



KING COUNTY

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

Signature Report

May 17, 2010

Ordinance 16837

Proposed No. 2010-0261.1

Sponsors Patterson

1 AN ORDINANCE approving the sale by King County of a
2 surplus, unimproved, residential tax title parcel known as
3 North Lake Shore Lands, located in the city of Federal
4 Way, Washington, within council district seven.

5 BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

6 **SECTION 1. Findings:**

7 A. North Lake Shore Lands, tax parcel number 614360-0571, is an unimproved
8 nine-thousand-square-foot parcel located at the northeast corner of 38th Avenue South
9 and South 328th Street in the city of Federal Way, approximately one block east of North
10 Lake. The property is zoned RS 9.6-Federal Way, which permits one dwelling unit per
11 nine thousand six hundred square feet. The highest and best use is considered to be for
12 the development of one single-family unit. Water, sewer, telephone and electric service
13 are available at the street.

14 B. The King County treasury section was unsuccessful in attempts to sell the
15 subject property during foreclosure proceedings and subsequently deeded it to King
16 County as tax title property in 2001. The facilities management division ("FMD") is the
17 custodian for tax title properties.

18 C. Pursuant to K.C.C. 4.56.100, FMD circulated a notice to surplus to other
19 county departments. No agency expressed interest. Though the subject site meets certain

20 criteria for affordable housing, its small size and current zoning do not lend themselves to
21 multiple housing development, and the affordable housing group specifically declined the
22 site. In March 2010, North Lake Shore Lands was formally declared surplus by FMD in
23 accordance with K.C.C. 4.56.100.

24 D. FMD appraised the parcel for sixty thousand dollars and offered it at auction
25 in August 2009, in accordance with RCW 36.35.120, Sales of Tax Title Property. That
26 auction produced no offers and FMD subsequently listed the parcel with Northwest
27 Multiple Listing Service.

28 E. In January 2010, an offer for thirty-five thousand dollars was submitted by Mr.
29 Gary Heil. This buyer has provided proof of funds for an all-cash purchase, and there are
30 no remaining contingencies to the sale. The offer covers all outstanding past due state
31 and county property taxes, reimburses FMD for the costs of sale, and leaves a remaining
32 balance that will be distributed among the taxing districts in existence as of the date of
33 the foreclosure. Distribution of these proceeds is performed in accordance with chapter
34 36.35 RCW and K.C.C. 4.56.100.

35 F. FMD recommends the proposed sale due to the current depressed market
36 conditions and the ability to cover all outstanding debts listed above.

37 G. The buyer has requested council approval of this sale by June 15, 2010.

38 H. Pursuant to K.C.C. 4.56.080, the council must approve sale of county-owned
39 real property.

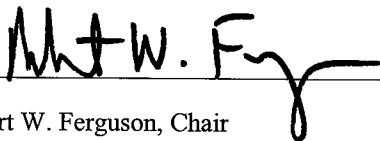
40 SECTION 2. The King County council, having determined that sale of the tax
41 title parcel described in Attachment A to this ordinance is in the best interest of state,
42 county, and local taxing districts, does hereby approve the sale as provided in the

43 attached purchase and sale agreement and authorizes the King County executive to
44 execute any other documents necessary to convey the property to Mr. Gary Heil.
45

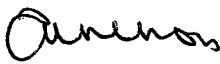
Ordinance 16837 was introduced on 4/19/2010 and passed by the Metropolitan King County Council on 5/17/2010, by the following vote:

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

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON



Robert W. Ferguson, Chair

ATTEST:


Anne Noris, Clerk of the Council

RECEIVED
2010 MAY 21 PM 3:48
CLERK
KING COUNTY COUNCIL

APPROVED this 21st day of May, 2010.


Dow Constantine, County Executive

Attachments: A. Vacant Land Purchase and Sale Agreement Specific Terms

16837

VACANT LAND PURCHASE AND SALE AGREEMENT
SPECIFIC TERMS

- Date: JANUARY 7, 2010 MLS No.: _____
- Buyer: G. HELL, AN UNMARRIED MAN
- Seller: KING COUNTY
- Property: Tax Parcel No(s): 614360-0571 (KING County)
Street Address: _____ Washington _____
Legal Description: Attached as Exhibit A.
- Purchase Price: \$ 35,000 THIRTY-FIVE THOUSAND DOLLARS and NO COSTS
- Earnest Money: (To be held by Selling Broker; Closing Agent)
Personal Check: \$ 5,000 FIVE THOUSAND DOLLARS
CASHIER'S Note: \$ _____
Other (_____): \$ _____
- Default: (check only one) Forfeiture of Earnest Money; Seller's Election of Remedies
- Disclosures in Form 17 or 17C: Buyer will; will not have a remedy for Seller's negligent errors, inaccuracies, or omissions in Form 17 or 17C
- Title Insurance Company: PACIFIC NORTH WEST TITLE COMPANY
- Closing Agent: a qualified closing agent of Buyer's choice; KING COUNTY
- Closing Date: NO LESS THAN 11 DAYS AFTER KING COUNTY COUNCIL APPROVAL
- Possession Date: on Closing; Other _____
- Offer Expiration Date: N/A
- Services of Closing Agent for Payment of Utilities: Requested (attach NWMLS Form 22K); Waived
- Charges and Assessments Due After Closing: assumed by Buyer; prepaid in full by Seller at Closing
- Subdivision: The Property is subdivided; must be subdivided on or before _____;
 is not legally required to be subdivided
- Feasibility Contingency Expiration Date: _____ days after mutual acceptance; Other WAIVER
- Agency Disclosure: Selling Licensee represents Buyer; Seller; both parties; neither party
Listing Agent represents Seller; both parties
- Addenda: FORM 22LPA, FORM 34

[Signature] 1/7/2010
Buyer's Signature Date

[Signature] 3/18/10
Seller's Signature Date

Buyer's Signature Date

Seller's Signature Date

22870 N. HIGHWAY 101
Buyer's Address

500 4th Avenue, Room 500
Seller's Address

SHELTON, WASHINGTON 98584
City, State, Zip

SEATTLE, WA 98104
City, State, Zip

(425) 289-6180 CELL PHONE
Phone Fax

206 205 5638
Phone Fax

GHELL@EARTHINK.NET
Buyer's E-mail Address

anne.lockmiller@kingcounty.gov
Seller's E-mail Address

ANNE LOCKMILLER / BOB THOMPSON
Selling Broker MLS Office No.

ANNE LOCKMILLER, BOB THOMPSON
Listing Broker MLS Office No.

Selling Licensee (Print) MLS LAG No.

Listing Agent (Print) MLS LAG No.

206 205-5638
Phone Fax

SAME
Phone Fax

VACANT LAND PURCHASE AND SALE AGREEMENT
GENERAL TERMS
(continued)

- a. **Purchase Price.** Buyer agrees to pay to Seller the Purchase Price, including the Earnest Money, in cash at Closing, unless otherwise specified in this Agreement. Buyer represents that Buyer has sufficient funds to close this sale in accordance with this Agreement and is not relying on any contingent source of funds, including funds from loans, the sale of other property, gifts, retirement, or future earnings, except to the extent otherwise specified in this Agreement. 1-4
- b. **Earnest Money.** Buyer agrees to deliver the Earnest Money within 2 days after mutual acceptance of this Agreement to Selling Licensee who will deposit any check to be held by Selling Broker, or deliver any Earnest Money to be held by Closing Agent, within 3 days of receipt or mutual acceptance, whichever occurs later. If the Earnest Money is held by Selling Broker and is over \$10,000.00 it shall be deposited into an interest bearing trust account in Selling Broker's name provided that Buyer completes an IRS Form W-9. Interest, if any, after deduction of bank charges and fees, will be paid to Buyer. Buyer agrees to reimburse Selling Broker for bank charges and fees in excess of the interest earned, if any. If the Earnest Money held by Selling Broker is over \$10,000.00 Buyer has the option to require Selling Broker to deposit the Earnest Money into the Housing Trust Fund Account, with the interest paid to the State Treasurer, if both Seller and Buyer so agree in writing. If the Buyer does not complete an IRS Form W-9 before Selling Broker must deposit the Earnest Money or the Earnest Money is \$10,000.00 or less, the Earnest Money shall be deposited into the Housing Trust Fund Account. Selling Broker may transfer the Earnest Money to Closing Agent at Closing. If all or part of the Earnest Money is to be refunded to Buyer and any such costs remain unpaid, the Selling Broker or Closing Agent may deduct and pay them therefrom. The parties instruct Closing Agent to: (1) provide written verification of receipt of the Earnest Money and notice of dishonor of any check to the parties and Licensees at the addresses and/or fax numbers provided herein; and (2) commence an interpleader action in the county in which the Property is located within 30 days of a party's demand for the Earnest Money unless the parties agree otherwise in writing. The parties authorize the party commencing an interpleader action to deduct up to \$250.00 for the costs thereof. 5-22
- c. **Condition of Title.** Unless otherwise specified in this Agreement, title to the Property shall be marketable at Closing. The following shall not cause the title to be unmarketable: rights, reservations, covenants, conditions and restrictions, presently of record and general to the area; easements and encroachments, not materially affecting the value of or unduly interfering with Buyer's reasonable use of the Property; and reserved oil and/or mining rights. Monetary encumbrances or liens not assumed by Buyer, shall be paid or discharged by Seller on or before Closing. Title shall be conveyed by a Statutory Warranty Deed. If this Agreement is for conveyance of a buyer's interest in a Real Estate Contract, the Statutory Warranty Deed shall include a buyer's assignment of the contract sufficient to convey after acquired title. If the Property has been short platted, the Short Plat number is in the Legal Description. 23-30
- d. **Title Insurance.** Seller authorizes Buyer's lender or Closing Agent, at Seller's expense, to apply for the then-current ALTA form of standard form owner's policy of title insurance, with homeowner's additional protection and inflation protection endorsements if available at no additional cost, from the Title Insurance Company. If Seller previously received a preliminary commitment from a Title Insurance Company that Buyer declines to use, Buyer shall pay any cancellation fees owing to the original Title Insurance Company. Otherwise, the party applying for title insurance agrees to pay any title cancellation fee, in the event such a fee is assessed. The Title Insurance Company shall send a copy of the preliminary commitment to Seller, Listing Agent, Buyer and Selling Licensee. The preliminary commitment, and the title policy to be issued, shall contain no exceptions other than the General Exclusions and Exceptions in said standard form and Special Exceptions consistent with the Condition of Title herein provided. If title cannot be made so insurable prior to the Closing Date, then as Buyer's sole and exclusive remedy, the Earnest Money shall, unless Buyer elects to waive such defects or encumbrances, be refunded to the Buyer, less any unpaid costs described in this Agreement, and this Agreement shall thereupon be terminated. Buyer shall have no right to specific performance or damages as a consequence of Seller's inability to provide insurable title. 31-43
- e. **Closing and Possession.** This sale shall be closed by the Closing Agent on the Closing Date. "Closing" means the date on which all documents are recorded and the sale proceeds are available to Seller. If the Closing Date falls on a Saturday, Sunday, legal holiday as defined in RCW 1.16.050, or day when the county recording office is closed, the Closing Agent shall close the transaction on the next day that is not a Saturday, Sunday, legal holiday, or day when the county recording office is closed. Buyer shall be entitled to possession at 9:00 p.m. on the Possession Date. Seller agrees to maintain the Property in its present condition, normal wear and tear excepted, until the Buyer is entitled to possession. 44-50
- f. **Section 1031 Like-Kind Exchange.** If either Buyer or Seller intends for this transaction to be a part of a Section 1031 like-kind exchange, then the other party agrees to cooperate in the completion of the like-kind exchange so long as the cooperating party incurs no additional liability in doing so, and so long as any expenses (including attorneys' fees and costs) incurred by the cooperating party that are related only to the exchange are paid or reimbursed to the 51-54

Initials: BUYER: SKT DATE: 1-7-10 SELLER: W DATE: 3/18/10 55
BUYER: — DATE: — SELLER: — DATE: — 56

VACANT LAND PURCHASE AND SALE AGREEMENT
GENERAL TERMS
(continued)

cooperating party at or prior to Closing. Notwithstanding the Assignment paragraph of this Agreement, any party completing a Section 1031 like-kind exchange may assign this Agreement to its qualified intermediary or any entity set up for the purposes of completing a reverse exchange.

g. Closing Costs and Prorations and Charges and Assessments. Seller and Buyer shall each pay one-half of the escrow fee unless otherwise required by applicable FHA or VA regulations. Taxes for the current year, rent, interest, and lienable homeowner's association dues shall be prorated as of Closing. Buyer agrees to pay Buyer's loan costs, including credit report, appraisal charge and lender's title insurance, unless provided otherwise in this Agreement. If any payments are delinquent on encumbrances which will remain after Closing, Closing Agent is instructed to pay such delinquencies at Closing from money due, or to be paid by, Seller. Buyer agrees to pay for remaining fuel in the fuel tank if, prior to Closing, Seller obtains a written statement as to the quantity and current price from the supplier. Seller agrees to pay all utility charges, including unbilled charges. Unless waived in Specific Term No. 14, Seller and Buyer request the services of Closing Agent in disbursing funds necessary to satisfy unpaid utility charges in accordance with RCW 60.80 and Seller agrees to provide the names and addresses of all utilities providing service to the Property and having lien rights (attach NWMLS Form 22K Identification of Utilities or equivalent). Buyer is advised to verify the existence and amount of any local improvement district, capacity or impact charges or other assessments that may be charged against the Property before or after Closing. Seller will pay such charges that are encumbrances at the time of Closing, or that are or become due on or before Closing. Charges levied before Closing, but becoming due after Closing shall be paid as agreed in Specific Term No. 15.

h. Sale Information. The Listing Agent or Selling Licensee is authorized to report this Agreement (including price and all terms) to the Multiple Listing Service that published it and to its members, financing institutions, appraisers, and anyone else related to this sale. Buyer and Seller expressly authorize all Closing Agents, appraisers, title insurance companies, and others related to this Sale, to furnish the Listing Agent and/or Selling Licensee, on request, any and all information and copies of documents concerning this sale.

i. FIRPTA - Tax Withholding at Closing. The Closing Agent is instructed to prepare a certification (NWMLS Form 22E or equivalent) that Seller is not a "foreign person" within the meaning of the Foreign Investment In Real Property Tax Act. Seller agrees to sign this certification. If Seller is a foreign person, and this transaction is not otherwise exempt from FIRPTA, Closing Agent is instructed to withhold and pay the required amount to the Internal Revenue Service.

j. Notices. In consideration of the license to use this and NWMLS's companion forms and for the benefit of the Listing Agent and the Selling Licensee as well as the orderly administration of the offer, counteroffer or this agreement, the parties irrevocably agree that unless otherwise specified in this Agreement, any notice required or permitted in, or related to, this Agreement (including revocations of offers or counteroffers) must be in writing. Notices to Seller must be signed by at least one Buyer and shall be deemed given only when the notice is received by Seller, by Listing Agent or at the licensed office of Listing Agent. Notices to Buyer must be signed by at least one Seller and shall be deemed given only when the notice is received by Buyer, by Selling Licensee or at the licensed office of Selling Licensee. Actual receipt by Selling Licensee of a Form 17 or 17C (whichever is applicable), Public Offering Statement or Resale Certificate, homeowners' association documents provided pursuant to NWMLS Form 22D, or a preliminary commitment for title insurance provided pursuant to NWMLS Form 22T shall be deemed receipt by Buyer. Selling Licensee and Listing Agent have no responsibility to advise of receipt of a notice beyond either phoning the party or causing a copy of the notice to be delivered to the party's address shown on this Agreement. Buyer and Seller must keep Selling Licensee and Listing Agent advised of their whereabouts in order to receive prompt notification of receipt of a notice.

k. Computation of Time. Unless otherwise specified in this Agreement, any period of time measured in days and stated in this Agreement shall start on the day following the event commencing the period and shall expire at 9:00 p.m. of the last calendar day of the specified period of time. Except for the Possession Date, if the last day is a Saturday, Sunday or legal holiday as defined in RCW 1.16.050, the specified period of time shall expire on the next day that is not a Saturday, Sunday or legal holiday. Any specified period of 5 days or less shall not include Saturdays, Sundays or legal holidays. If the parties agree that an event will occur on a specific calendar date, the event shall occur on that date, except for the Closing Date, which, if it falls on a Saturday, Sunday, legal holiday as defined in RCW 1.16.050, or day when the county recording office is closed, shall occur on the next day that is not a Saturday, Sunday, legal holiday, or day when the county recording office is closed. If the parties agree upon and attach a legal description after this Agreement is signed by the offeree and delivered to the offeror, then for the purposes of computing time, mutual acceptance shall be deemed to be on the date of delivery of an accepted offer or counteroffer to the offeror, rather than on the date the legal description is attached. Time is of the essence of this Agreement.

Initials: BUYER: SA DATE: 1-7-10 SELLER: CH DATE: 3/8/10
BUYER: _____ DATE: _____ SELLER: _____ DATE: _____

VACANT LAND PURCHASE AND SALE AGREEMENT
GENERAL TERMS
(continued)

- i. Facsimile or E-mail Transmission.** Facsimile transmission of any signed original document, and retransmission of any signed facsimile transmission, shall be the same as delivery of an original. At the request of either party, or the Closing Agent, the parties will confirm facsimile transmitted signatures by signing an original document. E-mail transmission of any document or notice shall not be effective unless the parties to this Agreement otherwise agree in writing. 112-116
- m. Integration.** This Agreement constitutes the entire understanding between the parties and supersedes all prior or contemporaneous understandings and representations. No modification of this Agreement shall be effective unless agreed in writing and signed by Buyer and Seller. 117-119
- n. Assignment.** Buyer may not assign this Agreement, or Buyer's rights hereunder, without Seller's prior written consent, unless the parties indicate that assignment is permitted by the addition of "and/or assigns" on the line identifying the Buyer on the first page of this Agreement. 120-122
- o. Default.** In the event Buyer fails, without legal excuse, to complete the purchase of the Property, then the following provision, as identified in Specific Term No. 7, shall apply: 123-124

 - i. Forfeiture of Earnest Money.** That portion of the Earnest Money that does not exceed five percent (5%) of the Purchase Price shall be forfeited to the Seller as the sole and exclusive remedy available to Seller for such failure. 125-126
 - ii. Seller's Election of Remedies.** Seller may, at Seller's option, (a) keep the Earnest Money as liquidated damages as the sole and exclusive remedy available to Seller for such failure, (b) bring suit against Buyer for Seller's actual damages, (c) bring suit to specifically enforce this Agreement and recover any incidental damages, or (d) pursue any other rights or remedies available at law or equity. 127-130
- p. Professional Advice and Attorneys' Fees.** Buyer and Seller are advised to seek the counsel of an attorney and a certified public accountant to review the terms of this Agreement. Buyer and Seller agree to pay their own fees incurred for such review. However, if Buyer or Seller institutes suit against the other concerning this Agreement the prevailing party is entitled to reasonable attorneys' fees and expenses. 131-134
- q. Offer.** Buyer agrees to purchase the Property under the terms and conditions of this Agreement. Seller shall have until 9:00 p.m. on the Offer Expiration Date to accept this offer, unless sooner withdrawn. Acceptance shall not be effective until a signed copy is actually received by Buyer, by Selling Licensee or at the licensed office of Selling Licensee. If this offer is not so accepted, it shall lapse and any Earnest Money shall be refunded to Buyer. 135-138
- r. Counteroffer.** Any change in the terms presented in an offer or counteroffer, other than the insertion of the Seller's name, shall be considered a counteroffer. If a party makes a counteroffer, then the other party shall have until 9:00 p.m. on the counteroffer expiration date to accept that counteroffer, unless sooner withdrawn. Acceptance shall not be effective until a signed copy is actually received by Seller, by Listing Agent or at the licensed office of Listing Agent. If the counteroffer is not so accepted, it shall lapse and any Earnest Money shall be refunded to Buyer. 139-143
- s. Offer and Counteroffer Expiration Date.** If no expiration date is specified for an offer/counteroffer, the offer/counteroffer shall expire 2 days after the offer/counteroffer is delivered by the party making the offer/counteroffer, unless sooner withdrawn. 144-146
- t. Agency Disclosure.** Selling Broker represents the same party that Selling Licensee represents. Listing Broker represents the same party that the Listing Agent represents. If Selling Licensee and Listing Agent are different salespersons affiliated with the same Broker, then both Buyer and Seller confirm their consent to that Broker representing both parties as a dual agent. If Selling Licensee and Listing Agent are the same salesperson representing both parties then both Buyer and Seller confirm their consent to that salesperson and his/her Broker representing both parties as dual agents. All parties acknowledge receipt of the pamphlet entitled "The Law of Real Estate Agency." 147-152
- u. Commission.** Seller and Buyer agree to pay a commission in accordance with any listing or commission agreement to which they are a party. The Listing Broker's commission shall be apportioned between Listing Broker and Selling Broker as specified in the listing. Seller and Buyer hereby consent to Listing Broker or Selling Broker receiving compensation from more than one party. Seller and Buyer hereby assign to Listing Broker and Selling Broker, as applicable, a portion of their funds in escrow equal to such commission(s) and irrevocably instruct the Closing Agent to disburse the commission(s) directly to the Broker(s). In any action by Listing or Selling Broker to enforce this paragraph, the prevailing party is entitled to court costs and reasonable attorneys' fees. Seller and Buyer agree that the Licensees are intended third party beneficiaries under this Agreement. 153-160

Initials: BUYER: [Signature] DATE: 1-7-10 SELLER: [Signature] DATE: 3/18/10 161
BUYER: _____ DATE: _____ SELLER: _____ DATE: _____ 162

VACANT LAND PURCHASE AND SALE AGREEMENT
GENERAL TERMS

- v. **Feasibility Contingency.** It is the Buyer's responsibility to verify before the Feasibility Contingency Expiration Date identified in Specific Term No. 17 whether or not the Property can be platted, developed and/or built on (now or in the future) and what it will cost to do this. BUYER SHOULD NOT RELY ON ANY ORAL STATEMENTS concerning this made by the Seller, Listing Agent or Selling Licensee. Buyer should inquire at the city or county, and water, sewer or other special districts in which the Property is located. Buyer's inquiry should include, but not be limited to: building or development moratoriums applicable to or being considered for the Property; any special building requirements, including setbacks, height limits or restrictions on where buildings may be constructed on the Property; whether the Property is affected by a flood zone, wetlands, shorelands or other environmentally sensitive area; road, school, fire and any other growth mitigation or impact fees that must be paid; the procedure and length of time necessary to obtain plat approval and/or a building permit; sufficient water, sewer and utility and any service connection charges; and all other charges that must be paid. Buyer and Buyer's agents, representatives, consultants, architects and engineers shall have the right, from time to time during the feasibility contingency, to enter onto the Property and to conduct any tests or studies that Buyer may need to ascertain the condition and suitability of the Property for Buyer's intended purpose. Buyer shall restore the Property and all improvements on the Property to the same condition they were in prior to the inspection. Buyer shall be responsible for all damages resulting from any inspection of the Property performed on Buyer's behalf. If the Buyer does not give notice to the contrary on or before the Feasibility Contingency Expiration Date identified in Specific Term No. 17, it shall be conclusively deemed that Buyer is satisfied as to development and/or construction feasibility and cost. If Buyer gives notice this Agreement shall terminate and the Earnest Money shall be refunded to Buyer, less any unpaid costs.
- w. **Subdivision.** If the Property must be subdivided, Seller represents that there has been preliminary plat approval for the Property and this Agreement is conditioned on the recording of the final plat containing the Property on or before the date specified in Specific Term 16. If the final plat is not recorded by such date, this Agreement shall terminate and the Earnest Money shall be refunded to Buyer.
- x. **Information Verification Period and Property Condition Disclaimer.** Buyer shall have 10 days after mutual acceptance to verify all information provided from Seller or Listing Agent related to the Property. This contingency shall be deemed satisfied unless Buyer gives notice identifying the materially inaccurate information within 10 days of mutual acceptance. If Buyer gives timely notice under this section, then this Agreement shall terminate and the Earnest Money shall be refunded to Buyer. Buyer and Seller agree, that except as provided in this Agreement, all representations and information regarding the Property and the transaction are solely from the Seller or Buyer, and not from any Licensee. The parties acknowledge that the Licensees are not responsible for assuring that the parties perform their obligations under this Agreement and that none of the Licensees have agreed to independently investigate or confirm any matter related to this transaction except as stated in this Agreement, or in a separate writing signed by such Licensee. In addition, Licensees do not guarantee the value, quality or condition of the Property and some properties may contain building materials, including siding, roofing, ceiling, insulation, electrical, and plumbing, that have been the subject of lawsuits and/or governmental inquiry because of possible defects or health hazards. Some properties may have other defects arising after construction, such as drainage, leakage, pest, rot and mold problems. Licensees do not have the expertise to identify or assess defective products, materials, or conditions. Buyer is urged to retain inspectors qualified to identify the presence of defective materials and evaluate the condition of the Property. Licensees may assist the parties with locating and selecting third party service providers, such as inspectors or contractors, but Licensees cannot guarantee or be responsible for the services provided by those third parties. The parties agree to exercise their own judgment and due diligence regarding third party service providers.
- y. **Disclosures in Form 17 or 17C.** If Seller provides Buyer with a disclosure statement pursuant to RCW 64.06 (Form 17 or 17C, whichever is applicable), Buyer may bring an action in tort to recover economic losses resulting from intentional misrepresentations in Form 17 or 17C; and if the parties so agree in Specific Term No. 8, Buyer may bring an action in tort to recover economic losses resulting from negligent errors, inaccuracies, or omissions in Form 17 or 17C. Nevertheless, Buyer is advised to use due diligence to inspect the Property to Buyer's satisfaction, as Seller may not know or have reason to know of defects that careful inspections might reveal. If, in Specific Term No. 8, the parties agree that Buyer will not have a remedy for economic loss resulting from negligent errors, inaccuracies, or omissions in Form 17 or 17C, then Buyer assumes the risk of economic loss that may result from Seller's negligent misrepresentation in Form 17 or 17C. Buyer maintains the right to bring any and all claims permitted under the common law, including fraudulent concealment. Buyer and Seller acknowledge that home protection plans may be available which may provide additional protection and benefit to Buyer and Seller.

Initials: BUYER: SA DATE: 1-7-10 SELLER: SA DATE: 3/18/10
BUYER: _____ DATE: _____ SELLER: _____ DATE: _____

Pacific Northwest Title Company

EXHIBIT A

Order No.: 1106511

Legal Description:

THE NORTH 130 FEET OF THE EAST 950 FEET OF GOVERNMENT LOT 3, SECTION 15, TOWNSHIP 21 NORTH, RANGE 4 EAST, W.M., IN KING COUNTY, WASHINGTON;

EXCEPT THE NORTH 30 FEET THEREOF;

EXCEPT THE EAST 830 FEET THEREOF;

AND EXCEPT PORTION THEREOF CONVEYED TO KING COUNTY FOR ROAD PURPOSES UNDER KING COUNTY RECORDING NUMBER 2590197;

(BEING KNOWN AS A PORTION OF LOT 112, NORTH LAKE SHORE LANDS, ACCORDING TO THE UNRECORDED PLAT THEREOF).

Tax Account Number:

614360-0571-01

*** END OF EXHIBIT A ***

LAND & ACREAGE ADDENDUM

The following is part of the Purchase and Sale Agreement dated JANUARY 7, 2010
between G. HELL, AN UNMARRIED MAN ("Buyer")
and KING COUNTY ("Seller")
concerning 614360-0571 ("the Property")

1. BUYER ACKNOWLEDGMENTS. If Buyer has any questions regarding the Property, Buyer is advised to make the Agreement subject to relevant inspections, tests, surveys, and/or reports. BUYER ACKNOWLEDGES:

- a. Buyer has observed and investigated the Property and has reached Buyer's own conclusions as to the adequacy, acceptability, and suitability of the Property and surrounding area, and the feasibility and desirability of acquiring the Property for Buyer's intended use, based solely on Buyer's examination of the Property.
- b. A generally accepted method for identifying boundary lines and verifying the size of the Property is to have the Property surveyed, and corners identified and marked. A survey will confirm that the legal description is accurate and that any presumed fences or other boundary markings are correctly located. Neither the Listing Agent nor the Selling Licensee shall be responsible for any discrepancies in boundary lines, information regarding the size of the Property, identification of easements or encroachment problems.
- c. A generally accepted method for determining whether on-site sewage disposal systems may be installed on the Property is to have tests performed, such as "perc" tests, which are approved by the county for limited time periods. Except as otherwise provided in the Agreement, Buyer assumes the risk that the Property is suitable for any needed on-site sewage disposal system and related equipment.
- d. A generally accepted method for determining water quality from any well or other water delivery system is to have tests conducted by professionals certified by the Department of Ecology for items such as bacteria and nitrates, and a generally accepted method for determining water quantity produced by a well is to have a test conducted by experts to determine gallons per minute. Buyer understands that the results of such tests only provide information regarding water quality or quantity at the time of the test(s) and provide no representation or guarantee that results will not change or vary at other times.
- e. If the Property is currently taxed at a reduced rate because a special classification such as open space, agricultural, or forest land, and Buyer is to continue that use, Buyer understands approval from the county will need to be obtained and that significant increased taxes, back taxes, penalties and interest may be required to be paid if the use classification is changed or withdrawn at Closing or in the future.
- f. A generally accepted method for determining the value of timber growing on the Property is to have a qualified forester or forest products expert "cruise" the Property and give a written valuation.
- g. If there is an on-site sewage disposal system on the Property and the system has not been recently used, Buyer should consider conducting a purge test and other inspections to determine whether there are any defects in the system.
- h. Additional tests or inspections of the Property may be required by local or state governmental agencies before title to the Property is transferred.

Initials: BUYER: [Signature] DATE: 1-07-10 SELLER: [Signature] DATE: 1/8/10
 BUYER: _____ DATE: _____ SELLER: _____ DATE: _____

LAND & ACREAGE ADDENDUM
 (continued)

2. CONTINGENCIES:

- a. General Contingency Provisions.** This Agreement is conditioned on the applicable contingencies below. The work to be performed shall be timely ordered by the party responsible for payment, except for the Feasibility Study (if applicable), and shall be performed by qualified professionals. If Seller is responsible for ordering the work and fails to timely do so, Seller will be in breach of the Agreement.
- b. Contingency Periods.** The applicable contingency periods shall commence on mutual acceptance of the Agreement. If Buyer gives notice of disapproval and termination of the Agreement within the applicable contingency period, the Earnest Money shall be refunded to Buyer. If Buyer fails to give timely notice within the applicable contingency period, then the respective contingency shall be deemed waived.
- c. Contingencies.** Items checked below are to be paid by Buyer or Seller as indicated below and are contingencies to the Agreement. Notwithstanding the payment allocation provided for herein, if the Agreement fails to close as a consequence of a Seller's breach, the costs of the following shall be born by the Seller:

Paid by Buyer	Paid by Seller		Contingency period (10 days if not filled in)
<input checked="" type="checkbox"/>	<input type="checkbox"/>	i. Survey. Completion of survey to verify information regarding the Property as listed in 1(b).	<u>15</u> days
<input type="checkbox"/>	<input type="checkbox"/>	ii. Perc Test. Perc or similar test indicating that the Property is suitable for installation of conventional septic system and drainfield. If the sale fails to close, the party who paid for the perc test shall fill in holes at their expense within two weeks of the date the transaction is terminated. Earnest Money shall not be refunded to Buyer until perc holes are filled in if this is Buyer's responsibility.	_____ days
<input type="checkbox"/>	<input type="checkbox"/>	iii. On-Site Sewage System. The system to be pumped and inspected by a qualified professional to determine that the system is readily accepting effluent and the system has no apparent defects. (If VA Financing is used, Lender may require certification of system.)	_____ days
<input type="checkbox"/>	<input type="checkbox"/>	iv. Water Quality. Water quality and/or purity tests showing water meets the approval standards of the Department of Ecology and standards of the governing county. Water quality tests to be performed by a qualified professional.	_____ days
<input type="checkbox"/>	<input type="checkbox"/>	v. Water Quantity. Water quantity tests (4 hour draw down test or other test selected by Buyer) showing a sustained flow of _____ g.p.m., which Buyer agrees will be adequate to reasonably meet Buyer's needs. Water quantity test to be performed by a qualified professional.	_____ days
<input type="checkbox"/>	<input type="checkbox"/>	vi. Timber. Timber cruise conducted by a qualified forest products expert of Buyer's choice, with results of the cruise to be satisfactory to Buyer in Buyer's sole discretion.	_____ days

Initials: BUYER: SA DATE: 1-7-10 SELLER: SH DATE: 3/18/10
 BUYER: — DATE: — SELLER: _____ DATE: _____

3. ADDITIONAL PROVISIONS (check as applicable)

Feasibility Study. If this box is checked, this paragraph supersedes and replaces the Feasibility Contingency set forth in Specific Term 17 and General Term "v" of Form 25 (Vacant Land Purchase and Sale Agreement). Completion of a feasibility study and determination, in Buyer's sole discretion, that the Property and any matters affecting the Property including, without limitation, the condition of any improvements to the Property, the condition and capacity of irrigation pumps, system and wells, the adequacy of water rights for the Property, the licensure of wells, permitted or certificated water rights for the Property, the location and size of any critical area on the Property, the number and location of approved road approaches from public roads, and the presence of recorded access easements to the Property, are suitable for Buyer's intended use(s), and that it is feasible and advantageous for Buyer to acquire the Property in accordance with the Agreement. In performing any investigations, Buyer shall not interfere with any existing tenants' operations on the Property.

This feasibility study contingency shall conclusively be deemed waived unless within _____ (10 days if not filled in) after mutual acceptance, Buyer gives notice disapproving the feasibility study. If Buyer timely disapproves the feasibility study and terminates the Agreement, the Earnest Money shall be refunded to Buyer.

Irrigation and Water. Seller warrants that there are _____ shares of _____ irrigation water rights and _____ shares of _____ frost water rights applicable to the Property, all of which will be transferred to Buyer at Closing.

Assignment and Assumption. At Closing, Seller will assign, transfer, and convey all of its right, title and interest in, to and under any lease of the Property and will represent and warrant to Buyer that, as of the Closing Date, there are no defaults under the leases and no condition exists or event has occurred or failed to occur that with or without notice and the passage of time could ripen into such a default. At Closing, Buyer will agree to defend, indemnify and hold Seller harmless from and against any obligation under the leases to the extent delegated to and assumed by Buyer hereunder.

Attorney Review. This Agreement is conditioned on review and approval by the parties' attorneys on or before FEBRUARY 8, 2010. A party shall conclusively be deemed to have waived this contingency unless notice in conformance with this Agreement is provided to the other party by the foregoing date.

Crops. Unless otherwise agreed in writing Seller has the right to harvest all growing crops in the ordinary course of business until the possession date.

Accessories. The indicated accessories are items included in addition to those stated in Specific Term 5 of the Agreement: portable buildings sheds and other outbuildings game feeders
 livestock feeders and troughs irrigation equipment fuel tanks submersible pumps
 pressure tanks corrals and pens gates and fences chutes
 other: _____

The value assigned to the personal property included in the sale shall be \$ _____
Seller warrants title to, but not the condition of, the personal property and shall convey it by bill of sale.

CRP Program. Buyer must assume all Conservation Reserve Program contracts and agree to continue them through the expiration date of each such contract. All documentation for the assumption will be completed at closing and must be approved by Farm Service Agency of the USDA prior to Closing. Any Conservation Reserve Program payments shall be prorated as of Closing.

Initials: BUYER: SA DATE: 1-7-10 SELLER: SM DATE: 3/15/10
BUYER: _____ DATE: _____ SELLER: _____ DATE: _____

LAND & ACREAGE ADDENDUM
(continued)

4. **DOCUMENT REVIEW PERIOD.** If this box is checked, Seller shall deliver to Buyer a copy of the following documents within _____ (20 days if not filled in) of mutual acceptance:

If Buyer, in Buyer's sole discretion, does not give notice of disapproval within _____ days (15 days if not filled in) of receipt of the above documents or the date that the above documents are due, then this document review period shall conclusively be deemed satisfied (waived). If Buyer gives timely notice of disapproval, then this Agreement shall terminate and the Earnest Money shall be refunded to Buyer.

5. **ADDITIONAL INSPECTIONS.** If this box is checked and if a qualified professional performing any inspection of the Property recommends further evaluation of the Property, Buyer shall have an additional _____ (10 days if not filled in) to obtain the additional inspection at Buyer's option and expense. On or before the end of the applicable contingency period, Buyer shall provide a copy of the qualified professional's recommendation and notice that Buyer will seek additional inspections. If Buyer gives timely notice of additional inspections, the applicable contingency period shall be replaced by the additional period specified above. The time for conducting the additional inspections shall commence on the day after Buyer gives notices under this paragraph, and shall be determined as set forth in the Computation of Time paragraph of the Agreement.

6. TAX DESIGNATION.

a. **Classification of Property.** Seller represents that the Property is classified as open space; farm and agricultural; timberland under Chapter 84.34 RCW.

b. **Removal from Classification.** Buyer shall not file a notice of classification continuance at the time of Closing and the Property shall be removed from its classification. All additional taxes, applicable interest, and penalties assessed by the county assessor when the Property is removed from its classification shall be paid by Seller; Buyer; both Seller and Buyer in equal shares (Seller if no box is checked).

c. **Notice of Classification Continuance.** In order to retain this classification, Buyer shall execute a notice of classification continuance at or before the time of Closing. The notice of classification continuance shall be attached to the real estate excise tax affidavit. Buyer acknowledges that if Buyer fails to execute a notice of classification continuance, the county assessor must reassess the Property's taxable value and retroactively impose additional taxes, applicable interest, and penalties, which Buyer shall pay.

Initials: BUYER: SA DATE: 1-7-10 SELLER: SH DATE: 3/18/10
BUYER: — DATE: — SELLER: — DATE: —

ADDENDUM/AMENDMENT TO PURCHASE AND SALE AGREEMENT

The following is part of the Purchase and Sale Agreement dated JANUARY 7, 2010 1
between G. HEIL, AN UNMARRIED MAN ("Buyer") 2
and KING COUNTY ("Seller") 3
concerning 614360-0571 ("the Property") 4

IT IS AGREED BETWEEN THE SELLER AND BUYER AS FOLLOWS: 5

1. OFFER CONTINGENT UPON METROPOLITAN KING COUNTY COUNCIL APPROVAL, 6
7
8
2. SELLER WILL SATISFY UNRECORDED STATE LIEN ON PROPERTY FROM PROCEEDS OF SALE; LIEN NO 9106257952; DEFERRAL 17-0672 AT CLOSING. SATISFACTION OF LIEN WILL BE RECORDED. 9
10
11
12
13
14
3. THIS PARCEL IS OWNED BY KING COUNTY IN TAX TITLE STATUS. BUYER WILL RECEIVE TITLE THROUGH A QUITCLAIM DEED. 15
16
17
18
4. THE PARTIES MAY EXCHANGE DOCUMENTS IN THIS TRANSACTION VIA SCANNED SIGNATURES & EMAIL TRANSMISSION. 19
20
21
22

ALL OTHER TERMS AND CONDITIONS of said Agreement remain unchanged. 41

AGENT (COMPANY) KING COUNTY 42

BY: Arund Locmelin, ASSOCIATE BROKER 43

Initials: BUYER: GH DATE: 1-07-10 SELLER: SH DATE: 3/15/10 44
BUYER: _____ DATE: _____ SELLER: _____ DATE: _____ 45

NOTICE TO PURCHASER

If there is no reasonable access to a public sanitary sewer system from the parcel you are thinking of buying, you must install a private sewer system approved by the King County Department of Public Health in order to build a house or any structure which will be used for human habitation. No building permits are issued for parcels that cannot have access to approved public or approved private sewer systems. No permit will be issued for and no on-site sewage systems may be located on this parcel unless it has received site design approval by the King County Department of Public Health before application for a building permit. Before you enter into an agreement to purchase this parcel, you should contact the King County Department of Public Health to determine the procedures for installing a private sewer system.

Your seller may have had an evaluation of on-site sewage system feasibility made on the parcel by a registered civil or sanitary engineer or certificated sewage disposal system designer. If so, that fact and the conclusions of the evaluation appear below.

(Ord. 14507 § 3, 2002: Ord. 1490 § 2, 1973).

SELLER'S REPRESENTATIONS

ON-SITE SEWAGE SYSTEM EVALUATION

No on-site sewage system evaluations have been conducted on the Property situated in the State of Washington, and described as follows:

The north 130 feet of the east 950 feet of Government Lot 3, Section 15, Township 21 North, Range 4 East, W.M., in King County, Washington;
EXCEPT the north 30 feet thereof;
EXCEPT the east 830 feet thereof;
AND EXCEPT portion thereof conveyed to King County for road purposes under King County Recording Number 2590197.

(BEING KNOWN AS a portion of Lot 112, North Lake Shore Lands, according to the unrecorded plat thereof.)

I have no knowledge material to a determination whether an on-site sewage system may be installed on this parcel.

I represent that the statements above are true.

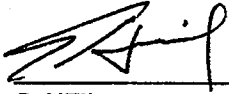


Stephen L. Salyer, Manager Real Estate Services Section
King County Facilities Management Division
Department of Executive Services

(date)

BUYER'S SIGNATURE

I have read this statement and understand its contents.



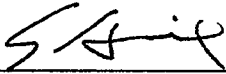
G. HEIL

JAN 10, 2010

(date)

WAIVER (IN THE ALTERNATIVE)

I have read this disclosure form and understand its contents. I waive vendor's disclosure unconditionally.
(Or) upon the condition this sale will not be closed unless this parcel is subjected to an on-site sewage
system evaluation that meets the requirements of the King County Department of Public Health.



G. HEIL

JAN 10, 2010

(date)

**AMENDMENT
TO
VACANT LAND PURCHASE AND SALE AGREEMENT DATED JANUARY 7, 2010
(THE "AGREEMENT")
BETWEEN KING COUNTY AS SELLER AND G. HEIL AS BUYER
FOR NORTH LAKE SHORE LANDS TAX TITLE PARCEL #614360-0571**

The original contingency dates in the Agreement for legal reviews and performance by Buyer of a survey were postponed via email agreement while the parties reviewed obligations for payment of past taxes and liens. The parties now agree to the following terms, with all other terms and conditions of the Agreement remaining in full force and effect.

- (1) Buyer hereby approves the title report dated January 8, 2010, provided by Pacific Northwest Title Company. Seller is satisfied as to its obligations as revealed in the title report of July 19, 2000.
- (2) Seller hereby acknowledges Buyer's offer of \$35,000 for purchase of the Property and is able to continue processing the Agreement for King County Council's approval with the following understandings:
- (3) Changes to Form 22 Land and Acreage Addendum:

Survey - Buyer may proceed with a survey of the Property as of the date of Buyer's signature below, having provided Seller with a copy of this signed Amendment prior to surveyor's site visit. The surveyor has King County's permission to enter the Property from the area of greatest accessibility, either from 38th Avenue South or South 328th Street. The surveyor will not walk through any fencing evident on or near the property.

Should Buyer have concerns regarding information being provided by the surveyor regarding this Property, Buyer must provide Seller with a copy of the surveyor's written report no later than February 19, 2010, by 5:00 p.m. In the alternative, should Buyer have no concerns, Buyer shall provide Seller with written notice of his waiver of this contingency by this same date.

Attorney Review - Seller's legal review of the Agreement is hereby extended to February 26, 2010 by 5:00 p.m.

Assignment and Assumption - This item was checked in error. There are no outstanding leases on the Property.

- (4) Buyer has requested that the parties close escrow prior to end of June 2010, due to anticipated changes to the Washington State Energy Code in July 2010 which have the potential for making obsolete Buyer's current architectural plans. Buyer understands that Seller will proceed with diligence in seeking determination of Council's acceptance or rejection of the Agreement by mid-June, 2010. Buyer further understands that Seller cannot guarantee a date for Council's opinion.

- (5) Seller will provide Buyer with Form 17 as described in item y of the Agreement no later than February 22, 2010, by 5:00 p.m.

Buyer: _____

Date: 10 February 2009

Seller: _____

Date: 3/18/10

AMENDMENT
FORM 17 DISCLOSURE AND WAIVER OF SURVEY CONTINGENCY
TO
VACANT LAND PURCHASE AND SALE AGREEMENT DATED JANUARY 7, 2010
(THE "AGREEMENT")
BETWEEN KING COUNTY AS SELLER AND G. HEIL AS BUYER
FOR NORTH LAKE SHORE LANDS TAX TITLE PARCEL #614360-0571

(1) Buyer hereby approves the survey he has conducted on the Property and that contingency is hereby satisfied and waived.

(2) Buyer has read Seller's Form 17 Disclosure Statement as required in the Agreement. Buyer is to review and sign where indicated and return to Seller no later than Monday, February 22, 2010, by 5:00 p.m.

Buyer: _____

G. Heil

Date: _____

2-16-10

Seller: _____

Sylvia Sech

Date: _____

3/18/10

Form 34
Addendum/Amendment to P & S
Rev. 5/98
Page 1 of 1

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ALL RIGHTS RESERVED

ADDENDUM/AMENDMENT TO PURCHASE AND SALE AGREEMENT

The following is part of the Purchase and Sale Agreement dated January 7, 2010 1
between G. HEIL ("Buyer") 2
and KING COUNTY ("Seller") 3
concerning ASSESSOR'S PARCEL NUMBER 614360-0571 ("the Property") 4

IT IS AGREED BETWEEN THE SELLER AND BUYER AS FOLLOWS: 5

1. Agency. Paragraph 19 of the Agreement is amended to remove "Anne Lockmiller (Bob Thompson)" as the 6
Seller's Broker and only to include Anne Lockmiller as Listing Agent. 7
8

2. Deed. The third sentence of Paragraph c, of the Agreement and paragraph 3 of the Addendum/Amendment to 9
Purchase and Sale Agreement are amended to read as follows: 10
11

This Property is tax-title property and upon payment of the purchase price the county will execute a statutory tax 12
title deed in favor of the Buyer, as provided in RCW 36.35.130. 13
14

3. Council approval contingency. The Agreement is amended to add a Council Approval Contingency, as 15
follows: 16
17

Council Approval Contingency. Buyer's and Seller's rights and obligations hereunder are subject to and 18
contingent upon approval of this Agreement by the King County Council on or prior to August 31, 2010 (the 19
"Council Approval Contingency"). Notwithstanding the foregoing date, Seller agrees to use its best efforts to 20
obtain such approval as soon as possible. In the event the Council Approval Contingency is not satisfied as 21
reasonably determined by Seller on or prior to August 31, 2010, this Agreement shall be null and void, and 22
Buyer shall have no right to use or purchase the Property. In the event the Contingency is satisfied as reasonably 23
determined by Seller on or prior to August 31, 2010, this Agreement shall be fully effective and enforceable in 24
accordance with its terms. 25
26
27
28
29

[Signature] 4/6/10 30
Buyer's Signature Date 31
32

[Signature] 4/5/10 33
Seller's Signature Date 34
35
36
37
38

ALL OTHER TERMS AND CONDITIONS of said Agreement remain unchanged. 41

AGENT (COMPANY) KING COUNTY 42
BY: Anne Lockmiller 43

Initials: BUYER: [Signature] DATE: 4/6/10 SELLER: _____ DATE: _____ 44
BUYER: _____ DATE: _____ SELLER: _____ DATE: _____ 45

**SELLER DISCLOSURE STATEMENT †
UNIMPROVED PROPERTY**

SELLER: KING COUNTY

† To be used in transfers of unimproved residential real property, including property zoned for residential use that is not improved by residential dwelling units, a residential condominium, a residential timeshare or a mobile or manufactured home (not including property defined as "timber land" under RCW 84.34.020). See RCW Chapter 64.06 for further explanations.

INSTRUCTIONS TO THE SELLER

Please complete the following form. Do not leave any spaces blank. If the question clearly does not apply to the property write "NA." If the answer is "yes" to any asterisked (*) item(s), please explain on attached sheets. Please refer to the line number(s) of the question(s) when you provide your explanation(s). For your protection you must date and initial each page of this disclosure statement and each attachment. Delivery of the disclosure statement must occur not later than five (5) business days, unless otherwise agreed, after mutual acceptance of a written purchase and sale agreement between Buyer and Seller.

NOTICE TO THE BUYER

THE FOLLOWING DISCLOSURES ARE MADE BY THE SELLER ABOUT THE CONDITION OF THE PROPERTY LOCATED AT THE S.E. CORNER OF 38th AVENUE SOUTH & SOUTH 328th STREET, TAX LOT 614360-0571,

CITY FEDERAL WAY, COUNTY KING ("THE PROPERTY") OR AS LEGALLY DESCRIBED ON THE ATTACHED EXHIBIT A. SELLER MAKES THE FOLLOWING DISCLOSURES OF EXISTING MATERIAL FACTS OR MATERIAL DEFECTS TO BUYER BASED ON SELLER'S ACTUAL KNOWLEDGE OF THE PROPERTY AT THE TIME SELLER COMPLETES THIS DISCLOSURE STATEMENT. UNLESS YOU AND SELLER OTHERWISE AGREE IN WRITING, YOU HAVE THREE (3) BUSINESS DAYS FROM THE DAY SELLER OR SELLER'S AGENT DELIVERS THIS DISCLOSURE STATEMENT TO YOU TO RESCIND THE AGREEMENT BY DELIVERING A SEPARATELY SIGNED WRITTEN STATEMENT OF RESCISSION TO SELLER OR SELLER'S AGENT. IF THE SELLER DOES NOT GIVE YOU A COMPLETED DISCLOSURE STATEMENT, THEN YOU MAY WAIVE THE RIGHT TO RESCIND PRIOR TO OR AFTER THE TIME YOU ENTER INTO A PURCHASE AND SALE AGREEMENT.

THE FOLLOWING ARE DISCLOSURES MADE BY SELLER AND ARE NOT THE REPRESENTATIONS OF ANY REAL ESTATE LICENSEE OR OTHER PARTY. THIS INFORMATION IS FOR DISCLOSURE ONLY AND IS NOT INTENDED TO BE A PART OF ANY WRITTEN AGREEMENT BETWEEN BUYER AND SELLER.

FOR A MORE COMPREHENSIVE EXAMINATION OF THE SPECIFIC CONDITION OF THIS PROPERTY YOU ARE ADVISED TO OBTAIN AND PAY FOR THE SERVICES OF QUALIFIED EXPERTS TO INSPECT THE PROPERTY, WHICH MAY INCLUDE, WITHOUT LIMITATION, ARCHITECTS, ENGINEERS, LAND SURVEYORS, PLUMBERS, ELECTRICIANS, ROOFERS, BUILDING INSPECTORS, ON-SITE WASTEWATER TREATMENT INSPECTORS, OR STRUCTURAL PEST INSPECTORS. THE PROSPECTIVE BUYER AND SELLER MAY WISH TO OBTAIN PROFESSIONAL ADVICE OR INSPECTIONS OF THE PROPERTY OR TO PROVIDE APPROPRIATE PROVISIONS IN A CONTRACT BETWEEN THEM WITH RESPECT TO ANY ADVICE, INSPECTION, DEFECTS OR WARRANTIES.

Seller is/ is not occupying the property.

I. SELLER'S DISCLOSURES:

* If you answer "Yes" to a question with an asterisk (*), please explain your answer and attach documents, if available and not otherwise publicly recorded. If necessary, use an attached sheet.

1. TITLE

- | | YES | NO | DON'T KNOW |
|---|-------------------------------------|-------------------------------------|-------------------------------------|
| A. Do you have legal authority to sell the property? If no, please explain. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| *B. Is title to the property subject to any of the following? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| (1) First right of refusal | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| (2) Option | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| (3) Lease or rental agreement | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| (4) Life estate? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| *C. Are there any encroachments, boundary agreements, or boundary disputes? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| *D. Is there a private road or easement agreement for access to the property? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| *E. Are there any rights-of-way, easements, or access limitations that affect the Buyer's use of the property? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| *F. Are there any written agreements for joint maintenance of an easement or right-of-way? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| *G. Is there any study, survey project, or notice that would adversely affect the property? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| *H. Are there any pending or existing assessments against the property? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| *I. Are there any zoning violations, nonconforming uses, or any unusual restrictions on the property that affect future construction or remodeling? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| *J. Is there a boundary survey for the property? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| *K. Are there any covenants, conditions, or restrictions recorded against title to the property? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

PLEASE NOTE: Covenants, conditions, and restrictions which purport to forbid or restrict the conveyance, encumbrance, occupancy, or lease of real property to individuals based on race, creed, color, sex, national origin, familial status, or disability are void, unenforceable, and illegal. RCW 49.60.224.

SELLER'S INITIAL: AKC DATE: 2-16-10 SELLER'S INITIAL: [Signature] DATE: 2-16-10

**SELLER DISCLOSURE STATEMENT
UNIMPROVED PROPERTY**

	YES	NO	DON'T KNOW	57
2. WATER				58
A. Household Water				59
(1) Does the property have potable water supply?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	60
(2) If yes, the source of water for the property is:				61
<input checked="" type="checkbox"/> Private or publicly owned water system				62
<input type="checkbox"/> Private well serving only the property				63
* <input type="checkbox"/> Other water system				64
*If shared, are there any written agreements?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	65
* (3) Is there an easement (recorded or unrecorded) for access to and/or maintenance of the water source?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	66
				67
* (4) Are there any problems or repairs needed?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	68
(5) Is there a connection or hook-up charge payable before the property can be connected to the water main?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	69
				70
(6) Have you obtained a certificate of water availability from the water purveyor serving the property? (If yes, please attach a copy.)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	71
				72
(7) Is there a water right permit, certificate, or claim associated with household water supply for the property? (If yes, please attach a copy.)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	73
				74
(a) If yes, has the water right permit, certificate, or claim been assigned, transferred, or changed?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	75
				76
* (b) If yes, has all or any portion of the water right not been used for five or more successive years?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	77
				78
(c) If no or don't know, is the water withdrawn from the water source less than 5,000 gallons a day?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	79
				80
* (8) Are there any defects in the operation of the water system (e.g. pipes, tank, pump, etc.)?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	81
B. Irrigation Water				82
(1) Are there any irrigation water rights for the property, such as a water right permit, certificate, or claim? (If yes, please attach a copy.)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	83
				84
(a) If yes, has all or any portion of the water right not been used for five or more successive years?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	85
				86
(b) If yes, has the water right permit, certificate, or claim been assigned, transferred, or changed?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	87
				88
* (2) Does the property receive irrigation water from a ditch company, irrigation district, or other entity? If so, please identify the entity that supplies irrigation water to the property:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	89
				90
				91
C. Outdoor Sprinkler System				92
(1) Is there an outdoor sprinkler system for the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	93
* (2) If yes, are there any defects in the system?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	94
* (3) If yes, is the sprinkler system connected to irrigation water?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	95
3. SEWER/SEPTIC SYSTEM				96
A. The property is served by:				97
<input checked="" type="checkbox"/> Public sewer system				98
<input type="checkbox"/> On-site sewage system (including pipes, tanks, drainfields, and all other component parts)				99
<input type="checkbox"/> Other disposal system				100
Please describe: <u>SEWER IS AVAILABLE IN THE STREET</u>				101
B. Is the property subject to any sewage system fees or charges in addition to those covered in your regularly billed sewer or on-site sewage system maintenance service?				102
	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	103
SELLER'S INITIAL: <u>AKZ</u> DATE: <u>2-16-10</u> SELLER'S INITIAL: <u>SA</u> DATE: <u>2-16-10</u>				104

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	YES	NO	DON'T KNOW	105 106 107
C. If the property is connected to an on-site sewage system:				
* (1) Was a permit issued for its construction?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	108
* (2) Was it approved by the local health department or district following its construction?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	109
(3) Is the septic system a pressurized system?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	110
(4) Is the septic system a gravity system?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	111
* (5) Have there been any changes or repairs to the on-site sewage system?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	112
(6) Is the on-site sewage system, including the drainfield, located entirely within the boundaries of the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	113 114
If no, please explain: _____				115
* (7) Does the on-site sewage system require monitoring and maintenance services more frequently than once a year?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	116 117
4. ELECTRICAL/GAS				118
A. Is the property served by natural gas?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	119
B. Is there a connection charge for gas?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	120
C. Is the property served by electricity?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	121
D. Is there a connection charge for electricity?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	122
*E. Are there any electrical problems on the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	123
5. FLOODING				124
A. Is the property located in a government designated flood zone or floodplain?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	125
6. SOIL STABILITY				126
*A. Are there any settlement, earth movement, slides, or similar soil problems on the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	127
7. ENVIRONMENTAL				128
*A. Have there been any flooding, standing water, or drainage problems on the property that affect the property or access to the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	129 130
*B. Does any part of the property contain fill dirt, waste, or other fill material?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	131
*C. Is there any material damage to the property from fire, wind, floods, beach movements, earthquake, expansive soils, or landslides?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	132 133
D. Are there any shorelines, wetlands, floodplains, or critical areas on the property?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	134
*E. Are there any substances, materials, or products in or on the property that may be environmental concerns, such as asbestos, formaldehyde, radon gas, lead-based paint, fuel or chemical storage tanks, or contaminated soil or water?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	135 136 137
*F. Has the property been used for commercial or industrial purposes?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	138
*G. Is there any soil or groundwater contamination?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	139
*H. Are there transmission poles or other electrical utility equipment installed, maintained, or buried on the property that do not provide utility service to the structures on the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	140 141
*I. Has the property been used as a legal or illegal dumping site?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	142
*J. Has the property been used as an illegal drug manufacturing site?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	143
*K. Are there any radio towers that cause interference with cellular telephone reception?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	144
SELLER'S INITIAL: <u>ALX</u> DATE: <u>2-16-10</u>				145
SELLER'S INITIAL: <u>SA</u> DATE: <u>2-16-10</u>				

**SELLER DISCLOSURE STATEMENT
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	YES	NO	DON'T KNOW	
8. HOMEOWNERS' ASSOCIATION/COMMON INTERESTS				146
A. Is there a homeowners' association?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	147
Name of association and contact information for an officer, director, employee, or other authorized agent, if any, who may provide the association's financial statements, minutes, bylaws, fining policy, and other information that is not publicly available:				148
_____				149
				150
				151
				152
B. Are there regular periodic assessments?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	153
_____ per <input type="checkbox"/> month <input type="checkbox"/> years				154
<input type="checkbox"/> Other _____				155
*C. Are there any pending special assessments?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	156
*D. Are there any shared "common areas" or any joint maintenance agreements (facilities such as walls, fences, landscaping, pools, tennis courts, walkways, or other areas co-owned in undivided interest with others)?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	157
				158
				159
9. OTHER FACTS				160
*A. Are there any disagreements, disputes, encroachments, or legal actions concerning the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	161
*B. Does the property have any plants or wildlife that are designated as species of concern, or listed as threatened or endangered by the government?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	162
				163
*C. Is the property classified or designated as forest land or open space?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	164
D. Do you have a forest management plan? If yes, attach.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	165
*E. Have any development-related permit applications been submitted to any government agencies? If the answer to E is "yes", what is the status or outcome of those applications?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	166
_____				167
				168

10. FULL DISCLOSURE BY SELLERS				169
A. Other conditions or defects:				170
*Are there any other existing material defects affecting the property that a prospective buyer should know about?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	171
				172
B. Verification				173
The foregoing answers and attached explanations (if any) are complete and correct to the best of Seller's knowledge and Seller has received a copy hereof. Seller agrees to defend, indemnify and hold real estate licensees harmless from and against any and all claims that the above information is inaccurate. Seller authorizes real estate licensees, if any, to deliver a copy of this disclosure statement to other real estate licensees and all prospective buyers of the property.				174
				175
				176
				177
Date: <u>FEBRUARY 16, 2010</u>	Date: <u>16 February 2010</u>			178
Seller: <u>Jessie Schmedler</u>	Seller: <u>[Signature]</u>			179
<u>for King County</u>				180
NOTICES TO THE BUYER				181
SEX OFFENDER REGISTRATION				182
INFORMATION REGARDING REGISTERED SEX OFFENDERS MAY BE OBTAINED FROM LOCAL LAW ENFORCEMENT AGENCIES. THIS NOTICE IS INTENDED ONLY TO INFORM YOU OF WHERE TO OBTAIN THIS INFORMATION AND IS NOT AN INDICATION OF THE PRESENCE OF REGISTERED SEX OFFENDERS.				183
				184

PROXIMITY TO FARMING				185
THIS NOTICE IS TO INFORM YOU THAT THE REAL PROPERTY YOU ARE CONSIDERING FOR PURCHASE MAY LIE IN CLOSE PROXIMITY TO A FARM. THE OPERATION OF A FARM INVOLVES USUAL AND CUSTOMARY AGRICULTURAL PRACTICES, WHICH ARE PROTECTED UNDER RCW 7.48.305, THE WASHINGTON RIGHT TO FARM ACT.				186
				187
				188
				189
SELLER'S INITIAL: <u>JS</u> DATE: <u>2-16-10</u>	SELLER'S INITIAL: <u>[Signature]</u> DATE: <u>2-16-10</u>			190

**SELLER DISCLOSURE STATEMENT
UNIMPROVED PROPERTY**

II. BUYER'S ACKNOWLEDGEMENT

- Buyer hereby acknowledges that: 191
- A. Buyer has a duty to pay diligent attention to any material defects that are known to Buyer or can be known to Buyer by utilizing diligent attention and observation. 192
- B. The disclosures set forth in this statement and in any amendments to this statement are made only by the Seller and not by any real estate licensee or other party. 195
- C. Buyer acknowledges that, pursuant to RCW 64.06.050 (2), real estate licensees are not liable for inaccurate information provided by Seller, except to the extent that real estate licensees know of such inaccurate information. 197
- D. This information is for disclosure only and is not intended to be a part of the written agreement between the Buyer and Seller. 199
- E. Buyer (which term includes all persons signing the "Buyer's acceptance" portion of this disclosure statement below) has received a copy of this Disclosure Statement (including attachments, if any) bearing Seller's signature(s). 200

DISCLOSURES CONTAINED IN THIS DISCLOSURE STATEMENT ARE PROVIDED BY SELLER BASED ON SELLER'S ACTUAL KNOWLEDGE OF THE PROPERTY AT THE TIME SELLER COMPLETES THIS DISCLOSURE. UNLESS BUYER AND SELLER OTHERWISE AGREE IN WRITING, BUYER SHALL HAVE THREE (3) BUSINESS DAYS FROM THE DAY SELLER OR SELLER'S AGENT DELIVERS THIS DISCLOSURE STATEMENT TO RESCIND THE AGREEMENT BY DELIVERING A SEPARATELY SIGNED WRITTEN STATEMENT OF RESCISSION TO SELLER OR SELLER'S AGENT. MAY WAIVE THE RIGHT TO RESCIND PRIOR TO OR AFTER THE TIME YOU ENTER INTO A SALE AGREEMENT. 202-207

BUYER HEREBY ACKNOWLEDGES RECEIPT OF A COPY OF THIS DISCLOSURE STATEMENT AND ACKNOWLEDGES THAT THE DISCLOSURES MADE HEREIN ARE THOSE OF THE SELLER ONLY, AND NOT OF ANY REAL ESTATE LICENSEE OR OTHER PARTY. 208-209

DATE: _____ DATE: 16 February 2010 210
 BUYER: _____ BUYER: [Signature] 211

BUYER'S WAIVER OF RIGHT TO REVOKE OFFER

Buyer has read and reviewed the Seller's responses to this Seller Disclosure Statement. Buyer approves this statement and waives Buyer's right to revoke Buyer's offer based on this disclosure. 212-214

DATE: _____ DATE: 16 February 2010 215
 BUYER: _____ BUYER: [Signature] 216

BUYER'S WAIVER OF RIGHT TO RECEIVE COMPLETED SELLER DISCLOSURE STATEMENT

Buyer has been advised of Buyer's right to receive a completed Seller Disclosure Statement. Buyer waives that right. However, if the answer to any of the questions in the section entitled "Environmental" would be "yes," Buyer may not waive the receipt of the "Environmental" section of the Seller Disclosure Statement. 217-220

DATE: _____ DATE: 16 February 2010 221
 BUYER: _____ BUYER: [Signature] 222

If the answer is "Yes" to any asterisked (*) items, please explain below (use additional sheets if necessary). Please refer to the line number(s) of the question(s). 223-224

SELLER'S INITIAL: [Signature] DATE: 2-16-10 SELLER'S INITIAL: [Signature] DATE: 2-16-10 233

ORDINANCE LIST

Ordinance Number	Subject	Ordinance Number	Subject
16803	Amends 2.68.075, 2.68.085; amends §§ Ords. 8935, 9427, 10476, 11041, 12447, 13213, 13878, 14374, 14679, 15238, 15529, 15737, 16125, 16597.		
16804, 16805, 16806, 16807	Not codified.		
16808	Amends 2.16.025, 2.16.035; amends §§ Ords. 12075, 12394, 12441, 13666, 14199, 14561, 15559, 15971, 16202, 16308.		
16809	Not codified.		
16810	Amends §§ Ord. 16717.		
16811, 16812, 16813, 16814, 16815, 16816	Not codified.		
16817	Amends §§ Ord. 16717.		
16818			
16819, 16820, 16821, 16822, 16823	Not codified.		
16824	Amends 6.64.700, 6.64.710; amends §§ Ords. 10498, 15263, 15309.		