CLOSING/CLOSING DATE. The Closing shall take place on or before October 1, 2004 unless extended pursuant to a written agreement executed by Buyer and Seller. Upon execution of this Agreement, the parties agree to set up an escrow account with Pacific Northwest Title Company of Washington, Inc. (the "Escrow Agent"). The Escrow Agent shall serve as Closing Agent for the transaction contemplated herein and the Closing shall occur in the offices of Escrow Agent in Seattle, Washington. The title, right of possession and interest to the Purchased Assets shall pass to Buyer upon the Closing Date and thereafter the risk of loss thereof shall be the responsibility of Buyer.

10.2. EARNEST MONEY. Buyer shall submit **TEN THOUSAND DOLLARS AND NO CENTS (\$10,000)** in Earnest Money to Seller at the time this Agreement is executed, which shall be placed in an interest bearing escrow account by the Escrow Agent with interest to accrue to the benefit of the Buyer. The earnest money will be credited against the Purchase Price.

10.3. PRORATIONS. All prorations, unless otherwise specifically provided for herein, shall be made as of the Closing Date.

10.3.1. Closing Costs. Seller shall pay the cost of one-half (½) of the escrow fee charged by the Escrow Agent, any real estate excise or other transfer tax due, and its own attorneys' fees. Buyer shall pay one-half (½) of the escrow fee charged by the Escrow Agent, the cost of the preliminary and binding title commitments from the Title Company, the recording fees for the deed and its own attorneys' fees. Except as otherwise provided in Section 10.2 of this Agreement, all other expenses hereunder shall be paid by the party incurring such expenses.

10.3.2. Taxes. Seller is exempt by law from the payment of real property ad valorem taxes, LIDs and assessments ("Taxes") on the Property.

10.4. MONETARY LIENS. Except as otherwise expressly provided to the contrary in this Agreement, Seller shall pay or cause to be satisfied at or before the Closing Date all monetary liens on or with respect to all or any portion of the Property. If Seller fails to satisfy said liens, the Purchase Price shall be reduced by the amounts due to satisfy and discharge the liens.

10.5. SELLER'S DELIVERY OF DOCUMENTS AT CLOSING. At the Closing, Seller will deliver to Buyer the following properly executed documents:

(a) Seller's Certificate of Non-Foreign Status substantially in the form of **EXHIBIT B**, attached hereto;

(b) A Statutory Warranty Deed conveying the Property in the form of **EXHIBIT C** attached hereto;

(c) A Bill of Sale and Assignment duly executed by the Seller in the form of **EXHIBIT E**, attached hereto for the Personal Property, if any

10.6. BUYER'S DELIVERY OF DOCUMENTS AND PURCHASE PRICE AT CLOSING. At the Closing, Buyer will deliver to Seller the following properly executed documents:

- (a) Cash or immediately available funds in the amount of the Purchase Price.

ARTICLE 11. TERMINATION

11.1. TERMINATION BY EITHER PARTY. Either party may terminate this Agreement if a condition to its obligation to consummate the transactions contemplated by this Agreement as set forth in Articles 8 and 9 has not been satisfied by the Closing Date. In that event, if neither party is in default under this Agreement, the parties shall have no further obligations or liabilities to one another and all documents delivered into escrow shall be returned to the appropriate party.

ARTICLE 12. MISCELLANEOUS PROVISIONS

12.1. NATURE AND SURVIVAL OF REPRESENTATIONS AND WARRANTIES. Each statement, representation, warranty, indemnity, covenant, and agreement made by Seller and Buyer in this Agreement or in any document, certificate or other instrument delivered by or on behalf of Seller or Buyer pursuant to this Agreement or in connection herewith shall be deemed the representation, warranty, indemnity, covenant and agreement of Seller and Buyer and shall survive the Closing Date unless a different time period is expressly provided for in this Agreement and all such statements are made only to and for the benefit of the parties hereto, and shall not create any rights in other persons.

12.2. DEFAULT AND ATTORNEYS' FEES. In the event of default by either party to this Agreement, the non-defaulting party shall have the right to bring an action for specific performance, damages and any other remedies available to such party at law or in equity. In the event of any litigation hereunder, the Superior Court of King County, Washington shall have the exclusive jurisdiction and venue.

12.3. TIME IS OF THE ESSENCE. Time is of the essence in the performance of this Agreement.

12.4. NOTICES. Any and all notices or other communications required or permitted to be given under any of the provisions of this Agreement shall be in writing and shall be deemed to have been duly given upon receipt when personally delivered or sent by overnight courier or two (2) days after deposit in the United States mail if by first class, certified or registered mail, return receipt requested. All notices shall be addressed to the parties at the addresses set forth below or at such other addresses as any parties may specify by notice to all other parties and given as provided herein:

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If to Buyer: City of Kenmore
Attn:

Kenmore, WA

With a copy to:

If to Seller: King County Metro Transit Division
Attn: Nancy Gordon
201 South Jackson Street
KSC-TR-0431
Seattle, WA 98104-3856

With a copy to: King County Prosecuting Attorney
Attn: Robert I. Stier
900 King County Administration Building
500 Fourth Avenue
Seattle, WA 98104

12.5 ENTIRE AGREEMENT AND AMENDMENT. This writing (including the exhibits attached hereto) constitutes the entire agreement of the parties with respect to the subject matter hereof and may not be modified or amended except by a written agreement specifically referring to this Agreement and signed by all parties hereto.

12.6 SEVERABILITY. In the event any portion of this Agreement shall be found to be invalid by any court of competent jurisdiction, such holding shall not impact or affect the remaining provisions of this Agreement unless that court of competent jurisdiction rules that the principal purpose and intent of this contract should and/or must be defeated, invalidated or voided.

12.7 WAIVER. No waiver of any breach or default hereunder shall be considered valid unless in writing and signed by the party giving such waiver, and no such waiver shall be deemed a waiver of any prior or subsequent breach or default.

12.8 BINDING EFFECT. Subject to Section 12.12 in this Agreement shall be binding upon and inure to the benefit of each party hereto, its successors and assigns.

12.9 LEGAL RELATIONSHIP. The parties to this Agreement execute and implement this Agreement solely as **Seller and Buyer**. No partnership, joint venture or joint undertaking shall be construed from this Agreement.

12.10 CAPTIONS. The captions of any articles, paragraphs or sections contained herein are for purposes of convenience only and are not intended to define or limit the contents of said articles, paragraphs or sections.

12.11 COOPERATION. Prior to and after the Closing Date the parties shall cooperate, shall take such further action and shall execute and deliver further documents as may be reasonably requested by the other party in order to carry out the provisions and purposes of this Agreement.

12.12 GOVERNING LAW. This Agreement and all amendments thereof shall be governed by and construed in accordance with the laws of the State of Washington applicable to contracts made and to be performed therein, without giving effect to its conflicts of law provisions.

12.13 NON-MERGER. The terms and provisions of this Agreement will not merge in, but will survive, the Closing of the transaction contemplated under this Agreement.

12.14 ASSIGNMENT. Buyer shall not assign this Agreement or any rights hereunder without Seller's prior written consent, which shall not be unreasonably withheld.

12.15 NEGOTIATION AND CONSTRUCTION. This Agreement and each of its terms and provisions are deemed to have been explicitly negotiated between the parties, and the language in all parts of this Agreement will, in all cases, be construed according to its fair meaning and not strictly for or against either party. All parties acknowledge and represent, as an express term of this Agreement, that they have had the opportunity to obtain and utilize legal review of the terms and conditions outlined in this Agreement, although each party must determine if they wish to obtain and pay for such legal review. Each party shall be and is separately responsible for payment of any legal services rendered on their behalf regarding legal review of the terms found in this Agreement.

12.16 EXHIBITS. The following Exhibits described herein and attached hereto are fully incorporated into this Agreement by this reference:

EXHIBIT A	Legal Description of Property
EXHIBIT B	Certificate of Non-Foreign Status
EXHIBIT C	Statutory Warranty Deed
EXHIBIT D	Northshore Bus Loop and Layover Requirements
EXHIBIT E	Bill of Sale and Assignment

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EXECUTED as of the date and year first above written:

SELLER:

Name: _____
Title: _____

APPROVED AS TO FORM:

By _____
Deputy Prosecuting Attorney

BUYER:

Name: _____
Its: _____

APPROVED AS TO FORM:

By _____

Buyer's Legal Counsel

15027

[Acknowledgements Follow]

STATE OF WASHINGTON

COUNTY OF KING

}

ss.

On this day personally appeared before me _____, to me known to be the _____ of KING COUNTY, the municipal corporation and political subdivision of the State of Washington that executed the foregoing instrument, and acknowledged such instrument to be the free and voluntary act and deed of such municipal corporation and political subdivision, for the uses and purposes therein mentioned, and on oath stated that he was duly authorized to execute such instrument.

GIVEN UNDER MY HAND AND OFFICIAL SEAL this _____ day of _____, 2002.

Printed Name _____
NOTARY PUBLIC in and for the State of Washington,
residing at _____
My Commission Expires _____

15027

STATE OF WASHINGTON

COUNTY OF KING

} ss.

On this day personally appeared before me _____, the _____ of _____, known to me to be the Buyer that executed the foregoing instrument, and acknowledged such instrument to be [his/her] free and voluntary act and deed for the uses and purposes therein mentioned, and on oath stated that [he/she] was duly authorized to execute such instrument.

GIVEN UNDER MY HAND AND OFFICIAL SEAL this _____ day of _____, 2002.

Printed Name _____
NOTARY PUBLIC in and for the State of Washington,
residing at _____
My Commission Expires _____

[End of Acknowledgements]

EXHIBIT A

Property Legal Description

That portion of the east 720 feet of Government Lot 1, Section 11, Township 26 North, Range 4 East, W.M., in King County, Washington, lying north of the Plat of Northlake Terrace Addition, according to the plat thereof recorded in Volume 33 of Plats, page 20, in King County, Washington and lying south of the following described line:

Beginning at a point that is 300.00 feet south of the northeast corner of said Government Lot 1 as measured along the east line thereof; thence north 87°44'38" west parallel with the north line of said Government Lot 1, a distance of 190.34 feet to a point designated Point "A" (for reference purposes); thence continue north 87°44'38" west along said line, a distance of 529.67 feet to the east line of said east 720 feet of Government Lot 1 and the terminus of said line; EXCEPT the east 30 feet thereof conveyed to King County for road by deed recorded under Recording Number 2963377;

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TOGETHER WITH an easement for ingress and egress over the following described tract of land:

Beginning at a point that is 300.00 feet south the northeast corner of Government Lot 1, Section 11, Township 26 North, Range 4 East, W.M., in King County, Washington, as measured along the east line thereof;

thence north $87^{\circ}44'38''$ west parallel with the north line of said Government Lot 1, a distance of 190.34 feet to a point designated Point "A" and the TRUE POINT OF BEGINNING of this tract;

thence north $87^{\circ}44'38''$ west parallel with the north line of said Government Lot 1, a distance of 446.01 feet to a point on a curve, from which the radial point of said curve bears north $84^{\circ}37'32''$ west, a distance of 488 feet;

thence along said curve to the left, with a central angle of $07^{\circ}36'03''$, an arc distance of 64.74 feet;

thence north $02^{\circ}13'36''$ west, a distance of 93.92 feet;

thence on a 512-foot radius tangent curve to the right with a central angle of $04^{\circ}45'55''$, an arc distance of 42.58 feet;

thence north $02^{\circ}32'19''$ east, a distance of 89.14 feet, to the south right-of-way line of N.E. 185th Street as recorded under Recording Number 4791700, said point is 10.00 feet south of, when measured at right angles from, said north line of Government Lot 1;

(Legal Description continued)

Legal Description, continued:

thence south $02^{\circ}32'19''$ west, a distance of 89.26 feet;

thence on a 488-foot radius tangent curve to the left, with a central angle of $04^{\circ}45'55''$, an arc distance of 40.59 feet;

thence south $02^{\circ}13'36''$ east, a distance of 93.92 feet;

thence on a 512-foot radius tangent curve to the right, with a central angle of $03^{\circ}22'02''$, an arc distance of 30.09 feet to a point of reverse curvature;

thence on a 25-foot radius curve to the left, with a central angle of $88^{\circ}53'04''$, an arc distance of 38.78 feet;

thence south $87^{\circ}44'38''$ east parallel with said north line, a distance of 287.18 feet;

thence on a 502.90-foot radius tangent curve to the right, with a central angle of $12^{\circ}32'32''$, an arc distance of 110.09 feet to Point "A" and the TRUE POINT OF BEGINNING of this description.

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EXHIBIT B

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Certificate of Non-Foreign Status.

Section 1445 of the Internal Revenue Code provides that a transferee of a United States real property interest must withhold tax if the transferor is a foreign person. To inform the transferee that withholding of tax is not required upon the disposition of a United States real property interest by **KING COUNTY** ("Transferor"), the undersigned hereby certifies the following on behalf of Transferor:

1. Transferor is not a foreign corporation, foreign partnership, foreign trust, or foreign estate (as those terms are defined in the Internal Revenue Code and Income Tax Regulations); and
2. Transferor's United States employer identification number is 91-6001327; and
3. Transferor's office address is King County Facilities Management Division, Asset Development and Management Section, Room 500 King County Administration Building, 500 Fourth Avenue, Seattle, WA 98104

Transferor understands that this certification may be disclosed to the Internal Revenue Service by the transferee and that any false statement contained herein could be punished by fine, imprisonment, or both.

Under penalties of perjury I declare that I have examined this certification and to the best of my knowledge and belief it is true, correct and complete, and I further declare that I have authority to sign this document on behalf of Transferor.

DATED this _____ day of _____, 2004.

TRANSFEROR:

KING COUNTY

By _____

Title _____

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EXHIBIT C

Filed For Record At Request Of

AFTER RECORDING RETURN TO:
King County
Asset Management Section
ADM-ES-0500
Room 500 King County Admin. Bldg.
500 Fourth Avenue
Seattle, WA 98104

STATUTORY WARRANTY DEED

Grantor -- KING COUNTY, WASHINGTON
Grantee --
Legal ----
Tax Acct. --

The Grantor, KING COUNTY, a political subdivision of the State of Washington, for and in consideration of _____, the receipt of which is hereby acknowledged, pursuant to King County Ordinance No. _____, does hereby convey and warrant unto _____ the following described real property, situate in King County, Washington:

(Legal Description)

Dated this _____ day of _____, 20_____.

KING COUNTY, WASHINGTON

BY _____

TITLE _____

EXHIBIT C
Parcel map

15027



King County

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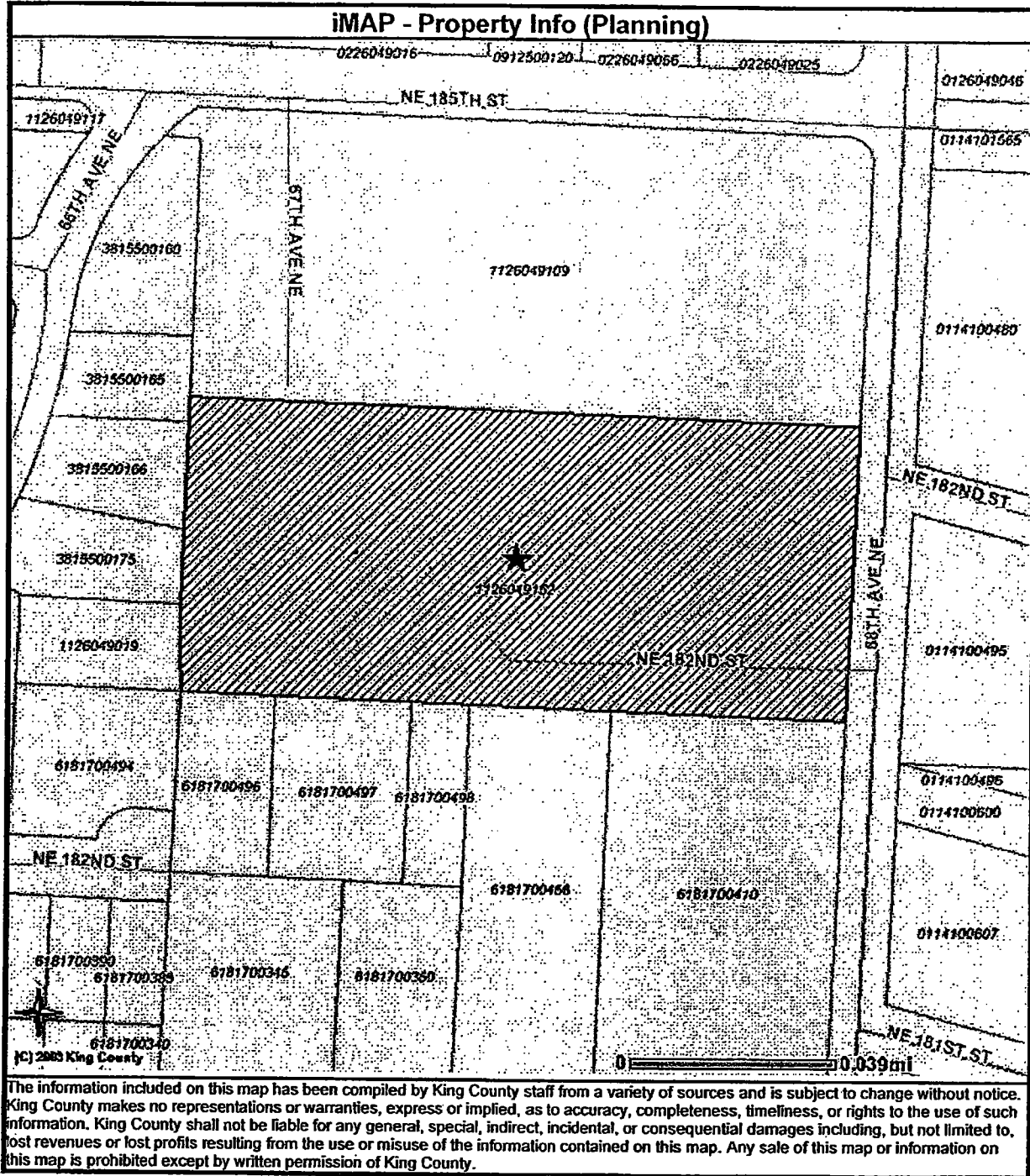


EXHIBIT C
Parcel map

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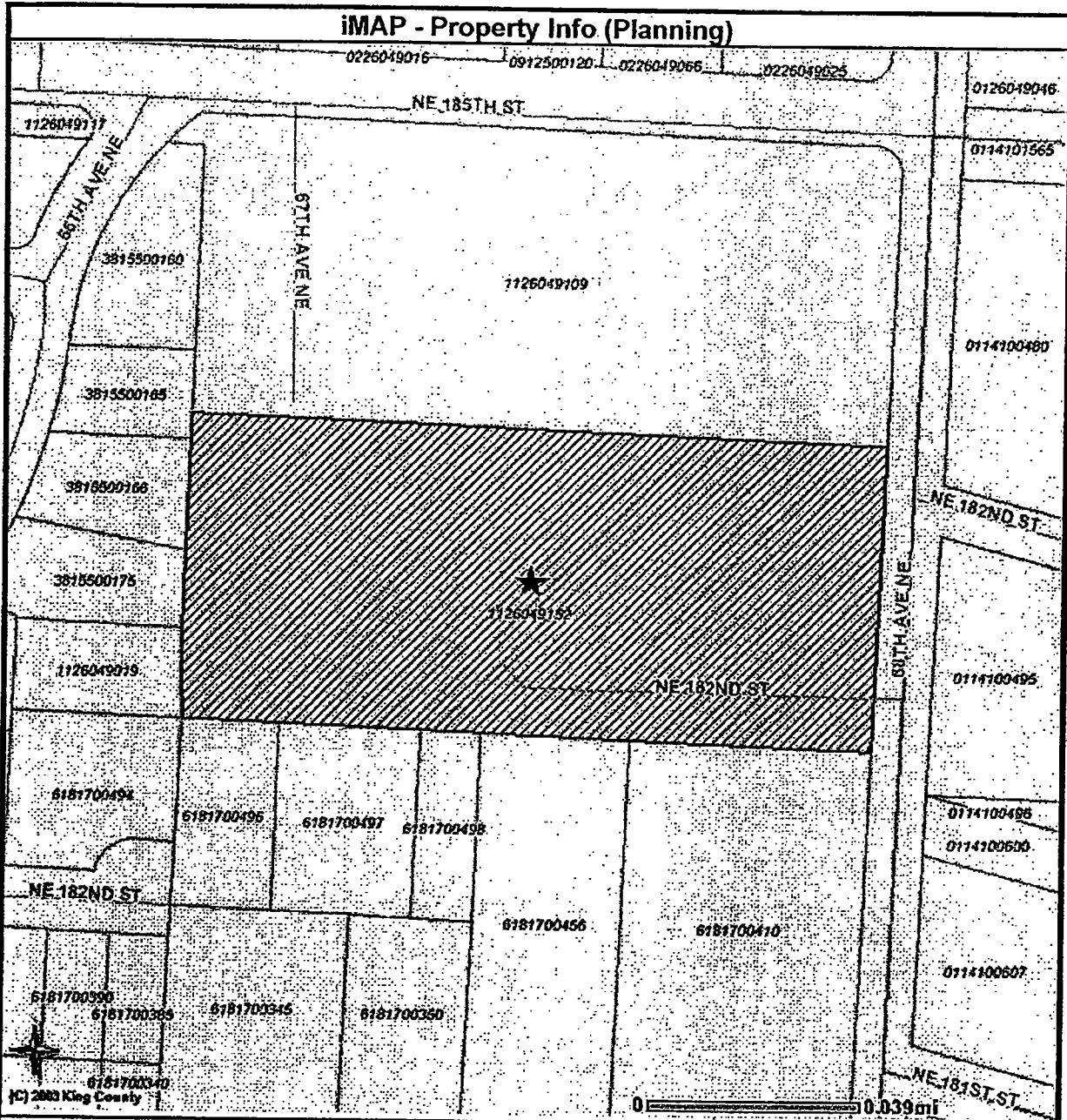


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EXHIBIT C
Parcel map

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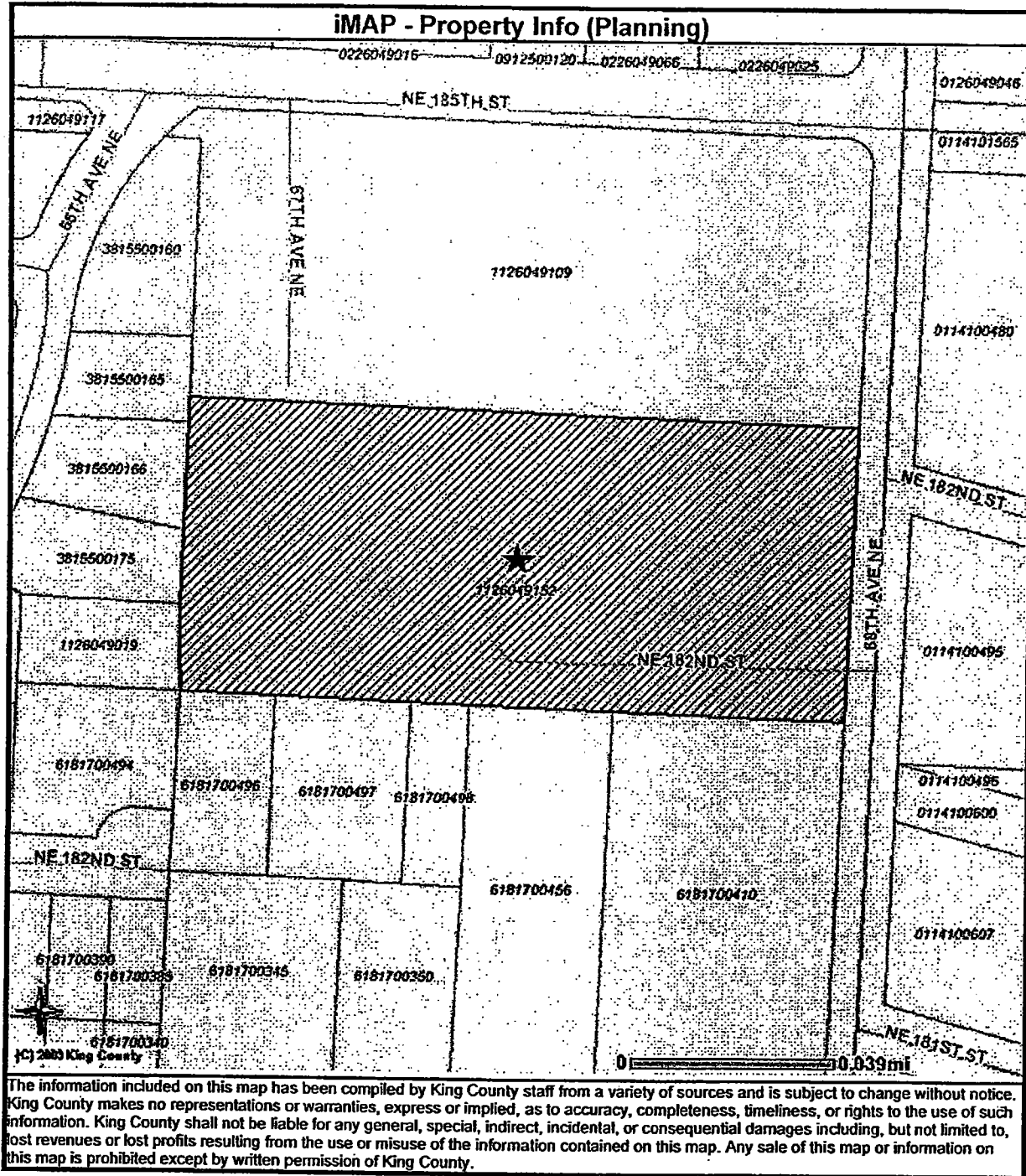


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EXHIBIT C
Parcel map

15027

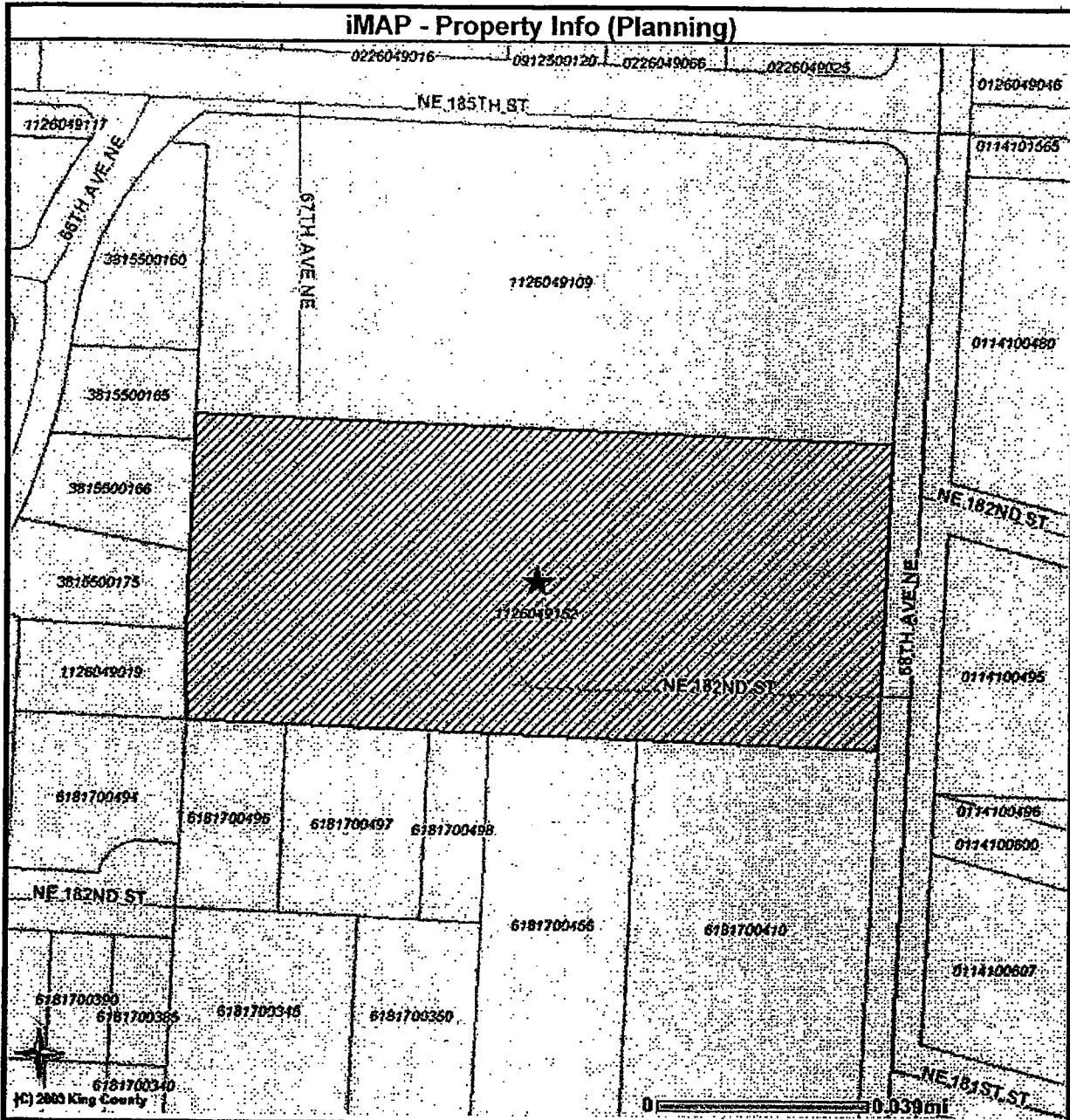


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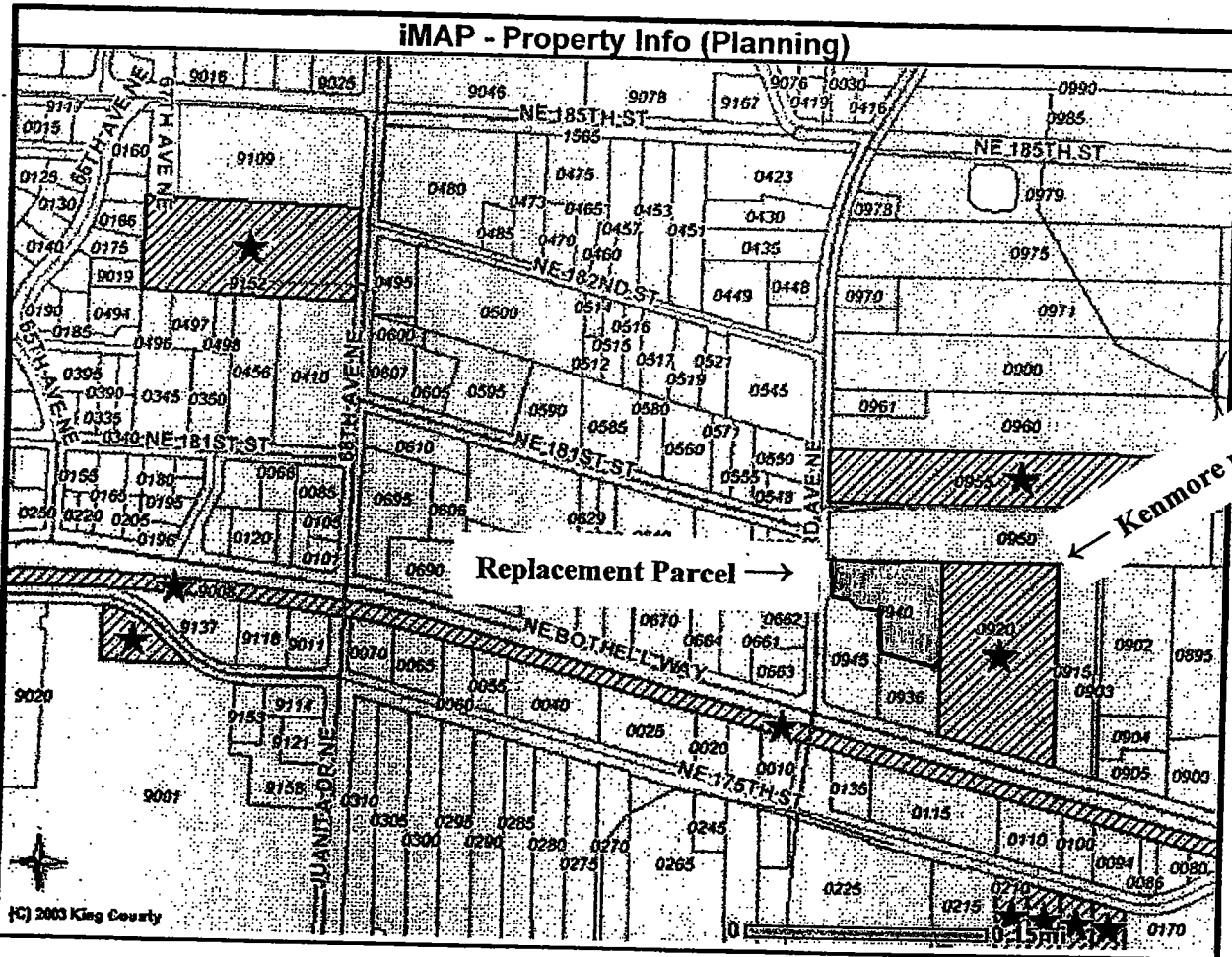
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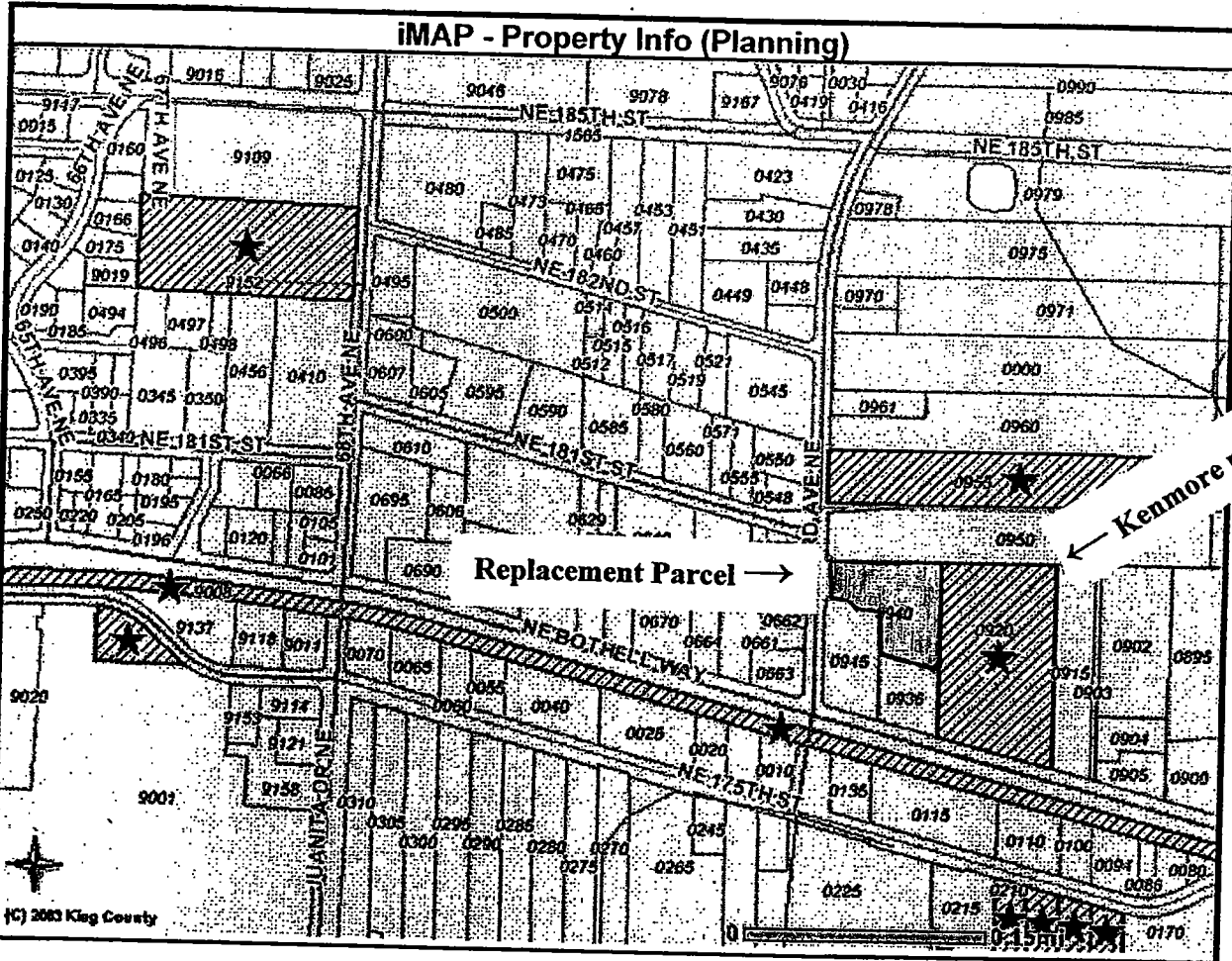


Kenmore park and ride

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Legend			
	County Boundary		
	Streets		
	Highway		
	Artside		
	Local		
	Forest Production District Boundary		
	Agricultural Production District Boundary		
	Urban Growth Area Line		
	Lakes and Large Rivers		
	Streams		
	Muckleshoot Tribe		
	King County owned properties		
	Parcels		
	Zoning Labels		
	A-10 - Agricultural, one DU per 10 acres		NB - Neighborhood Business
	A-35 - Agricultural, one DU per 35 acres		CB - Community Business
	F - Forest		RB - Regional Business
	M - Mineral		O - Office
	RA-2.5 - Rural Area, one DU per 6 acres		I - Industrial
	RA-5 - Rural Area, one DU per 6 acres		Other
	RA-10 - Rural Area, one DU per 10 acres		Incorporated Area
	UR - Urban Reserve, one DU per 5 acres		
	R-1 - Residential, one DU per acre		
	R-4 - Residential, 4 DU per acre		
	R-6 - Residential, 6 DU per acre		
	R-8 - Residential, 8 DU per acre		
	R-12 - Residential, 12 DU per acre		
	R-18 - Residential, 18 DU per acre		
	R-24 - Residential, 24 DU per acre		
	R-48 - Residential, 48 DU per acre		

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Legend	
	County Boundary
	Streets
	Highway
	Arterials
	Local
	Forest Production District Boundary
	Agricultural Production District Boundary
	Urban Growth Area Line
	Lakes and Large Rivers
	Streams
	Muckleshoot Tribe
	King County owned properties
	Parcels
	Zoning Labels
	A-10 - Agricultural, one DU per 10 acres
	A-35 - Agricultural, one DU per 35 acres
	F - Forest
	M - Mineral
	RA-2.5 - Rural Area, one DU per 2.5 acres
	RA-5 - Rural Area, one DU per 5 acres
	RA-10 - Rural Area, one DU per 10 acres
	UR - Urban Reserve, one DU per 5 acres
	R-1 - Residential, one DU per acre
	R-4 - Residential, 4 DU per acre
	R-6 - Residential, 6 DU per acre
	R-8 - Residential, 8 DU per acre
	R-12 - Residential, 12 DU per acre
	R-18 - Residential, 18 DU per acre
	R-24 - Residential, 24 DU per acre
	R-48 - Residential, 48 DU per acre (cont.)
	NB - Neighborhood Business
	CB - Community Business
	RB - Regional Business
	O - Office
	I - Industrial
	Other
	Incorporated Area

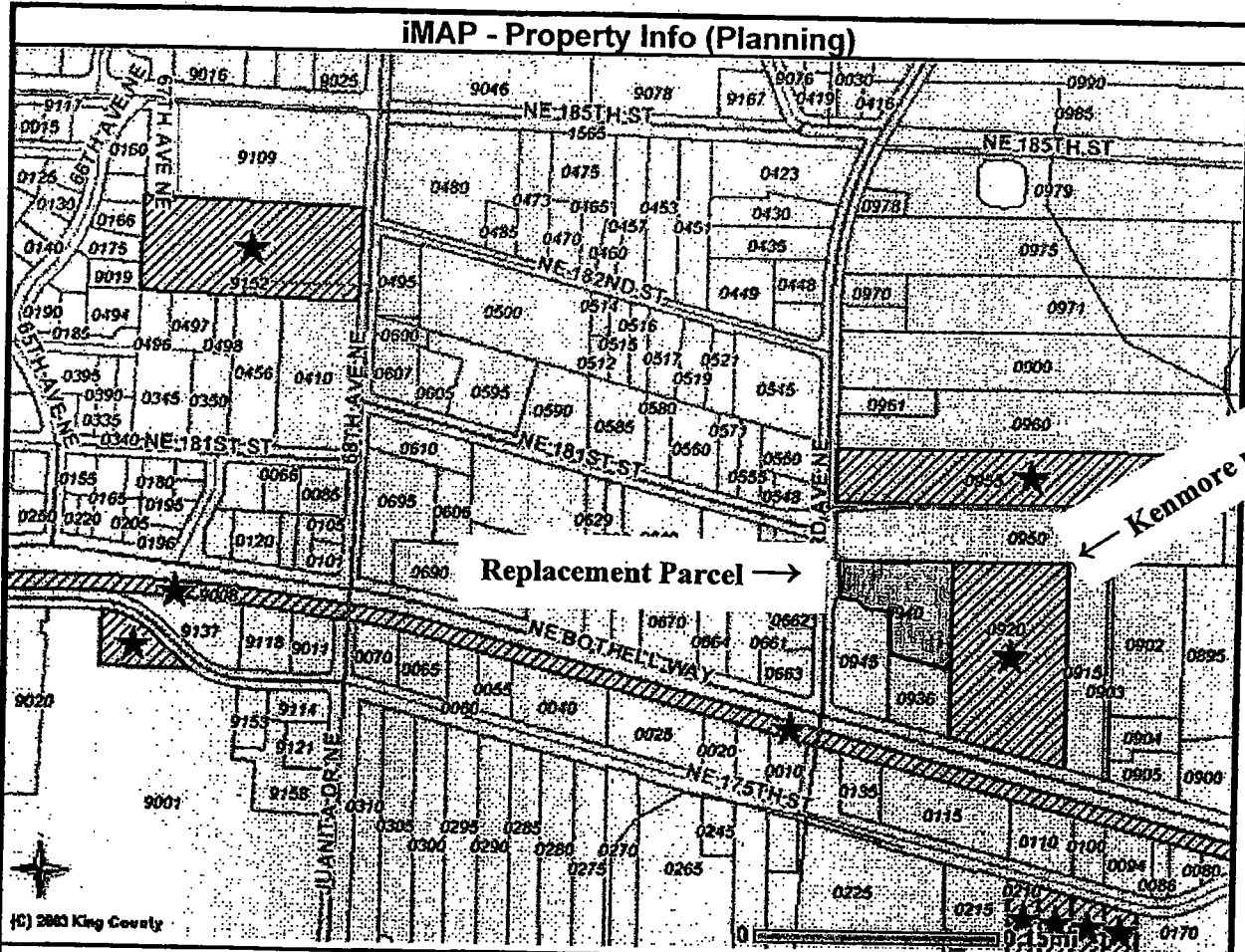
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King County Home

Comments Search

iMAP - Property Info (Planning)



(C) 2003 King County

Legend			
	County Boundary		
	Streets		
	Highway		
	Arterials		
	Local		
	Forest Production District Boundary		
	Agricultural Production District Boundary		
	Urban Growth Area Line		
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	R-6 - Residential, 6 DU per acre		
	R-8 - Residential, 8 DU per acre		
	R-12 - Residential, 12 DU per acre		
	R-18 - Residential, 18 DU per acre		
	R-24 - Residential, 24 DU per acre		
	R-48 - Residential, 48 DU per acre		

The information included on this map has been compiled by King County staff from a variety of sources and is subject to change without notice. King County makes no representations or warranties, express or implied, as to accuracy, completeness, timeliness, or rights to the use of such

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EXHIBIT E

BILL OF SALE AND ASSIGNMENT

THIS BILL OF SALE is made as of this _____ day of _____, 200__, by KING COUNTY ("Seller"), in favor of _____, a political subdivision of the State of Washington ("Buyer"), with reference to the following facts.

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, Seller does hereby absolutely and unconditionally give, grant, bargain, sell, transfer, set over, assign, convey, release, confirm and deliver to Buyer all of Seller's right, title and interest in and to any and all equipment, furniture, furnishings, fixtures and other tangible personal property owned by Seller that is attached, appurtenant to or used in connection with the real property legally described on the attached EXHIBIT A.

Seller represents and warrants that it is the sole owner of, and has good title to, such personal property, and has full right and authority to transfer and deliver the same, and will defend the sale hereby against each and every person claiming otherwise.

IN WITNESS WHEREOF, Seller has executed this Bill of Sale as of the date first above written.

SELLER:

By: _____

Its: _____

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Attachment C

GROUND LEASE

2004-370

This Ground Lease ("Lease") is made as of the 23 day of December, 2002, by and between Society of St. Vincent de Paul, Council of the Seattle Area, as "Landlord" and KING COUNTY, a political subdivision of the State of Washington, as "Tenant" with reference to the following facts:

RECITALS

A. Landlord is the owner of approximately 145,470 square feet of land (the "Real Property") located at 7304 Bothell Way NE, in Kenmore, Washington and more particularly described in Exhibit A attached hereto and by this reference incorporated herein.

B. Tenant wishes to lease a portion of the Real Property for use as a park-and-ride facility and transit center. Landlord has agreed to enter into this Lease with Tenant on the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the foregoing recitals and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Landlord and Tenant hereby agree as follows:

1. Incorporation of Recitals; Basic Lease Terms. Each recital set forth above is incorporated into this Agreement as though fully set forth herein. This Section contains the Basic Lease Terms of this Lease between Landlord and Tenant named above.

a. Premises: (Section 2)

A portion of the Real Property located at 7304 Bothell Way NE, in Kenmore, Washington

b. Term: (Section 2.4)

Approximately fifty (50) years

c. Option to Extend: (Section 2.5)

Two options to extend for ten (10) years each

d. Rent: (Section 3)

The rent payable by Tenant under this Lease.

TABLE OF CONTENTS

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2. Premises 2

3. Rent 4

4. Taxes and Assessments 5

5. Compliance with Legal Requirements and Agreements 6

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10. Liens 7

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12. Insurance..... 8

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21. Broker 13

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Exhibit B - Map of Premises 1

Exhibit C - Confirmation of Lease Commencement and Expiration Dates 2

Exhibit D - Memorandum of Lease 1

e. Notice Addresses:

Landlord: Society of St. Vincent de Paul, Council of the
Seattle Area
Executive Director
5950 4th Avenue South Seattle, WA 98108
Facsimile: 206-767-6439

With a copy to:

Tenant: King County
Department of Transportation
201 S. Jackson St.
M.S. KSC-TR-0817
Seattle, WA 98104
Attention: Edward Walker
Facsimile: 206-684-1968

With a copy to:

2. Premises.

2.1 Lease to Tenant. In consideration of the Rent to be paid and the covenants and agreements hereinafter provided which Tenant hereby agrees to keep and perform, Landlord hereby leases to Tenant and Tenant hereby leases from Landlord the Premises. The Premises shall mean the real property outlined in red on the map attached hereto as Exhibit B, consisting of approximately eighty six thousand two hundred fourteen square feet (86,214).

2.2 Boundary Line Adjustment. Landlord acknowledges the Premises contains portions of more than one parcel of the Real Property. Landlord, at its sole expense and prior to the Commencement Date of this Lease, shall cause a Boundary Line Adjustment to be submitted to and approved by the City of Kenmore, which will establish the Premises as a separate legal lot.

2.3 Title to Real Property. Landlord warrants that it owns the Real Property and the Premises in fee simple and that it has full right to make and enter into this Lease and that

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Tenant shall have quiet and peaceable possession and enjoyment of the Premises during the term of this Lease and any extensions thereto.

2.4 Term. This Lease shall be for a term of fifty (50) years commencing April 1, 2003, if each of the following conditions is satisfied: (a) this Lease has been fully executed by Landlord and Tenant, (b) the Boundary line Adjustment to the Real Property, as approved by Tenant, has been completed and any other government agency approvals required to lease the Premises for use as a park-and-ride facility have been obtained, (c) this Lease has been approved by the King County Council, which approval shall occur no later than July 1, 2002 and (d) the premises have been cleared of all outbuildings and is available for Tenant's use. (the "Commencement Date") If all of the above conditions have not been satisfied by April 1, 2003, the Commencement Date shall be the first day of the first month following the date all conditions have been satisfied. The Lease shall expire on the Expiration Date, unless sooner terminated pursuant to this Lease. Landlord and Tenant shall confirm the Commencement and Expiration Dates of this Lease by executing a written Confirmation of Commencement and Expiration Dates in the form attached hereto as Exhibit C, which shall thereafter constitute and form a part of this lease.

2.5 Option to Extend. So long as Tenant is not in default under this Lease, and there is no event that with the giving of notice, the passage of time, or both, would constitute an event of default under this Lease, Tenant shall have the right to extend the Term of this Lease for two additional ten (10) year terms the "Extension Terms") on the same terms and conditions as set forth in this Lease. Tenant shall exercise its right to extend the Term of this Lease by giving written notice to Landlord of its intent to extend the Term of this Lease at least six (6) months prior to the Expiration Date of this Lease. Tenant shall also give Landlord at least six (6) months prior written notice if Tenant has elected not to extend the Term of this Lease for the Extension Term. Tenant shall have no other right to extend the Term of this Lease beyond the expiration of the Extension Term, unless the parties in their sole discretion agree otherwise in writing.

2.6 Right of First Offer. If at any time after the date of this Lease Agreement and prior to the expiration of the Lease Term and any Extensions, Landlord desires to sell the Premises, Landlord shall provide Tenant the right of first offer to purchase the Premises for a purchase price to be established pursuant to agreement of the parties as set forth herein or pursuant to the process described in Subsection 3.5 below. Before marketing or offering the Premises for sale, Landlord shall provide Tenant with notice of its intent to sell (the "Sale Notice"). The Sale Notice shall be in writing and shall specify the minimum terms and conditions under which Landlord would be willing to sell the Premises (the "Minimum Terms"). The Minimum Terms shall include the purchase price (which shall be based on an MIA appraisal of the Premises, the form of conveyance deed to be provided by Landlord, a general description of the representations and warranties to be provided by Landlord and a preliminary title commitment for the Premises. Tenant shall have thirty (30) days in which to decide whether to accept the purchase price described in the Sale Notice or to request arbitration as set forth in Subsection 3.5. Following completion of said arbitration, Tenant shall have sixty (60) days in

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which to exercise its right of first offer to purchase the Sale Property on the Minimum Terms or on such other terms as mutually agreed between Landlord and Tenant.

3. Rent. Tenant shall pay Landlord as and when provided herein, the Rent set forth in the remainder of this Section 3 without deduction, offset, prior notice or demand.

3.1 Base Rent. Tenant agrees to pay Landlord the sum of two hundred sixteen thousand dollars (\$216,000.00) as base rent for the first year of the Lease Term, payable in monthly installments of eighteen thousand dollars (\$18,000.00). The First installment of the Base Rent is due and payable in full on the Commencement Date of this Lease. Subsequent payments of installments will be due on the first day of each month thereafter, during the Term of this Lease.

3.2 Prepaid Rent. Notwithstanding that Tenant's duty to pay Rent shall not commence until the Commencement Date, Tenant shall make one payment of prepaid rent, in the amount of \$50,000.00, which shall be used by Landlord to pay for the cost of removal and disposition of all existing structures on the Premises. Said Prepaid Rent shall be paid by Tenant within fourteen (14) days of approval of this Lease by ordinance adopted by the King County Council or within three (3) days of the effective date of said ordinance, whichever occurs earlier.

3.3 Application of Prepaid Rent. The Prepaid Rent paid by Tenant shall constitute a credit to be applied to initial installments of the Base Rent until exhausted.

3.4 Adjustments to Base Rent. On each annual anniversary of the Commencement Date of this Lease (the "Adjustment Date") commencing on the first (1st) anniversary of the Commencement Date of this Lease, the Base Rent shall be increased from the Base Rent then in effect by two (2) percentage points.

3.5 Recalculation of Base Rent for Term Extensions. Upon receipt of Tenant's Notice of Intent to Extend the Lease as described above in Section 2.5, Landlord shall recalculate the Base Rent for the Extension Periods to reflect fair market rental value as of the Expiration Date of the Lease Term.

3.5.1 Fair Market Rental Value Defined. For all purposes required under this Lease, "Fair Market Rental Value" is defined as: An amount in the competitive market that a well-informed and willing lessor, who desires but is not required to lease, would accept, and which a well-informed and willing lessee, who desires but is not required to lease, would pay for the use of the premises, after due consideration of all the elements reasonably affecting value.

3.5.2 Arbitration. If Landlord and Tenant cannot agree upon the Base Rent recalculation, the Base Rent for the Extension Periods will be adjusted by arbitration. Landlord and Tenant will select one arbitrator each, and the two selected arbitrators will select a third. If the two arbitrators have not selected a third arbitrator within thirty (30) days after the selection of the last selection of the two, either Landlord

or Tenant may apply to the presiding Judge of the Superior Court in King County for the appointment of a third arbitrator. Each arbitrator will be a member of the American Institute of Real Estate Appraisers, or of the Society of Real Estate Appraisers, or of some equivalent body. If in the future, a licensing requirement for real estate appraisers is imposed by any legislative body, each arbitrator shall be licensed. The three arbitrators will determine the Fair Market Rental Value for the premises. The decision of a majority of the arbitrators will bind both Landlord and Tenant. As the conclusion of the arbitration, the arbitrators will submit written reports to Landlord and Tenant, which shall contain all pertinent evidence that led to their conclusion together with an explanation of their reasoning for such conclusion.

3.5.3 Cost Of Arbitration. The cost of the arbitration will be divided equally between Landlord and Tenant.

3.5.4 Rent Pending Recalculation. In the event resolution of the rental recalculation not completed prior to the commencement of the Extension Term being considered, Tenant shall, pending resolution of such rental recalculation, continue to pay Landlord the rental then in effect.

3.6 Adjustments to Extension Terms Base Rent. The Base Rent for the Extension Terms will be adjusted annually as described above in section 3.4.

3.7 Payments to Third Parties. Tenant shall pay all other sums required to be paid by Tenant to third parties under this Lease, when the same shall be due and payable and in all events prior to delinquency. Such payments shall include all costs, expenses, fees, services and charges of all kinds for heat, water, light, gas and telephone, and for all other utilities used on the Premises so that the same shall not become a lien against the leased premises or the Real Property.

4. Taxes and Assessments.

4.1 Payment by Landlord. Landlord shall pay all Taxes directly to the applicable governmental agency prior to delinquency and shall provide proof of such payment to Tenant promptly upon request.

4.2 Definition of Taxes. Taxes shall include all real and personal property taxes and assessments (including assessments for public improvements), license and permit fees, charges for public utilities, leasehold excise taxes, other excise taxes, levies, sales, use and occupancy taxes, business and occupation taxes, all gross receipts or similar taxes (i.e., taxes based upon gross income which fail to take into account deductions with respect to depreciation, interest, taxes or ordinary and necessary business expenses relating to the Premises), any tax or charge assessed against the Rent or fair market value of the Premises and any taxes levied or assessed in addition to or in lieu of, in whole or in part, such taxes, assessments or other charges (including any leasehold excise taxes which may from time to time be levied on the leasehold estate created by this Lease and all other governmental impositions and charges of every kind

and nature, general and special, ordinary and extraordinary, foreseen and unforeseen of every character (including interest and penalties thereon) which at any time during or in respect of the Term may be imposed, levied upon or assessed against or which arise with respect to or constitute a lien upon the Premises (or any part thereof), the leasehold estate created by this Lease or any part thereof, or any occupancy, use or possession of or activity conducted on the Premises or any part thereof. To the extent Taxes, assessments or other charges can be paid in installments, Landlord may pay such Taxes in installments.

5. Compliance with Legal Requirements and Agreements. Tenant shall at its sole cost and expense comply with and perform all obligations with respect to (a) all applicable local, state and federal laws, ordinances and regulations, and other governmental rules, orders and determinations now or hereafter in effect, whether or not presently contemplated, applicable to the Premises, or its ownership, operation, use or possession (collectively, "Legal Requirements"), including, (without limitation), all those relating to parking restrictions, building codes, zoning or other land use matters, the Fair Housing Act of 1968, as amended, The Americans With Disabilities Act of 1990, as amended, life safety requirements, environmental compliance with respect to the handling, treatment, storage, disposal, discharge, use and transportation of Hazardous Substances (defined below) and (b) all contracts (including insurance policies, to the extent necessary to prevent cancellation and to insure full payment of all claims made under such policies), covenants, conditions and restrictions and all other documents applicable to the Premises and its ownership, operation, use or possession (collectively, "Agreements"), which compliance includes the making of any and all required physical alterations or structural changes to the Premises.

6. Use.

6.1 Use of Premises for Transit Purposes. Tenant intends to use the premises as a park-and-ride facility. Nothing herein, however, shall be deemed to limit Tenant's use of the Premises for other purposes, so long as said use complies with applicable land use codes and regulations and Tenant has obtained all applicable permits; provided that Tenant must also obtain prior written consent of Pacific Northwest Bank (Bank) and U.S. Bank Trust National Association (Bond Trustee), lienholders in the Premises. Said lienholders' consent may be withheld only if, in the opinion of qualified bond counsel, the proposed use will render the interest on the bonds taxable, pursuant to the applicable provisions of the Internal Revenue Code.

6.2 Suitability. Tenant acknowledges that neither Landlord nor any agent or employee of Landlord has made any representation or warranty with respect to the Premises. Tenant further acknowledges that Landlord has not agreed to undertake any modification, alteration or improvements to the Premises or to supply any utilities or other services to the Premises except removal of all structures on the Premises upon receipt of Tenant's Prepaid Rent and non-separated utilities.

6.3 Prohibited Uses. Tenant shall not allow the Premises to be used for any unlawful purpose, nor shall Tenant cause, maintain or permit any nuisance in, on or about the Premises. Tenant shall not commit or suffer to be committed any waste in or upon the Premises.

7. Utilities. Except for Utilities, which may jointly serve the Premises and the remainder of the Real Property, Tenant shall be solely responsible for and shall pay separately for all charges for Utilities used or consumed in the Premises. Tenant shall make any necessary arrangements to have all such services or Utilities billed directly to and paid for directly by Tenant. "Utilities" means all utilities and services furnished to the Premises, including without limitation, gas, electricity, water, sewer, storm water, garbage collection and telephone service.

Landlord shall not be liable in its capacity as landlord for any loss or damage caused by or resulting from any variation, interruption or failure of Utilities or other services due to any cause whatsoever, and no temporary interruption or failure of such Utilities or other services incident to the making of repairs, alterations or improvements or due to accident or strike conditions shall be deemed an eviction of Tenant or relieve Tenant from any of Tenant's obligations hereunder.

8. Maintenance.

8.1 Tenant Maintenance. From and after the Commencement Date of this Lease, Tenant shall, at its sole cost and expense, maintain the Premises at the same level of cleanliness and operation as the existing Kenmore Park & Ride lot. Landlord shall provide Tenant written notice of any maintenance or repair required to the Premises or of any default by Tenant in the performance of its obligations under this Section 8.1. Tenant shall have seven (7) business days after receipt of notice from Landlord detailing the need for maintenance or repair, to commence to perform its obligations under this Lease, except that Tenant shall perform its obligations as soon as reasonably possible if the nature of the problem presents a hazard or emergency.

8.2 Tenant's Failure to Maintain; Landlord's Remedies. Landlord at all reasonable times and on reasonable prior notice may enter the Premises for the purpose of inspection and to determine Tenant's compliance with the terms, covenants, conditions and requirements of this Lease. In the event Tenant fails to maintain the Premises in accordance with the terms of this Lease, Landlord shall give Tenant notice to do such acts as are reasonably required to so maintain the Premises. In the event Tenant fails to promptly commence such work and diligently prosecute it to completion, then Landlord shall have the right to do such acts and expend such funds at the expense of Tenant as are reasonably required to perform such work.

9. Ownership of Improvements. During the Term of this Lease, and any extension thereof, any improvements constructed by Tenant on the Premises shall be the property of Tenant. Upon the expiration or earlier termination of this Lease, all improvements, additions, alterations and improvements thereto or replacements thereof and all appurtenant fixtures, machinery and equipment installed thereon and not removed by Tenant shall become the property of Landlord without further notice and without the payment of any additional consideration.

10. Liens.

10.1 Covenant Against Liens. Tenant covenants and agrees that it shall not during the Term of this Lease suffer or permit any lien, charge, security interest or encumbrance

(collectively, "Liens") to be attached to, upon or against the Real Property or the Premises, or any portion thereof or any Rent payable under this Lease for any reason, including without limitation, Liens arising out of the possession, use, occupancy, construction or repair of the Premises or by reason of the furnishing of labor, services, materials, or equipment to the Premises or to Tenant. Tenant agrees to indemnify, protect, defend and hold Landlord harmless from and against all liabilities, losses, damages, expenses and costs (including reasonable attorneys' fees and costs) incurred in connection with any such Lien. Tenant's obligations pursuant to this Section 10.1 shall survive the expiration or earlier termination of this Lease.

10.2 Covenant to Remove Liens. Tenant will promptly remove and discharge any and all Liens which attach to, upon or against the Premises or any portion thereof (other than Liens or encumbrances arising through the actions of Landlord) or any leasehold interest of Tenant created under this Lease. Tenant reserves the right to contest the validity or amount of any such Lien in good faith provided that, within thirty (30) days after the filing of such Lien, Tenant discharges said Lien of record or records a bond which complies with the requirements of RCW 60.04.161 eliminating said Lien as an encumbrance against the Premises. In the event Tenant shall fail to so remove any such Lien, Landlord may take such action as Landlord shall reasonably determine to remove such Lien and all costs and expenses incurred by Landlord including, without limitation, amounts paid in good faith settlement of such Lien and attorneys' fees and costs shall be paid by Tenant as Additional Rent. Tenant's obligations pursuant to this Section 10.2 shall survive the expiration or earlier termination of this Lease.

11. Indemnification.

11.1 Tenant's Indemnity. To the extent permitted by law, Tenant shall protect, defend, indemnify and hold Landlord harmless from and against any and all claims, debts, demands, obligations, losses, Liens, judgments or liabilities now or hereafter arising from the negligent acts or omissions of Tenant and its officers, employees or agents. Tenant upon notice from Landlord shall defend any such claim at Tenant's expense and with counsel reasonably satisfactory to Landlord. This indemnity shall survive the expiration or other termination of this Lease. This indemnity is for the sole benefit of Landlord and shall not inure to the benefit of any third party.

11.2 Landlord's Indemnity. To the extent permitted by law, Landlord shall protect, defend, indemnify and hold Tenant harmless from and against any and all claims, debts, demands, obligations, losses, Liens, judgments or liabilities now or hereafter arising from the negligent acts or omissions of Landlord and its officers, employees or agents. Landlord upon notice from Tenant shall defend any such claim at Landlord's expense and with counsel reasonably satisfactory to Tenant. This indemnity shall survive the expiration or other termination of this Lease. This indemnity is for the sole benefit of Tenant and shall not inure to the benefit of any third party.

12. Insurance.

12.1 Tenant's Liability Insurance. Tenant, as a charter county government under the constitution of the State of Washington, maintains, in the regular course of providing general purpose government services, a Risk Management Program as authorized by King County Code 4.12. Landlord acknowledges, agrees and understands that Tenant is self-funded for all of its liability exposures and that its self-funded program satisfies any obligation Tenant has to maintain liability insurance pursuant to this Lease. Tenant agrees, at its own expense, to maintain, through its self-funded program, coverage for its liability exposure for the duration of this Lease. Tenant agrees to provide Landlord with at least 30 days prior written notice of any material change in Tenant's self-funded program and will provide Landlord with a certificate of self-insurance as adequate proof of coverage.

12.2 Landlord as Additional Insured. Notwithstanding the foregoing provisions to the contrary, if, at any time during the Term, Tenant procures and maintains any policy of commercial general liability insurance (whether for extraordinary loss or otherwise), Tenant will promptly name Landlord, as well as the parties described above, as additional insureds under any such policy of liability insurance.

13 Destruction. In the event that there is any damage or destruction to the Premises, sufficiently substantial as to render the Premises unusable or substantially unusable as a parking lot, or such further use as may apply pursuant to Paragraph 6.1 or Paragraph 15 herein, then Landlord shall have the option to terminate the lease on thirty (30) days notice.

14. Condemnation.

14.1 Total Taking. If during the Term there is a taking or damaging of all or any portion of the Premises by the exercise of any governmental power, whether by legal proceedings or otherwise, by a governmental agency with jurisdiction over the Premises or a transfer by Landlord either under threat of condemnation or while legal proceedings for condemnation are pending (a "Condemnation") such that there can be no reasonable use of the Premises by Tenant, as reasonably determined by Tenant, this Lease shall terminate on the date the condemnor has the right to possession of the property being condemned. The award payable by the condemning authority with respect to the taking of the Premises shall be paid to Landlord. Tenant shall be entitled solely by a separate award that does not diminish any award to which Landlord would otherwise be entitled to the cost of moving and relocating Tenant's park and ride facility (including the cost of removal of Tenant's equipment and personal property, if any, owned by Tenant and located in the Premises) and any other award separately paid to Tenant. Tenant shall be entitled to participate in any such condemnation proceeding with respect to determining the award or portions of the condemnation award to which Tenant is entitled as contemplated above; provided, that in any event, Tenant shall be entitled to a refund of that portion of the Base Rent applicable to the period after Lease termination.

14.2 Partial Condemnation. If during the Term there is a partial taking of a part of the Premises by Condemnation, and Tenant determines that a reasonable use can be made of the remaining Premises by Tenant notwithstanding such Condemnation, then this Lease shall continue in effect, and Landlord shall promptly proceed to restore the Premises to substantially

its same condition prior to such taking, to the extent practicable after the taking, and the award payable to Landlord for the partial taking shall be applied to the cost of such repair or restoration, as necessary. Rent shall be abated or refunded proportionately based upon the extent to which Tenant's use of the Premises is impaired during the period of such repair, reconstruction or restoration and following such repair, reconstruction or restoration Rent, shall be permanently reduced on the basis of the percentage of the Premises taken as a result of such Condemnation.

15. Assignment and Subletting. Tenant shall not sublet the Premises, in whole or in part, without the prior written consent of Pacific Northwest Bank (Bank) and U.S. Bank Trust National Association (Bond Trustee), lienholders in the Premises. No such sublease shall release Tenant from any of Tenant's obligations under this Lease. Tenant shall not assign or transfer this Lease or any interest in this Lease without the prior written consent of Pacific Northwest Bank (Bank) and U.S. Bank Trust National Association (Bond Trustee), which consent shall not be unreasonably conditioned, withheld or delayed. Said lienholders' consent may be withheld only if, in the opinion of qualified bond counsel, the proposed use will render the interest on the bonds taxable, pursuant to the applicable provisions of the Internal Revenue Code. Said lienholders shall be deemed to have consented to an assignment to a governmental successor to Tenant's metropolitan transportation function.

16. Hazardous Substances.

16.1 Condition of Premises. Landlord has not received any notice from any federal, state or local governmental agency regarding any violation of any Environmental Law and Landlord has no actual knowledge regarding the presence of any Hazardous Substances (as hereinafter defined) on the Premises in a manner or quantity that presently violates any Environmental Law.

16.2 Compliance with Laws and Regulations. Tenant hereby represents, warrants, covenants and agrees to and with Landlord that all operations or activities upon, or any use or occupancy of the Premises, or any portion thereof, by Tenant, shall, throughout the Term of this Lease, be in compliance in all material respects with all state, federal and local Environmental Laws and regulations governing or in any way relating to the generation, handling, storage, use, transportation, discharge or disposal.

16.3 Indemnification; Remedial Work. Tenant shall not cause or knowingly permit any Hazardous Substances to be brought upon, kept or used in or about the Premises by Tenant, Subtenant or any of their respective agents, employees, contractors or invitees, except in compliance with all Environmental Laws. If Tenant breaches its obligations set forth above or if the presence of Hazardous Substances on or about the Premises caused or permitted by Tenant, or any of its agents, employees, contractors, subcontractors or invitees results in contamination of the Premises or surrounding area, then Tenant shall protect, defend, indemnify and hold Landlord harmless from and against any and all claims, judgments, damages, penalties, fines, costs, liabilities or losses (including, without limitation, diminution in value of the Premises), damages for the loss or restrictions on use of any space in the Premises, including, but not limited to, Park and Ride Spaces, damages arising from any adverse impact on marketability of the Premises, and

sums paid in settlement of claims, attorney's fees, consultant fees and expert fees) which arise during or after the Term of this Lease as a result of such contamination. If the presence of any Hazardous Substance on or about the Premises caused or permitted by Tenant or any of its agents, employees, contractors, subcontractors or invitees results in any contamination of the Premises or surrounding area, or causes the Premises or surrounding area to be in violation of any Environmental Laws, Tenant shall promptly take at its sole cost and expense all actions necessary to return the Premises and surrounding area to the condition existing prior to the introduction of such Hazardous Substance including all costs incurred in connection with any investigation of site conditions or any cleanup, remedial, removal or restoration work required by any federal, state or local governmental agency or political subdivision because of Hazardous Substances present in the soil or ground water in, on, under or about the Premises; provided that Landlord's approval shall first be had and obtained, which approval shall not be unreasonably withheld so long as such actions would not potentially have any material adverse long-term or short-term effect on the Premises or surrounding area.

16.4 Survival. Each of the covenants, agreements, obligations, representations and warranties of Tenant set forth in this Section 16 shall survive the expiration or earlier termination of this Lease.

17. Default. The occurrence of any of the following shall constitute a default by Tenant under this Lease:

17.1 Payment. Failure to make any payments of Rent due under this Lease, if the failure to pay is not cured within thirty (30) days of the day when due; or

17.2 Other Failure to Perform. Failure to perform any other provision of this Lease, if the failure to perform is not cured within thirty (30) days after written notice of such default has been given by Landlord to Tenant. If the default cannot reasonably be cured within thirty (30) days, then Tenant shall not be in default under this Lease if Tenant commences to cure the default within thirty (30) days and diligently and in good faith diligently and continuously prosecutes such cure to completion; or

18. Remedies. In the event of any default or breach by Tenant, Landlord may, at any time thereafter without limiting Landlord in the exercise of any right or remedy at law or in equity which Landlord may have by reason of such default or breach:

18.1 Maintain Lease in Effect. Landlord may maintain this Lease in full force and effect and recover the Rent, and any other monetary charges as they become due, without terminating Tenant's right to possession irrespective of whether Tenant shall have abandoned the Premises. In the event Landlord elects not to terminate this Lease, Landlord shall have the right to attempt to relet the Premises at such rent and upon such conditions and for such a term, and to do all acts necessary to maintain or preserve the Premises as Landlord deems reasonable and necessary without being deemed to have elected to terminate this Lease, including removal of all persons and property from the Premises. Such property may be removed and stored in a public warehouse or elsewhere at the cost of and for the account of Tenant.

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18.2 Termination of Right to Possession. Landlord may terminate Tenant's right to possession by any lawful means, in which case this Lease shall terminate and Tenant shall immediately surrender possession of the Premises to Landlord. In such event Landlord shall be entitled to recover from Tenant all damages incurred by Landlord by reason of Tenant's default, including without limitation thereto, the following: (i) the worth at the time of award of any unpaid Rent and Additional Rent which had been earned at the time of such termination; plus (ii) the worth at the time of award of the amount by which the unpaid Rent and Additional Rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that is proved could have been reasonably avoided; plus (iii) the worth at the time of award of the amount by which the unpaid Rent and Additional Rent for the balance of the Term after the time of award exceeds the amount of such rental loss that is proved could be reasonably avoided; plus (iv) any other amount necessary to compensate Landlord for all the damages proximately caused by Tenant's failure to perform its obligations under this Lease and the Related Documents or which in the ordinary course of events would be likely to result therefrom, including, without limitation, costs of reletting, tenant improvements and leasing commissions; plus (v) at Landlord's election, such other amounts in addition to or in lieu of the foregoing as may be permitted from time to time by applicable state law. Upon any such reentry Landlord shall have the right to make any reasonable repairs, alterations or modifications to the Premises, which Landlord in its sole discretion deems reasonable and necessary. As used in (i) above, the "worth at the time of award" is computed by allowing interest at the rate of twelve percent (12%) per annum from the date of default.

18.3 Late Charges. Tenant hereby acknowledges that late payment by Tenant to Landlord of Rent, Additional Rent and other sums due hereunder will cause Landlord to incur costs not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain. Accordingly, if any installment of Rent, Additional Rent or any other sum due from Tenant shall not be received by Landlord within five (5) days after written notice by Landlord that such amount is due, Tenant shall pay to Landlord a late charge equal to five percent (5%) of such overdue amount. The parties hereby agree that such late charge represents a fair and reasonable estimate of the costs Landlord will incur by reason of late payment by Tenant. Acceptance of such late charge by Landlord shall in no event constitute a waiver of Tenant's default with respect to such overdue amount, nor prevent Landlord from exercising any of the other rights and remedies granted hereunder.

19. Attorneys' Fees. In the event either party requires the services of an attorney in connection with enforcing the terms of this Lease, or in the event suit is brought for the recovery of any Rent due under this Lease or for the breach of any covenant or condition of this Lease, or for the restitution of said Premises to Landlord and/or eviction of Tenant during said Term or after the expiration thereof, the prevailing party will be entitled to a reasonable sum for attorneys' fees, witness fees, and court costs, including costs of appeal.

20. Surrender; Holding Over.

20.1 Surrender of Premises. Upon the expiration or earlier termination of this Lease, Tenant shall surrender the Premises in the same condition as it was on the Commencement Date, ordinary wear and tear and damage by fire, earthquake, act of God or the elements alone excepted. Tenant at its expense shall (a) remove all of Tenant's Personal Property and those of all persons claiming under Tenant from the Premises and repair any damage to the Premises occasioned thereby; (b) remove all telecommunications and computer network wiring and cabling to the extent required by Landlord; and (c) peaceably surrender possession of the Premises. Any property left on the Premises after the expiration or termination of the Lease Term shall be deemed to have been abandoned and to have become the property of Landlord to dispose of as Landlord deems expedient, and Tenant shall be liable for all costs associated with the disposal of such property. Tenant hereby waives all claims for damages that may be caused by Landlord's reentering and taking possession of the Premises or removing and storing Tenant's property as herein provided and Tenant shall indemnify and hold harmless Landlord therefrom. No such entry shall be considered or construed to be a forcible entry.

20.2 Holding Over. If Tenant, with Landlord's consent remains in possession of the Premises after expiration or termination of the Term, or after the date in any notice given by Landlord to Tenant terminating this Lease, such possession by Tenant shall be deemed to be a month-to-month tenancy terminable on thirty (30) days notice given at any time by either party. During such month-to-month tenancy, Tenant shall pay all Rent required by this Lease as determined in accordance with Section 3. All provisions of this Lease, except those pertaining to Term, shall apply to the month-to-month tenancy.

20.3 Title to Improvements. Upon the expiration or earlier termination of this Lease, Landlord shall automatically acquire title to all improvements located on the Premises free and clear of any encumbrances arising by, through or under Tenant.

21. Broker. Landlord and Tenant each represent to the other that neither is represented by any broker, agent or finder with respect to this Lease in any manner. Each party agrees to indemnify and hold the other party harmless from and against any and all liability, costs, damages, causes of action or other proceedings instituted by any broker, agent or finder, licensed or otherwise, claiming through, under or by reason of the conduct of the indemnifying party in any manner whatsoever in connection with this Lease.

22. Miscellaneous Provisions.

22.1 Entire Agreement. This Lease together with all of the exhibits annexed hereto sets forth the entire agreement of the parties as to the ground lease of the Premises to Tenant and supersedes all prior discussions and understandings between them. This Lease may not be amended or rescinded in any manner except by an instrument in writing signed by a duly authorized officer or representative of each party hereto.

22.2 Governing Law. This Lease shall be governed by and construed and enforced in accordance with the laws of the State of Washington.

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22.3 Severability. Should any of the provisions of this Lease be found to be invalid, illegal or unenforceable by any court of competent jurisdiction, such provision shall be stricken and the remainder of this Lease shall nonetheless remain in full force and effect unless striking such provision shall materially alter the intention of the parties.

22.4 Jurisdiction. In the event any action is brought to enforce any of the provisions of this Lease, the parties agree to be subject to exclusive in personam jurisdiction in the King County Superior Court for the State of Washington and agree that in any such action venue shall lie exclusively at Seattle, Washington.

22.5 Waiver. No waiver of any right under this Lease shall be effective unless contained in writing signed by a duly authorized officer or representative of the party sought to be charged with the waiver and no waiver of any right arising from any breach or failure to perform shall be deemed to be a waiver of any future right or of any other right arising under this Lease.

22.6 Captions. Paragraph and section captions contained in this Lease are included for convenience only and form no part of the agreement between the parties.

22.7 Notices. All notices or requests required or permitted under this Lease shall be in writing, shall be personally delivered or sent by certified mail, return receipt requested, postage prepaid, or by facsimile transmission and shall be deemed given three (3) days following the date when mailed or on the date when delivered or faxed (provided the fax machine has issued a printed confirmation of receipt). All notices or requests shall be sent to Landlord and Tenant addressed as follows:

If to Landlord:

Society of St. Vincent de Paul, Council of Seattle Area
5950 4th Avenue South
Seattle, WA 98108

Attention: Executive Director
Facsimile: 206-767-6439

If to Tenant:

King County
Department of Transportation
201 S. Jackson St.
Seattle, WA 98104
M.S. KSC-TR-0817

Attention: Edward Walker
Facsimile: (206) 684-1968

Either party may change the address to which notices shall be sent by notice to the other party.

22.8 Binding Effect. This Lease shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns. No permitted assignment of this Lease or Tenant's rights hereunder shall be effective against Landlord unless and until an executed counterpart of the instrument of assignment shall have been delivered to Landlord and Landlord shall have been furnished with the name and address of the assignee. The term "Tenant" shall be deemed to include the assignee under any such permitted assignment. The term "Tenant" shall include any successors to or assigns of the Tenant's interest in the Premises following any foreclosure of a Leasehold Mortgage, including Bond Trustee or any purchaser at a trustee's or sheriff's sale of Tenant's leasehold interest in the Premises.

22.9 Nature of Relationship. The relationship between the Landlord and Tenant shall be solely that of landlord and tenant. Nothing contained in this Lease shall be deemed or construed to create a partnership, tenancy-in-common, joint tenancy, joint venture or co-ownership between Landlord and Tenant. No term or provision of this Lease 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.

22.10 Fair Construction. The provisions of this Lease shall be construed as a whole according to their common meaning not strictly for or against any party and consistent with the provisions contained herein in order to achieve the objectives and purposes of this Lease. Each party hereto and its counsel has reviewed and revised this Lease and agrees that the normal rules of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be construed in the interpretation of this Lease.

22.11 Recording. This Lease shall not be recorded, but following satisfaction of certain conditions precedent to the Commencement Date of this Lease, the parties shall execute a Confirmation of Commencement and Expiration Dates of this Lease in the form of Exhibit ___ and, if requested by Tenant, a memorandum of this Lease in the form of Exhibit ___ attached hereto which may be recorded. Within ten (10) days following the expiration or earlier termination of this Lease, Tenant shall execute and deliver to Landlord an instrument, in recordable form, confirming the termination of this Lease which instrument, at Landlord's option, may be placed of record in the King County real property records.

22.12 Time is of the Essence. The parties hereto expressly agree that time shall be of the essence as to each and every obligation created under this Lease.

22.13 Counterparts. This Lease may be executed in counterparts, which when attached to the body of the Lease shall constitute an executed original document.

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IN WITNESS WHEREOF, the parties have executed this Lease as of the date and year first above written.

Landlord:

Gary Bass

Society of St. Vincent de Paul, Seattle Council

By:

GARY F. BASS
Joseph Roberts

Name:

Title:

President 1st Vice President

Approved as to form:

D. P. ...
for Robert Stier
Deputy Prosecuting Attorney
King County

Tenant:

KING COUNTY, a political subdivision of the State of Washington

By:

Name:

Title:

Mary ...
Dep. Dir. KC DOT

By:

Name:

Title:

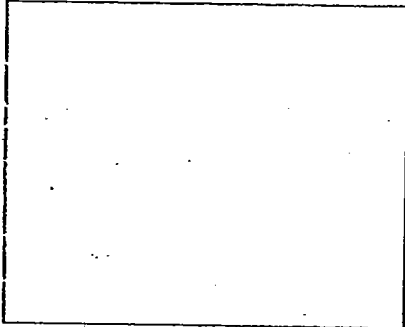
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STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

Wife
12-31-02
Carol Bass

I certify that I know or have satisfactory evidence that ~~Joseph Roberts~~ ^{Carol Bass} 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 ~~President~~ ^{1st Vice President} of Society of St. Vincent de Paul, Council of the Seattle Area to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: December 31, 2002



(Use this space for notarial stamp/seal)

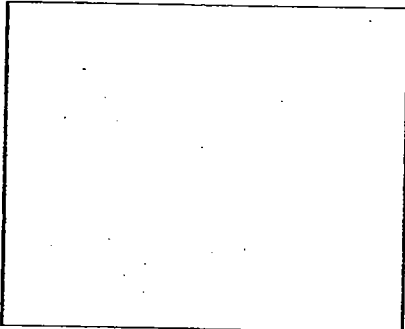
Notary Public *W. J. Crowley*
Print Name *William J. Crowley*
My commission expires *4-25-05*

Use this space for notarial stamp/seal

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

I certify that I know or have satisfactory evidence that Mary H. Peterson 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 Dept of Transportation of KING COUNTY, a political subdivision of the State of Washington, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: Dec. 23, 2002



Use this space for notarial stamp/seal

Notary Public *Pam J. Abbey-Bowman*
Print Name *Pam J Abbey-Bowman*
My commission expires *5/19/03*

15027

EXHIBIT A

LEGAL DESCRIPTION

FROM :

11/18/2002 14:15

4264856/95

PHONE NO. : 6248785

Dec. 02 2002

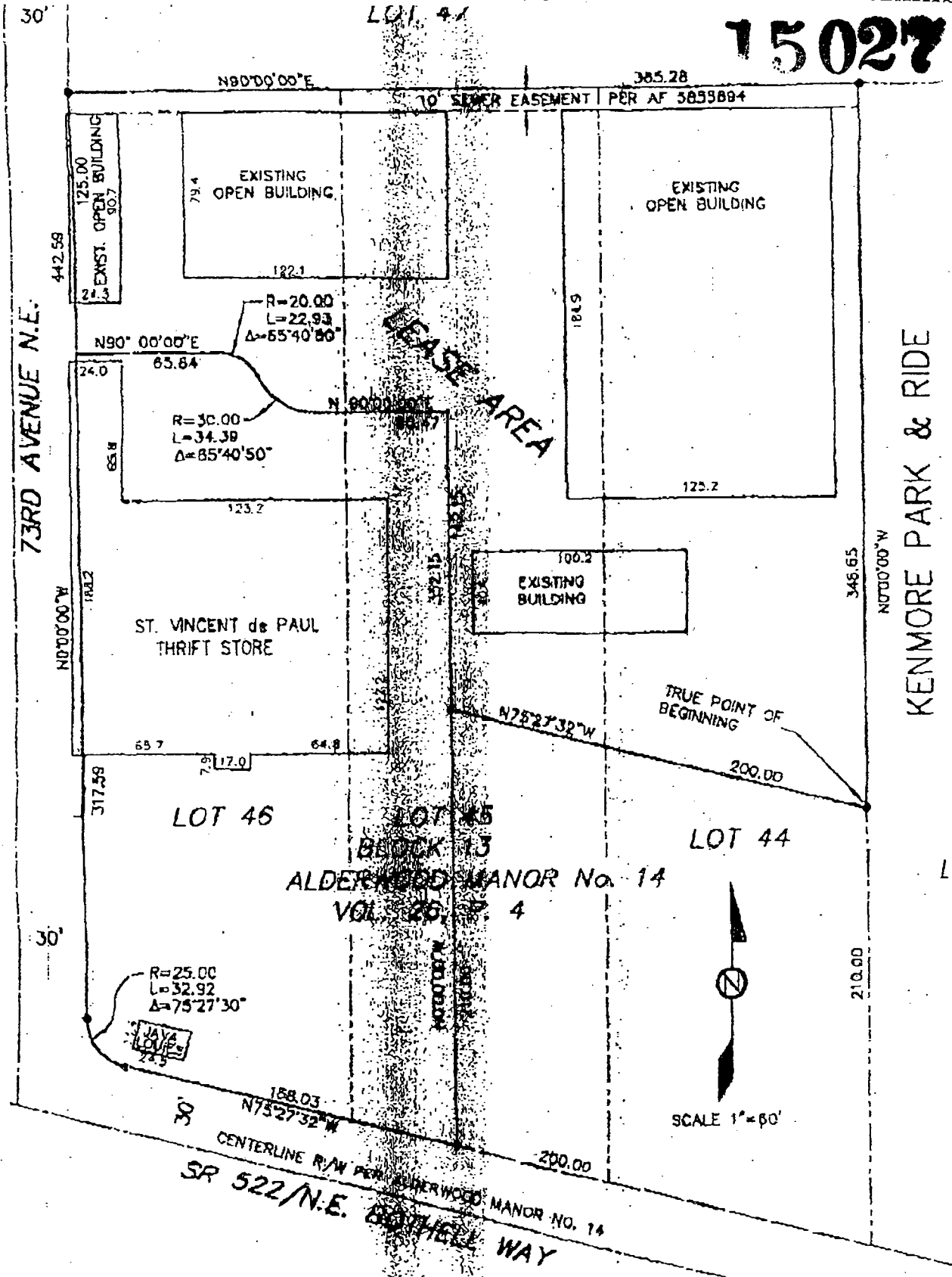
Exhibit A

LOT 44

15027

73RD AVENUE N.E.

KENMORE PARK & RIDE



SR 522/N.E. BENTLEY WAY
CENTERLINE R/W PER ALDERWOOD MANOR NO. 14



Exhibit A

15027

LEASE AREA DESCRIPTION:

THAT PORTION OF LOTS 44 THROUGH 46 IN BLOCK 13 OF ALDERWOOD MANOR NO. 14, ACCORDING TO PLAT RECORDED IN VOLUME 26 OF PLATS AT PAGE(S) 4, IN KING COUNTY, WASHINGTON DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SAID LOT 44;
THENCE NORTH ALONG THE EAST LINE THEREOF A DISTANCE OF 210.00 FEET TO THE TRUE POINT OF BEGINNING;
THENCE NORTH $75^{\circ}27'32''$ WEST PARALLEL WITH THE SOUTH LINE OF SAID LOT A DISTANCE OF 200.00 FEET;
THENCE NORTH A DISTANCE OF 142.15 FEET;
THENCE WEST A DISTANCE OF 60.47 FEET TO THE BEGINNING OF A TANGENT CURVE TO THE RIGHT HAVING A RADIUS OF 30.00 FEET;
THENCE NORTHWESTERLY ALONG SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF $65^{\circ}40'50''$ AN ARC DISTANCE OF 34.39 FEET TO THE BEGINNING OF A TANGENT CURVE TO THE LEFT HAVING A RADIUS OF 20.00 FEET;
THENCE NORTHWESTERLY ALONG SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF $65^{\circ}40'50''$ AN ARC DISTANCE OF 22.93 FEET;
THENCE WEST A DISTANCE OF 65.64 FEET MORE OR LESS TO THE WEST LINE OF SAID LOT 46;
THENCE NORTH ALONG SAID WEST LINE A DISTANCE OF 125.00 FEET TO THE NORTHWEST CORNER OF SAID LOT 46;
THENCE EAST A DISTANCE OF 365.28 FEET TO THE NORTHEAST CORNER OF SAID LOT 44;
THENCE SOUTH ALONG THE EAST LINE THEREOF A DISTANCE OF 346.65 FEET MORE OR LESS TO THE TRUE POINT OF BEGINNING.

NOTE: THE ABOVE DESCRIPTION CONTAINS 86,214 SQUARE FEET, MORE OR LESS.

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EXHIBIT B

Map of Premises (referenced in Section 2.1)

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EXHIBIT C

CONFIRMATION OF LEASE COMMENCEMENT AND EXPIRATION DATES

This Confirmation of Lease Commencement and Expiration Dates is made Sept. 18, 2003, by SOCIETY OF ST. VINCENT DE PAUL, COUNCIL OF THE SEATTLE AREA, as "Landlord" and KING COUNTY, a political subdivision of the State of Washington as "Tenant".

1. Landlord and Tenant entered into a Lease dated December 23, 2002, whereby Landlord agrees to lease the Premises legally described in Exhibit A attached hereto and outlined in red on the map attached hereto as Exhibit B and by this reference incorporated herein to Tenant. All capitalized terms not otherwise defined herein shall have the same meaning as set forth in the Lease.

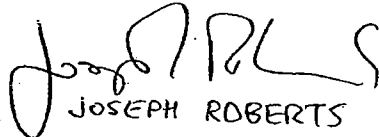
2. Pursuant to the Lease, Landlord and Tenant do hereby confirm the following:

a. The Commencement Date of the Lease is October 1, 2003.


b. The Expiration Date of the Lease is October 1, 2053.

DATED this 18 day of September, 2003

Landlord:

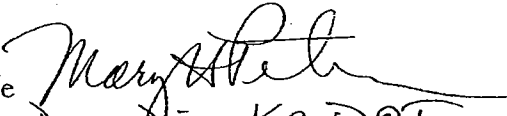
By 
Name JOSEPH ROBERTS
Title PRESIDENT

APPROVED AS TO FORM

By 
Deputy Prosecuting Attorney
King County

Tenant:

KING COUNTY, a political subdivision of the State of Washington

By 
Name Mary Beth
Title Dep. Dir. KC DOT

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EXHIBIT D

After Recording Return To:
William J. Crowley
Crowley Law Offices, P.S.
1301 Fifth Avenue Suite 3401
Seattle, WA 98101

MEMORANDUM OF LEASE

GRANTOR: SOCIETY OF ST. VINCENT DE PAUL, COUNCIL OF THE
SEATTLE AREA
(Landlord)

GRANTEE: King County, a political subdivision of the State of Washington
(Tenant)

Legal Description:

Abbreviated form:

Additional legal on page _____ of document

Assessor's Property Tax Parcel Account Number(s):

MEMORANDUM OF LEASE

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THIS MEMORANDUM OF LEASE (the "Memorandum") is executed this _____ day of _____, 200__ by and between _____ ("Landlord") and KING COUNTY, a political subdivision of the State of Washington ("Tenant").

1. Lease. Landlord has leased the real property described in Exhibit A attached hereto and by this reference incorporated herein (the "Premises") at a rent and on the terms and condition set forth in that certain Lease Agreement dated _____, 200__ by and between Landlord and Tenant (the "Lease"). The Lease is for a term of _____ (__) years commencing _____, 200__, and shall expire _____, 20__, unless sooner terminated pursuant to the terms of the Lease.

2. Definition of Terms. All capitalized terms not otherwise defined herein shall have the same meaning as set forth in the Lease.

3. Purpose of Memorandum. This Memorandum is prepared for purposes of recordation only and does not set forth all of the terms and conditions set forth in the Lease. In the event there is any conflict between the terms and conditions of the Lease and this Memorandum, the Lease shall control.

DATED this _____ day of _____, 200__.

Landlord:

By:
Name:
Title:

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Approved as to form:

Tenant:

KING COUNTY, a political subdivision of
the State of Washington

Deputy Prosecuting Attorney
King County

By: _____
Name: _____
Title: _____

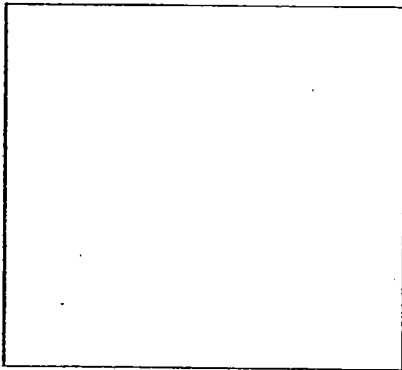
By: _____
Name: _____
Title: _____

15027

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 _____, 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

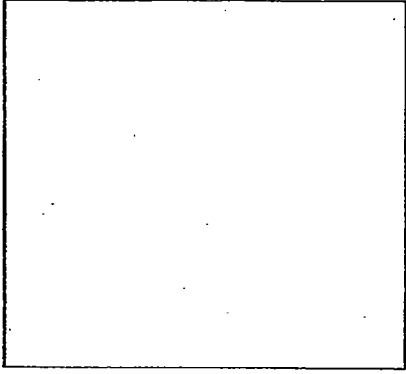
(Use this space for notarial stamp/seal)

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 political subdivision of the State of Washington, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: _____

15027




Notary Public
Print Name
My commission expires

Use this space for notarial stamp/seal)

15027

2004-370 Attachment D



DATE: APR 02	
DRAWN BY: [Blank]	
SHEET NO. 01	
 King County Department of Transportation	
METRO TRANSIT DIVISION EXISTING LAND USE KENMORE PARK & RIDE EXPANSION AND NORTHSORE TOD	
SCALE: 1" = 40'	ONE INCH AT FULL SIZE
PROJECT APPROVED: [Blank] L. APPROVED: [Blank] D. CORPERS: [Blank]	
DESIGN: [Blank] L. APPROVED: [Blank] D. CORPERS: [Blank]	
CHECKED: [Blank] L. APPROVED: [Blank] D. CORPERS: [Blank]	
DRAWN: [Blank] L. APPROVED: [Blank] D. CORPERS: [Blank]	
CONTRACT NO.: [Blank]	
BY: [Blank] DATE: [Blank]	