



**KING COUNTY**

1200 King County Courthouse  
516 Third Avenue  
Seattle, WA 98104

**Signature Report**

**October 23, 2012**

**Ordinance 17439**

Proposed No. 2012-0390.3

Sponsors von Reichbauer and Patterson

1 AN ORDINANCE approving the sale of a surplus  
2 portion of the Auburn Park-and-Ride parking lot to  
3 the city of Auburn.

4 BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

5 SECTION 1. Findings:

6 A. The King County department of transportation, transit division is the  
7 custodian of certain property located at and known as the Auburn Park-and-Ride ("the  
8 Auburn PNR") parking lot.

9 B. Transit has determined that a portion of the Auburn PNR is surplus to their  
10 needs and the needs of the public.

11 C. The King County executive has negotiated a purchase and sale agreement for  
12 the sale of the surplus portion of the Auburn PNR to the city of Auburn for \$1,566,500.

13 D. Pursuant to K.C.C. 4.56.070 the facilities management division has circulated  
14 surplus notices to King County agencies and none expressed interest. The facilities  
15 management division has also determined that the property is not suitable for affordable  
16 housing purposes and declared the property conditionally surplus on July 17, 2012.

17 E. The proposed sale to the city of Auburn is consistent with K.C.C. 4.56.100  
18 regarding sale of county property. K.C.C. 4.56.080 provides that King County council  
19 approval is required for the sale of county-owned real property valued in excess of ten

20 thousand dollars. K.C.C. 4.56.140 and chapter 39.33 RCW provide that the county may  
21 dispose of real property to another governmental agency by negotiation, upon such terms  
22 as may be agreed upon and for such consideration as may be deemed by the county to be  
23 adequate.

24 F. Unique circumstances make a negotiated direct sale in the best interests of the  
25 public.

26 SECTION 2. The King County council, having determined that the sale of the  
27 subject property is in the best interest of the public, hereby authorizes the executive to  
28 execute a purchase and sale agreement with the city of Auburn, substantially in the form  
29 of Attachment A to this ordinance, and to execute any other documents necessary to  
30 complete the transaction contemplated in Attachment A to this ordinance. All actions up  
31 to now taken by county officials, agent and employees consistent with the terms and  
32 purposes of the purchase and sale agreement are hereby ratified, confirmed and approved.

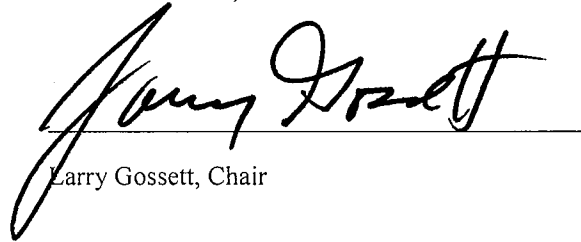
33 SECTION 3. If any provision of this ordinance is declared by any court of  
34 competent jurisdiction to be contrary to law, then such provision is null and void and  
35 shall be deemed separable from the remaining provisions of this ordinance and in no way  
36 affect the validity of the

37 other provisions of this ordinance or of the transaction contemplated in Attachment A to  
38 this ordinance.  
39

Ordinance 17439 was introduced on 10/1/2012 and passed as amended by the Metropolitan King County Council on 10/22/2012, by the following vote:

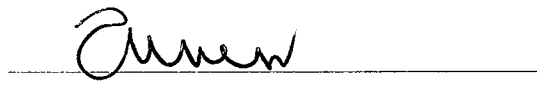
Yes: 8 - Mr. Phillips, Mr. von Reichbauer, Mr. Gossett, Ms. Hague, Ms. Patterson, Ms. Lambert, Mr. Ferguson and Mr. Dunn  
No: 0  
Excused: 1 - Mr. McDermott

KING COUNTY COUNCIL  
KING COUNTY, WASHINGTON



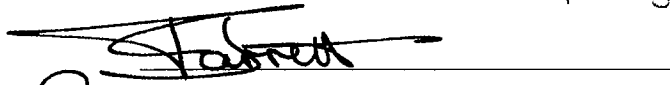
Larry Gossett, Chair

ATTEST:



Anne Noris, Clerk of the Council

APPROVED this 1 day of November, 2012.



Dow Constantine, County Executive

RECEIVED  
2012 NOV - 2 PM 3:55  
CLERK  
KING COUNTY COUNCIL

Attachments: A. Real Estate Purchase and Sale Agreement, dated October 22, 2012

**Attachment A to Ordinance**

**Real Estate Purchase and Sale Agreement**

**Auburn Park and Ride**

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## REAL ESTATE PURCHASE AND SALE AGREEMENT

THIS REAL ESTATE PURCHASE AND SALE AGREEMENT (“Agreement”) is made and entered into by and between **KING COUNTY**, a home rule charter county and political subdivision of the State of Washington (the “Seller”) and **THE CITY OF AUBURN**, a municipal corporation and noncharter code city with a council-mayor form of government organized pursuant to RCW Title 35A (the “Buyer”). Buyer and Seller are sometimes referred to herein individually as a “Party” and collectively as the “Parties.”

### RECITALS

A. Seller is the owner of that certain real property located in the City of Auburn, County of King, State of Washington, commonly identified as a portion of the **AUBURN PARKAND-RIDE**, also known as Lot “A” of that certain subdivision recorded under King County Recording No. \_\_\_\_\_, the legal description of which is attached hereto as **Exhibit A** (the “Property”) and incorporated herein by this reference.

B. Seller has for decades owned, operated and maintained a public transportation and mass transit facility at the Auburn Park-and-Ride.

C. Over many years Seller made significant investments in the Property for benefit of the Auburn Park-and-Ride, and Seller’s historical and continuing use of the Park-and-Ride for public transportation and mass transit purposes are dependent on those improvements continuing to operate in a good and reliable condition.

D. Seller desires to sell the Property and Buyer desires to purchase the Property.

E. As a condition of the real estate transaction between Buyer and Seller regarding the Property, and in partial consideration of the promises, covenants, conditions and restrictions set forth herein, Seller requires easements over the Property so that Seller may continue to use and rely upon improvements located there that serve the Auburn Park-and-Ride, and Buyer is willing to grant the same.

F. As a condition of the real estate transaction between Buyer and Seller regarding the Property, and in partial consideration of the promises, covenants, conditions and restrictions set forth herein, Buyer desires to operate, maintain, and repair the improvements made by Seller upon the Property for benefit of the Auburn Park-and-Ride, as now existing or hereafter configured, and to do so consistent with all applicable laws, rules, and orders, and in addition Buyer is willing to allow Seller to perform such duties in the event that Buyer fails to do so.

G. As a condition of the real estate transaction between Buyer and Seller regarding the Property, and in further consideration of the promises, covenants, conditions and restrictions set forth herein, Seller requires that Buyer restrict and Buyer is willing to so restrict Buyer’s use

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of the Property to those uses and purposes that are compatible with Seller's continued use of and reliance on the improvements previously made by Seller and located thereon for benefit of the Auburn Park-and-Ride.

## 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, by bargain and sale deed substantially in the form of **Exhibit B-1** attached hereto, Seller shall sell, convey, assign, transfer and deliver to Buyer on the Closing Date (as 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 the Seller's right, title and interest in the Property, as described in **Exhibit A**; **except** Seller's reserved easements for (1) continuous and uninterrupted public ingress and egress for transit purposes, and (2) storm water and surface water drainage system use and access, all as described in **Exhibit B-2**, attached hereto and incorporated herein by this reference;

(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"); 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.

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

**1.3 EFFECTIVE DATE.** The Effective Date of this Agreement shall be the date of the latest approval of this Agreement by the Parties' respective councils.

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## ARTICLE 2. PURCHASE PRICE AND OTHER CONSIDERATION

**2.1. PURCHASE PRICE AND PAYMENT.** In consideration of the sale, transfer, conveyance, assignment and delivery of the Purchased Assets, Buyer shall pay to Seller on the Closing Date a total purchase price of One million, five hundred sixty-six thousand, five hundred dollars (\$1,566,500.00) (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 Personal Property, if any, is *de minimis*.

### **2.3 BUYER'S POST-CLOSING OBLIGATIONS.**

**2.3.1. Security Fencing.** In further consideration for the sale, transfer, conveyance, assignment and delivery of the Property, Buyer covenants to erect, at its sole expense, a security chain-link fence on the boundary between the Property and Seller's park and ride lot within thirty (30) days of the date of closing. Provided, that Buyer's security fence shall not interfere with Seller's right of ingress and egress as set forth in the Public Transportation Easement and Restrictive Covenant attached hereto as **Exhibit B-2**.

**2.3.2 Lighting.** In further consideration for the sale, transfer, conveyance, assignment and delivery of the Property, Buyer covenants to disconnect from Seller's electrical service, according to law and at Buyer's sole expense, power to all the light poles that are located north of the south boundary line of the Property (not including those that are located on the south boundary line) within ninety (90) days of the date of closing. Buyer further covenants that within the Easement Area as defined in **Exhibit B-2** attached hereto, Buyer shall preserve lighting equal to or better than that which exists on the Easement Area as of the Closing Date, and Buyer shall additionally grant an easement to Seller for purposes of maintaining the same. Buyer's covenant to preserve lighting in the Easement Area and Seller's lighting easement shall be included in the Public Transportation Easement and Restrictive Covenant attached hereto as **Exhibit B-2**.

**2.3.3 Irrigation.** In further consideration for the sale, transfer, conveyance, assignment and delivery of the Property, Buyer covenants to disconnect from the irrigation system that serves Seller's Park-and-Ride Lot the portion of the irrigation system that serves that landscaping located completely within the Property. Buyer shall complete this work within ninety (90) days of closing Buyer further covenants to maintain an operational irrigation system to serve the landscaping that is located completely within the Property. Buyer's covenant to disconnect Seller's irrigation system and maintain an operational irrigation system on the Property shall be included in the Public Transportation Easement and Restrictive Covenant attached hereto as **Exhibit B-2**.

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#### 2.3.4 Drainage.

(a) In further consideration for the sale, transfer, conveyance, assignment and delivery of the Property, Buyer shall grant Seller an easement over the Property to use, repair, maintain, and improve those portions of the existing stormwater or surface water drainage system located on the Property. The easement shall be included in the Public Transportation Easement and Restrictive Covenant attached hereto as **Exhibit B-2**.

(b) In further consideration for the sale, transfer, conveyance, assignment and delivery of the Property, Buyer, on behalf of itself and its successors and assigns, covenants and agrees as follows:

- (i) Buyer shall hold harmless, indemnify, and defend Seller from any and all cost, liability, claims, judgments, administrative actions, litigation, or other obligations arising out of or relating to the discharge of pollutants or Hazardous Substances (as defined in Section 3.1.9 of this Agreement) in any stormwater, surface water, runoff, or any other form of discharge or release from the Property into any of the stormwater facilities that serve the Auburn Park-and-Ride.
- (ii) Beginning eighteen (18) months after the Closing Date, and each calendar year thereafter for so long as Buyer owns the Property, upon Seller's written demand Buyer shall pay to Seller a share of Seller's annualized cost to maintain those certain stormwater facilities that serve both the Auburn Park-and-Ride and a portion of the Property (the "Joint Use Facilities"). Buyer's share of Seller's annualized cost shall be determined by multiplying Seller's annualized cost to maintain the Joint Use Facilities by a fraction, the numerator of which is the square footage of the Property area served by the Joint Use Facilities, and the denominator of which is the square footage of the Auburn Park-and-Ride area served by the Joint Use Facilities.
- (iii) If the Property area served by the Joint Use Facilities, which area is shown in **Exhibit B-3** attached hereto, is ever redeveloped or improved for any purpose other than a vehicle parking lot, then before commencing construction of such redevelopment or improvement Buyer or Buyer's successor, assign, or designee shall disconnect the Property's stormwater or surface water system from the Joint Use Facilities.
- (iv) If Seller ever redevelops the Auburn Park-and-Ride, then the City of Auburn shall limit its drainage review and approval (if any) to those surface water or storm water impacts arising out of or related to drainage from the Auburn Park-and-Ride, and without reference to or consideration of any surface water or stormwater discharge from the Property.

(c) The covenants in paragraph (b) of this Section 2.3.4 shall terminate and thereafter shall be of no further force or effect beginning upon such date as the King County Recorder's

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Office may record a deed from Seller to Buyer conveying the real property on which is located the stormwater retention/detention pond serving the Auburn Park-and-Ride and the Property.

(d) The text of paragraphs (b)(i), -(ii), -(iii), -(iv), and (c) of this Section 2.3.4 shall be included in the Public Transportation Easement and Restrictive Covenant attached hereto as **Exhibit B-2**, which shall be binding on Buyer's successors and assigns, and shall also run with the land that makes up the Property.

**2.3.5 Covenants Material.** Buyer understands, acknowledges, and agrees that Buyer's covenants in Sections 2.3.1, 2.3.2, 2.3.3, and 2.3.4 are a material consideration for Seller's execution of this Agreement. Buyer further understands, acknowledges, and agrees that Buyer shall be in material breach of this Agreement if Buyer or Buyer's designee fails to timely perform the duties required under those covenants.

**2.3.6 Seller Review and Approval of Buyer Work; Remedies for Nonperformance.**

(a) Seller shall have final right of approval of Buyer's proposed plans to fulfill the covenants in Sections 2.3.1, 2.3.2, and 2.3.3, and Seller shall also have final right of approval of Buyer's actual constructed improvements to fulfill those covenants (together, Buyer's plans and constructed improvements to satisfy the covenants in Sections 2.3.1, 2.3.2, and 2.3.3 are referred to herein as the "Work"). Seller shall have the right to reject Work or to require repair or replacement of Work not meeting Seller's approval, but in any case Seller's approval shall not be unreasonably withheld.

(b) Buyer shall reimburse Seller for the cost and expense of Seller's staff time to review and approve Buyer's proposed plans for and construction of the Work, based on the actual hours reasonably expended at the rate charge then in effect for Seller's staff.

(c) Buyer and Seller agree to cooperate in good faith to complete, review, and inspect the plans for and construction of the Work.

(d) If Seller reasonably believes that Buyer will not timely undertake or complete the Work, then Seller shall notify Buyer in writing consistent with Section III.E of this Easement ("Seller's Notice"). Seller's Notice shall specify the basis for Seller's belief that Buyer is in breach or is likely to breach its covenants under this Section 2.3.1. Buyer shall respond to Seller's Notice within fourteen (14) days. Buyer's response shall state whether Buyer intends to perform the Work and the estimated calendar date by which the Work will be undertaken and completed. If Buyer's response states that Buyer will not perform the Work, or if Seller reasonably believes that Buyer will not satisfactorily complete the Work within the time frames required by Sections 2.3.1, 2.3.2, and 2.3.2, respectively, then Seller may notify Buyer that Seller intends to perform the Work and invoice Buyer for Seller's cost to perform the Work. Seller shall provide such notice at least fourteen (14) days in advance of the date that Seller intends to begin the Work. Seller shall invoice Buyer for all reasonable fees, costs, and expenses associated with the Work, including but not limited to the cost of Seller's staff time to prepare Seller's Notice and to develop and implement any procurement, plans, permitting, or project

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documentation necessary for the Work (collectively, the "Work Costs"). The invoice shall be accompanied by documents supporting and justifying the Work Costs. Buyer shall pay the Work Costs to Seller within forty-five (45) days of receipt of Seller's invoice. Seller shall add a late fee of five percent (5%) to any Work Costs invoice not timely paid. If any Work Costs invoice remains outstanding ninety (90) days after receipt, Seller may send it to collections.

**2.4 COVENANT AGAINST RESALE FOR PROFIT.** Buyer covenants that for a period of twenty-four (24) consecutive months from and after the Closing Date, Buyer shall not re-sell or otherwise convey the Property or the Purchased Assets in exchange for a cash amount greater than the Purchase Price, or any other consideration of greater value than the Purchase Price. During such 24-month period Buyer shall document the sale price of Property or the Purchased Assets or the appraised value of consideration received in exchange for the Property or the Purchased Assets and shall notify Seller of such price or value. If, during such 24-month period, Buyer sells or otherwise conveys the Property or the Purchased Assets in exchange for a cash amount greater than the Purchase Price, or any other consideration of greater value than the Purchase Price, then Buyer shall promptly pay to Seller an amount equal to the cash value of the difference between the price that Buyer paid to Seller and the price that Buyer received for the Property or the Purchased Assets.

**2.5 SURVIVAL OF RIGHTS, DUTIES, AND OBLIGATIONS.** The Parties' rights, duties, covenants, and obligations under Sections 2.3 and 2.4 shall survive Closing and the expiration or earlier termination of this Agreement.

### **ARTICLE 3. REPRESENTATIONS AND WARRANTIES OF THE PARTIES**

**3.1. WARRANTIES AND REPRESENTATIONS OF SELLER.** As of the Closing Date, Seller represents and warrants as follows:

**3.1.1. Definition of Seller.** The Seller is a home rule charter county and political 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 home rule charter county, (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 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 hereof.

**3.1.3. Litigation.** There is no pending, or to the best of Seller's knowledge,

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- 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 below.

**3.1.5 Full Disclosure.** To the extent of Seller's knowledge as defined herein, 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 fails to state a material fact which is necessary to make the statements set forth therein not false or misleading. As used in this Agreement, the phrase "Seller's knowledge" or any derivation or variation thereof shall mean the actual knowledge of the following persons, based on their reasonable inquiry in the file locations where the relevant information would normally be filed:

(a) Steve Salyer, Manager, Real Estate Services Section, Facilities Management Division, King County Department of Executive Services;

(b) Kate Donley, Project Program Manager IV, Real Estate Services Section, Facilities Management Division, King County Department of Executive Services; and

(c) Paul Eng, P.E., Engineer VI, Transit Division, King County Department of Transportation.

**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 Seller or any action taken by Seller.

**3.1.7 Contracts.** To the extent of Seller's knowledge as defined in Section 3.1.5, 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 Effective Date, and unless this Agreement is terminated in accordance with its terms, Seller shall not without the prior written consent of Buyer:

(a) Enter into any agreement, contract, commitment, lease or other transaction that affects the Property in any way; or

(b) Sell, dispose of or encumber any portion of the Property.

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### 3.1.9 Condition of the Property.

(a) Seller has not made, does not make, and specifically negates and disclaims any representations, warranties, promises, covenants, contracts or guarantees of any kind or character whatsoever, whether express or implied, oral or written, past, present or future, of, as to, concerning, or with respect to the value, nature, quality, or condition of the Property, including, without limitation:

- (i) The water, soil and geology;
- (ii) The income to be derived from the Property;
- (iii) The suitability of the Property for any and all activities and uses that Buyer or anyone else may conduct thereon;
- (iv) The compliance of or by the Property or its operation with any laws, rules, ordinances or regulations of any applicable governmental authority or body;
- (v) The habitability, merchantability, marketability, profitability or fitness for a particular purpose of the Property;
- (vi) The manner or quality of the construction or materials, if any, incorporated into the Property; or
- (vii) Any other matter with respect to the Property.

(b) Seller has not made, does not make, and specifically disclaims any representations regarding compliance with any environmental protection, pollution, zoning or land use laws, rules, regulations, orders, or requirements, including the existence in or on the Property of hazardous materials or substances.

(c) Without limitation, Seller does not make and specifically disclaims any warranties, express or implied, any warranties or representations with respect to the structural condition of the Purchased Assets, the area of land being purchased, the existence or non-existence of any Hazardous Substances or underground storage tanks, or the actual or threatened release, deposit, seepage, migration or escape of Hazardous Substances, from or into the Purchased Assets, and the compliance or noncompliance of the Purchased Assets with applicable federal, state, county and local laws and regulations, including, without limitation, environmental laws and regulations and seismic/building codes, laws and regulations. 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

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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.

(d) All provisions of this Section 3.1.9 shall survive Closing and the expiration or earlier termination of this Agreement.

**3.1.10. 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.

**3.1.11. 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, and Seller shall deliver to Buyer prior to the Closing an affidavit, as set forth in **Exhibit D**, evidencing such fact, and such other documents as may be required under the Code.

**3.2. REPRESENTATIONS AND WARRANTIES OF BUYER.** As of the Closing Date, Buyer represents and warrants as follows:

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

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### 3.2.5. Condition of Property.

(a) Buyer acknowledges and accepts Seller's disclaimer of the Property condition in Section 3.1.9 of this Agreement.

(b) Buyer further acknowledges and agrees that, having been given the opportunity to inspect the Property, Buyer is relying solely on its own investigation of the Property and not on any information provided or to be provided by Seller. Buyer further acknowledges and agrees that any information provided or to be provided with respect to the Property was obtained from a variety of sources and that Seller has not made any independent investigation or verification of such information and makes no representations as to the accuracy or completeness of such information and no employee or agent of Seller is authorized otherwise. Buyer further acknowledges and agrees that Seller is not liable or bound in any manner by any verbal or written statements, representations, or information pertaining to the Property, or the operation thereof, furnished by any real estate broker, agent, employee, servant or other person, and, to the maximum extent permitted by law, the sale of the Property as provided for herein is made on an "AS-IS" condition and basis with all faults. It is understood and agreed that the sale price reflects that the Property is sold by Seller to Buyer subject to the foregoing.

(c) Buyer acknowledges that, within the Due Diligence Period as defined in Section 4.1.2 of this Agreement, Buyer will have conducted a physical inspection and made all investigations that Buyer deems necessary in connection with its purchase of the Purchased Assets, and that, as of the Effective 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 including without limitation those relating to Hazardous Substances, without regard to whether such defect or deficiency was discovered or discoverable by the Buyer or Seller.

**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.

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**3.2.7. Indemnification.** From and after Closing, and for a period of ten (10) years from the Closing Date, Buyer shall indemnify, defend and hold Seller, its officers, agents and employees harmless from and against any and all claims and agency orders or requirements relating to or arising out of, directly or indirectly, the Property. This Section 3.2.7 shall survive Closing and the expiration or earlier termination of this Agreement.

## **ARTICLE 4. TITLE MATTERS**

### **4.1. TITLE.**

**4.1.1. Title Commitment.** Buyer or its designee shall obtain a current ALTA form of commitment for an owner's policy of title insurance (the "Title Commitment") issued by First American Title Insurance 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. At such time as the Title Company causes the Title Commitment to be furnished to Buyer, Buyer may in Buyer's sole discretion determine whether to cause the Title Company to furnish to Buyer legible copies of all instruments referred to in the Title Commitment as restrictions or exceptions to title to the Property.

**4.1.2. Survey.** Prior to the expiration of the Due Diligence Period as defined in this Section 4.1.2 of this Agreement, Buyer shall have the option, at its sole cost and expense, to conduct a survey (the "Survey") of the Property prepared by a licensed public surveyor. The Survey shall be certified to Buyer, Seller, and the Title Company, shall be satisfactory to the Title Company so as to permit it to issue an owner's title policy, identify the Property by legal description and shall set forth the number of square feet contained within the Property, show all natural monuments, existing fences, drainage ditches and/or courses, flood plain limits, any building or other site improvements and/or objects, any rights-of-way for streets, existing driveways, alleys or highways, easements and other restriction lines existing and/or proposed which shall affect any portion of the Property, and such other items as may be required by Buyer. For purposes of this Agreement, "Due Diligence Period" means the ninety (90) day period beginning on the day after the Effective Date of this Agreement.

### **4.1.3 Review of Title Commitment and Survey.**

(a) Buyer shall have until the expiration of the Due Diligence Period in which to notify Seller of any objections Buyer has to any matters shown or referred to in the Title Commitment or Survey and of any title insurance endorsements required by Buyer. Any exceptions or other items that are set forth in the Title Commitment or the Survey and to which Buyer does not object shall be deemed to be permitted exceptions ("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 also be deemed Permitted Exceptions.

(b) With regard to items to which Buyer does object, Seller shall notify Buyer within

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ten (10) days after Seller receives Buyer's notice of objections of any exceptions to title or items on the Survey which Seller is not able to remove or otherwise resolve and any endorsements that Seller is not able to provide following Buyer's request, and Buyer may, at Buyer's option, either waive the objections not cured or Buyer may terminate this Agreement by notice to Seller.

**4.2. OWNER'S TITLE INSURANCE POLICY.** At Closing, Buyer shall cause an owner's policy of title insurance to be issued by the Title Company in the full amount of the total Purchase Price, effective as of the Closing Date, insuring Buyer that the fee simple title to the Property is vested in Buyer, subject only to the Permitted Exceptions, to the usual printed exceptions contained in such title insurance policy, to the additional matters approved by Buyer as provided in Section 4.1.3, and to any other matters approved in writing by Buyer. The obligation of Buyer to provide the title policy called for herein shall be satisfied if, at the Closing, the Title Company has given a binding commitment, in a form reasonably satisfactory to Buyer, to issue the policies in the form required by this Section 4.2. Buyer shall pay any sum owing to the Title Company for the preparation of the preliminary and binding commitments generated by the Title Company.

**4.3. CONVEYANCE.** At Closing, Seller shall convey to Buyer the title to the Property by bargain and sale deed in the form attached hereto as **Exhibit B-1**, subject only to the Permitted Exceptions, the further matters identified in Section 4.2, the easements and restrictive covenants set forth in **Exhibit B-2**, and such other encumbrances as may be created by Buyer or caused to be created by Buyer from and after the Effective Date.

## **ARTICLE 5. CONTINGENCIES**

**5.1. DUE DILIGENCE INSPECTION AND FEASIBILITY.** Buyer shall satisfy itself by investigation and inspection, at its sole cost and expense and in its sole and absolute discretion, that the condition of the Property for Buyer's contemplated use meets with Buyer's approval. If Buyer approves of the condition of the Property, Buyer agrees to notify Seller, in writing, thereby removing this contingency. Buyer shall make such determination within the Due Diligence Period defined in Section 4.1.2. In the event Buyer does not waive this contingency or notify Seller that the contingency is satisfied within the Due Diligence Period, then 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. If Buyer fails to provide Seller with any written notice regarding this Section 5.1 during the Due Diligence Period, then Buyer shall be deemed to have waived this contingency for all purposes and this contingency shall be deemed removed.

**5.1.1. Inspections.** During the Due Diligence Period, Buyer, its designated representatives or agents shall have the right at Buyer's expense to:

(a) Perform any and all tests, inspections, studies, surveys or appraisals of the Property deemed necessary, on any subject, by the Purchaser (subject to the limitations set forth below and Paragraph 5.1.2 Right of Entry);

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(b) Obtain a Phase I or Phase II Environmental Assessment on the Property and perform any and all tests, inspections and studies deemed necessary therewith;

(c) Examine all Due Diligence materials that Buyer may reasonably request from Seller that are not subject to attorney-client privilege or that the Seller is not otherwise prohibited from disclosing by law;

(d) Determine to its satisfaction whether approvals, permits and variances can be obtained under applicable land use and zoning codes for Buyer's proposed use of the Property; and

(e) Determine whether Buyer's proposed development of the Property is economically feasible.

**5.1.2. Conditional Right of Entry.** Buyer and Buyer's designated representatives or agents shall have and Seller hereby grants to Buyer and Buyer's designated representatives a conditional license to enter the Property and to 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 substantially disrupt Seller's use of, or 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. Buyer and Buyer's designated representatives may not undertake activities that would damage the Purchased Assets or any other King County-owned property or personalty. In connection with such inspections, Buyer agrees to hold harmless, indemnify and defend Seller, its officers, agents, or employees, from and against all claims, losses, or liability for injuries, sickness, or death of persons, including employees of Buyer, to the extent caused by or arising out of any act, error or omission of Buyer, its officers, agents, contractors, subcontractors or employees in entering the Property for the above purposes, except to the extent caused by or arising out of any act, error or omission of Seller, its officers, agents, or employees. Buyer shall repair any damage caused by invasive testing and shall restore the Property to its pre-existing condition.

## **5.2 THIRD PARTY SALE CONTINGENCY.**

**5.2.1 Simultaneous Closing on Third-Party Sale.** Buyer has represented to Seller that Buyer intends to conduct a separate closing simultaneous with the Closing on the Property, and in that separate closing to sell the Property to a third party for cash, and to use the proceeds of that sale to pay the Purchase Price to Seller. Therefore, Seller's and Buyer's respective duty to close on the Property is contingent:

(a) On Buyer's successful simultaneous closing with a third party for the purchase and sale of the Property; and

(b) On Buyer's receipt of cash or cash equivalents sufficient to allow Buyer to pay the Purchase Price to Seller in cash at Closing.

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**5.2.2 No Duty to Close-if Third Party Sale Fails.** If either contingency 5.2.1(a) or (b) or both should fail then Seller and Buyer shall have no duty to proceed with Closing and this Agreement shall automatically terminate as of the Closing Date, all closing documents and funds shall be returned to the Party that provided them to escrow, each Party shall bear its own costs and expenses up to and including the Closing Date, and neither Party shall have any further right, duty, or obligation to the other under this Agreement.

### **5.3 SUBDIVISION CONTINGENCY.**

**5.3.1. Need for Division of Property.** Buyer has represented to Seller that prior to Closing, and at Buyer's sole cost and expense, Buyer shall have received administrative approval of boundary line adjustments to divide the Auburn Park-and-Ride into two separate legal parcels and shall have obtained all necessary signatures on the mylar that will be recorded. Buyer has represented to Seller that the creation of two separate legal parcels is necessary to support Buyer's intended use of the Property and the third-party sale contemplated in Section 5.2. Therefore, Seller's and Buyer's respective duty to Close is contingent on Buyer receiving lawful approval of the boundary line adjustments of the Auburn Park-and-Ride into two separate legal parcels as illustrated in **Exhibit E** attached hereto.

**5.3.2 No Duty to Close if Property Not Divided.** Buyer shall complete the process to lawfully divide the Auburn Park-and-Ride into two separate parcels, receive administrative approval of the division, and perform all other tasks necessary for the division to be recorded with the King County Recorder's Office on the Closing Date, including all possible appeals or challenges to the proposed division of the Auburn Park-and-Ride. If Buyer is unable to complete the process to lawfully divide the Auburn Park-and-Ride by recording all necessary documents with the King County Recorder's Office on the Closing Date, then Seller and Buyer shall have no duty to proceed with Closing, and this Agreement shall automatically terminate as of the Closing Date, each Party shall bear its own costs and expenses up to and including the Closing Date, and neither Party shall have any further right, duty, or obligation to the other under this Agreement.

### **5.4 FTA APPROVAL CONTINGENCY.**

**5.4.1. Need for FTA Approval.** Seller has represented to Buyer that the Federal Transit Administration (FTA) must approve Seller's proposed sale of the Property to Buyer. Seller has represented to Buyer that such FTA review and approval is necessary to proceed with the transaction contemplated in this Agreement. Therefore, Buyer's duty to Close is contingent on FTA review and written approval of the proposed transaction.

**5.4.2 No Duty to Close Absent FTA Approval.** Prior to Closing, and at Seller's sole cost and expense, Seller shall take such steps as may be necessary to secure FTA review and approval of the proposed transaction regarding the Property and provide Buyer written documentation of such approval reasonably acceptable to Buyer. Seller shall secure FTA approval not later than thirty (30) days prior to the Closing Date, including all possible appeals or challenges to FTA review and approval. Provided, that Seller and Buyer may agree in writing to extend the Closing Date for such reasonable period or periods of time as may be required to

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complete FTA review and approval. If the FTA ultimately does not approve the proposed transaction regarding the Property, then Seller shall have no duty to proceed with Closing, this Agreement shall terminate upon written notice from Seller to Buyer, each Party shall bear its own costs and expenses up to and including the date of Seller's notice to Buyer, and neither Party shall have any further right, duty, or obligation to the other under this Agreement.

#### **ARTICLE 6. COVENANTS OF SELLER PENDING CLOSING**

**6.1 CONDUCT, NOTICE OF CHANGE.** Seller covenants that between the Effective Date and the Closing, Seller shall take all such actions as may be necessary to assure that Seller's 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 shall have been performed at or prior to the Closing 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 by Seller 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 Effective Date and the Closing, Buyer shall take all such actions as may be necessary to assure that Buyer's 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 shall have been performed at or prior to the Closing as provided in this Agreement. Buyer shall give Seller prompt written notice of any material change in any of the information contained in Buyer's 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 Seller's fulfillment of each of the following conditions at or prior to the Closing, 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.

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**8.3. OBLIGATIONS.** All obligations required by the terms of this Agreement to be performed by Seller at or before the Closing 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 Seller has notified Buyer that Seller will not cure, and Buyer has waived its objections.

**8.5 APPROVAL OF COUNSEL.** Seller's legal 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 except with Buyer's written assent.

**8.7. APPROVAL BY THE KING COUNTY COUNCIL.** The Metropolitan King County Council shall have taken all legislative action necessary to authorize seller to enter into the transaction contemplated in this agreement.

## **ARTICLE 9. CONDITIONS PRECEDENT TO SELLER'S OBLIGATIONS**

All obligations of Seller to close on the Closing Date are subject to Buyer's fulfillment of each of the following conditions at or prior to the Closing, 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 shall have been properly performed in all material respects.

**9.3. APPROVAL OF COUNSEL.** Buyer's legal 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 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 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 and such other matters as Buyer may authorize in writing.

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**9.6. APPROVAL BY THE AUBURN CITY COUNCIL.** The Auburn City Council shall have taken all legislative action necessary to authorize Buyer to enter into the transaction contemplated in this Agreement.

## **ARTICLE 10. CLOSING**

**10.1. CLOSING/CLOSING DATE.** "Closing" means the consummation of the transaction contemplated in this Agreement. The Closing shall take place thirty (30) days after expiration or waiver of the Due Diligence Period, as defined in Section 4.1.2, or such other date as may be mutually agreed upon by the Parties, but not later than January 31, 2013, unless extended pursuant to a separate written agreement executed by Buyer and Seller. Upon execution of this Agreement, the Parties agree to set up an escrow account with First American Title Insurance Company (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. Subject to the Permitted Exceptions and the easements and restrictive covenants set forth in **Exhibit B-2** attached hereto, all title, right of possession and interest to the Purchased Assets shall pass to Buyer upon Closing and thereafter the risk of loss thereof shall be the responsibility of Buyer.

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

**10.2.1. Closing Costs.** Seller shall pay the cost of one-half (1/2) of the escrow fee charged by the Escrow Agent for the sale of the Purchased Assets to Buyer, one-half (1/2) of any real estate excise or other transfer tax due on the sale of the Purchased Assets to Buyer, and all of its own attorneys' fees. Buyer shall pay one-half (1/2) of the escrow fee charged by the Escrow Agent for the sale of the Purchased Assets to Buyer, one-half (1/2) of any real estate excise or other transfer tax due for the sale of the Purchased Assets to Buyer, the full cost of the preliminary and binding title commitments from the Title Company, the full cost of all recording fees, and all of its own attorneys' fees. Except as otherwise provided in this Section 10.2, all other expenses hereunder shall be paid by the Party incurring such expenses.

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

(a) A Bargain and Sale Deed conveying the Property and substantially in the form of **Exhibit B-1** attached hereto;

(b) A Bill of Sale and Assignment duly executed by the Seller and substantially in the form of **Exhibit C**, attached hereto for the Personal Property, if any; and

(c) Seller's Certificate of Non-Foreign status substantially in the form of **Exhibit D**, attached hereto.

**10.4. BUYER'S DELIVERY OF DOCUMENTS AND PURCHASE PRICE AT CLOSING.** At the

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Closing, Buyer will deliver to Seller the following properly executed documents:

- (a) Cash or immediately available funds in the full amount of the Purchase Price; and
- (b) A Public Transportation Easement and Restrictive Covenant substantially in the form of **Exhibit B-2** attached hereto.

## **ARTICLE 11. TERMINATION**

**11.1. TERMINATION BY EITHER PARTY.** In addition to Buyer's right of termination during the Due Diligence Period, and in addition to termination for failure of any of the contingencies set forth in Sections 5.2, 5.3, and 5.4 of this Agreement, either Party may also terminate this Agreement effective upon written notice to the other Party 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, all documents and funds delivered into escrow shall be returned to the appropriate Party, and each Party shall bear its own costs and expenses up to and including the date of termination.

## **ARTICLE 12. MISCELLANEOUS PROVISIONS**

**12.1. NATURE AND SURVIVAL OF REPRESENTATIONS AND WARRANTIES.** Subject to amendment pursuant to Section 12.5 of this Agreement, 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 a representation, warranty, indemnity, covenant and agreement between 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 their successors and assigns, and shall not create any rights in other persons or entities.

**12.2. DEFAULT.** 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 or, in the alternative, actual damages, provided that any such cause of action shall be brought within twelve (12) months of the Effective Date, or be forever waived. The Parties shall have no right, claim, or cause of action for consequential damages or any other form or type of damages arising out of or relating to default under this Agreement, and each Party expressly and specifically waives any claim or cause of action for the same, whether at law or in equity.

**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

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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 three (3) days after deposit in the United States mail if by first class, certified or registered mail, return receipt requested. Notice may also be provided by email or other means of electronic transmittal, provided that receipt of the email or transmittal content can be confirmed by the sender, with time of receipt being the uniform time the e-mail or other transmittal enters the information processing system that the recipient has designated or uses for the purpose of receiving email or other form of transmittal. 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:

**If to Buyer:** Office of the Mayor  
City of Auburn  
25 West Main Street  
Auburn, WA 98001

*With a copy to:* Auburn City Attorney's Office  
City of Auburn  
25 West Main Street  
Auburn, WA 98001

**If to Seller:** Manager's Office  
Transit Division  
King County Department of Transportation  
201 S King Street  
Seattle WA 98104

*With a copy to:* Manager  
Real Estate Services Section  
500 4<sup>th</sup> Avenue, Room 830  
Seattle, WA 98104

*With a copy to:* Chief Civil Deputy  
King County Prosecuting Attorney's Office  
516 3<sup>rd</sup> Avenue, Room W400  
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 supersedes any prior agreement or understanding, whether written or oral. This Agreement may not be modified or amended except by a written agreement specifically referring to this Agreement and signed by all Parties hereto.

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**12.6 SEVERABILITY.** In the event any portion of this Agreement shall be found to be invalid by any court of competent jurisdiction, then 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 Sections 12.12 and 12.14 below, 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 established by or construed from this Agreement. This Agreement creates no right, privilege, duty, obligation, or cause of action in any person or entity not a party to it.

**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 Closing each Party 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; VENUE.** 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. The Superior Court of King County, Washington shall be the sole venue for any litigation between the Parties that arises under or relates to this Agreement or the transaction contemplated herein.

**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 may be withheld or conditioned at Seller's sole and absolute discretion.

**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. Both 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

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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 this Agreement.

**TERMS AND CONDITIONS CONTINUE ON FOLLOWING PAGE**

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**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-1	Bargain and Sale Deed
Exhibit B-2	Public Transportation Easement and Restrictive Covenant
Exhibit B-3	Illustration of Property Area served by Joint Use Facilities
Exhibit C	Bill of Sale and Assignment
Exhibit D	Certificate of Non-Foreign Status
Exhibit E	Illustration of Property Subdivision

EXECUTED by the Parties as of the dates set forth below.

**SELLER:**

Name: \_\_\_\_\_  
Steve Salyer  
Title: Manager, Real Estate Services Section  
Date: \_\_\_\_\_

APPROVED AS TO FORM:

By \_\_\_\_\_  
DEPUTY PROSECUTING ATTORNEY

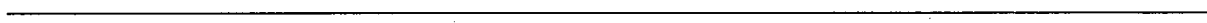
**BUYER:**

Name: \_\_\_\_\_  
Peter Lewis  
Title: Mayor, City of Auburn  
Date: \_\_\_\_\_

APPROVED AS TO FORM:

BY: \_\_\_\_\_  
DEPUTY CITY ATTORNEY

**NOTARY BLOCKS APPEAR ON FOLLOWING PAGE**



STATE OF WASHINGTON }  
COUNTY OF KING } ss.

On this day personally appeared before me \_\_\_\_\_, to me known to be the \_\_\_\_\_ of KING COUNTY, the home rule charter county 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 county, 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 \_\_\_\_\_, 2012.

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

STATE OF WASHINGTON }  
COUNTY OF KING } ss.

On this day personally appeared before me \_\_\_\_\_, to me known to be the \_\_\_\_\_ of the CITY OF AUBURN that executed the foregoing instrument, and acknowledged such instrument to be [his/her] free and voluntary act and deed of said city 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 \_\_\_\_\_, 2012.

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

\_\_\_\_\_

**EXHIBIT A.**

**Legal Description of Property**

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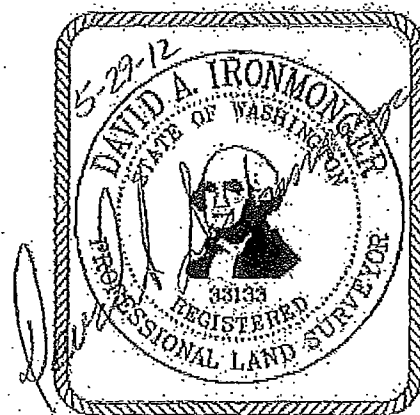
**LEGAL DESCRIPTION  
PARCEL A**

THAT PORTION OF THE SOUTH HALF OF JOSEPH BRANNAN DONATION LAND CLAIM NO. 38, SITUATED IN THE WEST HALF OF SECTION 7, TOWNSHIP 21 NORTH, RANGE 5 EAST, W.M.; AND THE EAST HALF OF SECTION 12, TOWNSHIP 21 NORTH, RANGE 4 EAST, W.M., IN THE CITY OF AUBURN, KING COUNTY, WASHINGTON, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT A 3 INCH DIAMETER BRASS DISK IN CONCRETE, IN CASE, MARKING THE CENTERLINE RIGHT-OF-WAY OF 15<sup>TH</sup> STREET N.E. WITH THE CENTERLINE RIGHT-OF-WAY OF 'D' STREET N.E. AS SHOWN ON RECORD OF SURVEY, RECORDING NUMBER 7701179008, RECORDS OF SAID COUNTY, FROM WHICH, A 3 INCH DIAMETER BRASS DISK IN CONCRETE, IN CASE, MARKING THE CENTERLINE RIGHT-OF-WAY OF SAID 15<sup>TH</sup> STREET N.E. WITH THE CENTERLINE RIGHT-OF-WAY OF 'A' STREET N.E., BEARS NORTH 89°30'04" WEST, 980.32 FEET; THENCE ALONG THE CENTERLINE OF SAID 'D' STREET N.E., NORTH 00°41'08" EAST, 360.38 FEET TO A 1-1/2 INCH DIAMETER BRASS SURFACE MONUMENT; THENCE CONTINUING ALONG SAID CENTERLINE NORTH 00°41'08" EAST, 130.42 FEET TO THE SOUTH LINE OF AUBURN MUNICIPAL AIRPORT AS SHOWN ON SAID SURVEY; THENCE ALONG SAID SOUTH LINE NORTH 89°04'44" WEST, 691.73 FEET TO THE SOUTHWEST CORNER OF SAID AIRPORT PROPERTY AND THE TRUE POINT OF BEGINNING; THENCE ALONG THE SOUTHERLY EXTENSION OF THE WEST LINE OF SAID AIRPORT PROPERTY SOUTH 00°39'48" WEST, 143.93 FEET; THENCE SOUTH 89°30'49" EAST 40.36 FEET; THENCE SOUTH 00°30'04" WEST, 170.04 FEET; THENCE NORTH 89°42'06" WEST, 299.66 FEET TO THE EAST MARGIN OF 'A' STREET N.E.; THENCE ALONG SAID MARGIN NORTH 00°39'20" EAST, 614.85 FEET TO THE NORTHWEST CORNER OF THAT CERTAIN PARCEL OF LAND AS SHOWN ON SAID RECORD OF SURVEY; THENCE ALONG THE NORTH LINE OF SAID PARCEL SOUTH 89°30'04" EAST, 258.89 FEET TO THE WEST LINE OF SAID AIRPORT PROPERTY; THENCE ALONG SAID WEST LINE SOUTH 00°39'48" WEST 299.84 FEET TO THE TRUE POINT OF BEGINNING.

CONTAINING 3.81 ACRES, MORE OR LESS

SUBJECT TO EASEMENTS, CONDITIONS, AND RESTRICTIONS



**EXHIBIT B-1.**

**Bargain and Sale Deed**

---

**AFTER RECORDING RETURN TO:**

Attn:

**BARGAIN AND SALE DEED**

**Grantor -- King County, Washington**

**Grantee -- City of Auburn**

**Legal ----**

**Tax Acct. --**

The Grantor, KING COUNTY, a home rule charter county and political subdivision of the State of Washington, for and in consideration of ten dollars (\$10.00) in hand paid and other consideration as set forth in that certain Real Estate Purchase and Sale Agreement dated \_\_\_\_\_ and authorized by King County Ordinance No. \_\_\_\_\_, does hereby bargain, sell and convey unto the Grantee, the CITY OF AUBURN, a municipal corporation of the State of Washington, the following described real estate situate in King County, Washington, and the Grantee hereby accepts the same:

**Legal Description:**

SUBJECT TO all rights, conditions, covenants, obligations, limitations and reservations of record for said real estate.

Executed by King County this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

**GRANTOR  
KING COUNTY**

**GRANTEE  
CITY OF AUBURN**

BY \_\_\_\_\_

BY \_\_\_\_\_



TITLE \_\_\_\_\_

TITLE \_\_\_\_\_

Date \_\_\_\_\_

**ACKNOWLEDGEMENTS APPEAR ON PAGE 3**

**NOTARY BLOCK FOR KING COUNTY**

STATE OF WASHINGTON )  
 ) SS  
COUNTY OF KING )

I certify that Stephen L. Salyer signed this instrument, on oath stated that he was authorized by the King County Executive to execute the instrument, and acknowledged it as the Manager of Real Estate Services Section of King County, Washington to be the free and voluntary act of said County for the uses and purposes mentioned in the instrument.

Dated \_\_\_\_\_

\_\_\_\_\_  
NAME \_\_\_\_\_  
NOTARY PUBLIC in and for the State of  
Washington, residing at \_\_\_\_\_, Washington  
My appointment expires \_\_\_\_\_, 20\_\_\_\_

**NOTARY BLOCK FOR CITY OF AUBURN**

STATE OF WASHINGTON )  
 ) SS  
COUNTY OF KING )

I certify that \_\_\_\_\_ signed this instrument, on oath stated that she or he was authorized by \_\_\_\_\_ to execute the instrument, and acknowledged it as the \_\_\_\_\_ of the City of Auburn, Washington, to be the free and voluntary act of said City for the uses and purposes mentioned in the instrument.

Dated \_\_\_\_\_

\_\_\_\_\_  
NAME \_\_\_\_\_  
NOTARY PUBLIC in and for the State of  
Washington, residing at \_\_\_\_\_, Washington  
My appointment expires \_\_\_\_\_, 20\_\_\_\_

**EXHIBIT B-2.**

**Public Transportation Easement and Restrictive Covenant**



RECORDING REQUESTED BY AND  
WHEN RECORDED RETURN TO:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

---

<b>Document Title:</b>	Public Transportation Easement and Restrictive Covenant
<b>Grantor(s):</b>	City of Auburn
<b>Grantee:</b>	King County
<b>Abbreviated Legal Description:</b>	Lots A and B of BLA # _____
<b>Additional Legal Description is on Page:</b>	Exhibits "A" and "B"
<b>Assessor's Tax Parcel Number(s):</b>	

**THIS PUBLIC TRANSPORTATION EASEMENT AND RESTRICTIVE COVENANT** is granted by **THE CITY OF AUBURN**, a municipal corporation and noncharter code city with a council-mayor form of government organized pursuant to RCW Title 35A ("Grantor") to **KING COUNTY**, a home rule charter county and political subdivision of the State of Washington ("Grantee"). Grantor and Grantee are sometimes referred to herein individually as a "Party" and collectively as the "Parties."

**PUBLIC TRANSPORTATION EASEMENT AND RESTRICTIVE COVENANT**

WHEREAS, Grantee is a home rule charter county and a political subdivision of the State of Washington; and

WHEREAS, Grantee for decades has owned, operated and maintained a public transportation and mass transit facility known as the Auburn Park-and-Ride Lot, with a street address of 101 15th St NE, Auburn, Washington (the "P&R Lot"); and

WHEREAS, in connection with the P&R Lot, and in furtherance of Grantee's mass transit system, safety and efficiency considerations require that Grantee's buses and other vehicles must enter and exit the P&R Lot from "A" Street NE, and be provided sufficient physical space and turning radius within the P&R Lot to safely maneuver around and

between vehicles parked there in order to enter and exit the P&R Lot from "A" Street NE, and

WHEREAS, the P&R Lot operates twenty-four hours a day, seven days a week, and as such requires sufficient and adequate lighting for public safety as well as safe operation of Grantee's buses and other vehicles; and

WHEREAS, in 2012, for Grantor's own purposes and uses, and with Grantee's permission, Grantor subdivided the P&R Lot into two (2) parcels pursuant to that certain boundary line adjustment illustrated in Exhibit C attached hereto; and

WHEREAS, Grantee retains title to what is now tax parcel \_\_\_\_\_, which is the reconfigured P&R Lot ("Lot B"), and Grantor has acquired tax parcel no. \_\_\_\_\_ ("Lot A") for its own separate purposes and uses; and

WHEREAS, Grantor acknowledges that over many years Grantee made significant investments in improvements to Lots A and B for benefit of the P&R Lot, and that Grantee's historical and continuing use of Lot B and a portion of Lot A for public transportation and mass transit purposes are dependent on those improvements continuing to function in a good and reliable condition; and

WHEREAS, as a condition of the larger real estate transaction between Grantor and Grantee, and in further consideration of the promises, covenants, conditions and restrictions set forth herein, Grantee requires an easement over a portion of Lot A so that the Grantee's buses and other vehicles may continue to access, enter, and exit Lot A from "A" Street NE and to safely maneuver upon Lot A, and so that Grantee may continue to use, maintain, repair, replace and upgrade lighting on a portion of Lot A in connection with Grantee's public transportation and mass transit access there, and Grantor is willing to grant the same; and

WHEREAS, as a condition of the larger real estate transaction between Grantor and Grantee, and in further consideration of the promises, covenants, conditions and restrictions set forth herein, Grantee requires that Grantor restrict and Grantor is willing to so restrict Grantor's use of a portion of Lot A to those uses and purposes that are compatible with Grantee's continued use of and reliance on bus and other vehicular access to and from "A" Street NE and over, across, and through Lot A for its public transportation and mass transit activities on and in connection with the P&R Lot; and

WHEREAS stormwater and surface water from a portion of the P & R Lot is collected in the existing storm drains on Lots A and B and is discharged from those drains into the existing retention/detention pond on Lot B, which pond discharges into Grantee's existing conveyance line that runs northerly over Grantor's separate property identified as tax parcel No. 000080-0011, which conveyance line is authorized under that certain easement recorded at King County Recording No. 7608310816, all as shown in that certain plan set numbered 111189 and dated February 10, 1978, as modified by pages C301

through C304 of that certain Contract No. C75134C, dated July 1997 (File Nos. E80, E81, E82), copies of which documents are on file with Grantor and Grantee; and

WHEREAS, as a condition of the larger real estate transaction between Grantor and Grantee, and in further consideration of the promises, covenants, conditions and restrictions set forth herein, Grantee requires an additional easement over a portion of Lot A so that Grantee may continue to use the existing drainage system improvements to drain stormwater and surface water from the P & R Lot as now or hereafter configured, and Grantor is willing to grant the same;

NOW, THEREFORE, as partial consideration for the overall real property transaction of which this Easement and Restrictive Covenant is an element, and in further consideration of the mutual covenants, conditions, restrictions, and agreements hereinafter set forth, the sufficiency and adequacy of which is hereby acknowledged, Grantor and Grantee hereby agree as follows:

## I. EASEMENT

**A. Defined Terms.** In addition to the terms defined in the Recitals above, which Recitals are hereby incorporated as if fully set forth herein, and in addition to such other terms as may be defined in the body of this document:

1. The physical portion of Lot A legally described in **Exhibit A** is the "Easement Area." Lot A is described in **Exhibit B-1**.
2. Lot B together with Grantee's easement rights in that portion of Lot A described in **Exhibit B-2** are the "Benefitted Property."
3. This Public Transportation Access Easement and Restrictive Covenant is the "Easement."
4. "Lighting Improvements" means public transportation-related improvements on the P&R Lot situated within twenty (20) feet of the southern most boundary line of Lot A, including, but not limited to, overhead lights, light poles, footings, foundations, underground and overhead wires, utility ducts, vaults, manholes, access hatches, vents, meters, monitoring equipment, cabinets, containers, conduits, wires, and other necessary and convenient equipment and appurtenances, including, but not limited to, all lighting and other improvements and equipment servicing said lighting as shown in that certain plan set numbered 111189 and dated February 10, 1978, as modified by pages E101 through E103 of that certain Contract No. C65046C, dated October 1996, and as further modified by pages C301 through C304 of that certain Contract No. C75134C, dated July 1997 (File Nos. E80, E81, E82), copies of which documents are on file with Grantor and Grantee (hereinafter the "Plans").

- 5. "Purchase and Sale Agreement" means that certain purchase and sale agreement executed by King County and the City of Auburn regarding Lot A as authorized by King County ordinance no. \_\_\_\_\_ and City of Auburn ordinance no. \_\_\_\_\_

**B. Grant of Easement Rights.** Grantor hereby grants and conveys, confirms, and re-affirms to Grantee, the following perpetual easement rights in Lot A:

- 1. A permanent access easement in, on, over, across, and through the Easement Area for Grantee's continued public transportation and mass transit purposes in connection with the use and operation of the P&R Lot as now configured or hereafter modified, as more fully described in Paragraph 3 of this Section I.B. When on Lot A, Grantee's buses and other public transportation or mass transit vehicles shall have right of way over all other vehicles in the Easement Area. All other vehicles shall yield to Grantee's buses and other public transportation or mass transit vehicles when Grantee's vehicles are in motion. Grantee may paint, stripe, signalize, or otherwise improve the Easement Area to ensure that Grantee's buses and other public transportation or mass transit vehicles may freely enter and exit Lot A. PROVIDED, that nothing in this Section I.B.1 shall operate to relieve the drivers of Grantee's vehicles from the duty to drive with due regard for the safety of all persons on Lot A.
- 2. A permanent, non-exclusive construction easement through Lot A for ingress and egress to and from Lot A for personnel, vehicles and equipment as reasonably necessary or incidental to Grantee's maintenance, repair and replacement of the Lighting Improvements, all as more fully described in Paragraph 3 of this Section I.B.
- 3. Subject to the further terms and conditions of this Easement, Grantee shall have the right to use the Easement Area for all purposes necessary or incidental to public transportation or mass transit vehicle access over, ingress to, and egress from Lot A via "A" Street NE, including but not limited to Grantee's use, operation, maintenance, inspection, repair, replacement, of all or any paving, pavement marking, traffic signals or controls, curbs, curb cuts, gutters, sidewalks, crosswalks, pedestrian access routes, walkways, railings, or fences within Easement Area as Grantee may now or hereafter deem appropriate, including the removal or replacement of same, either in whole or in part with like size improvements or facilities. These improvements, together with the Lighting Improvements, are referred to herein as the "Transportation Improvements."
- 4. The following easement rights related to stormwater and surface water drainage improvements on Lot A:
  - (a) A permanent stormwater and surface water drainage easement in, on, over, under, across, and through Lot A for Grantee's use and

operation of the existing stormwater and surface water drainage system as shown in the Plans or hereafter modified;

- (b) A permanent, non-exclusive construction easement twenty (20) feet wide, centered on the alignment of the existing drainage system improvements, as shown in the Plans, together with a right of access in, on and through Lot A for ingress and egress to and from the Lot A for personnel, vehicles and equipment as reasonably necessary or incidental to Grantee's installation, construction, maintenance, repair and replacement of drainage system improvements.
- (c) Subject to the further terms and conditions of this Easement, Grantee shall have the right to use this easement for all purposes necessary or incidental to the drainage of stormwater and surface water from the Benefitted Property, including but not limited to Grantee's use, operation, maintenance, inspection, repair, replacement, reconstruction, and removal of all or any drainage-related Easement Improvements as Grantee may now or hereafter deem appropriate, including the addition, removal or replacement of same at Grantee's election, either in whole or in part with either like or different size improvements or facilities, and the installation of additional improvements, utilities and other facilities and equipment within the construction easement area.

5. Collectively, the easement improvements described in this Section I.B are referred to herein as the "Easement Improvements."

- C. **Benefit of Easement.** This Easement is appurtenant to and for the benefit of the Benefitted Property and all other land, real property or property interests now owned or hereafter acquired by Grantee and that constitutes a portion of or is served by the Easement Improvements or Grantee's public transportation and mass transit system as now configured or hereafter modified.
- D. **Ownership of Easement Improvements.** The Parties agree that the Easement Improvements on Lot A are owned by and belong to Grantor, including without limitation the Lighting Improvements. The Parties agree that any and all other Easement Improvements or future improvements or betterments to the Easement Improvements on Lot A, including but not limited to paving, curbs and gutters, fences, barriers, landscaping, shelters, cabinets, pipes or conduits, related structures, materials, facilities, mechanical and electrical systems, utilities, equipment, furnishings or improvements or betterments of any kind that are now or hereafter acquired, constructed or installed within the Easement Area for public transportation or mass transit purposes shall upon substantial completion become, and shall thereafter at all times remain, the property of Grantor. For purposes of this Easement the term "substantial completion" means:



1. Grantee has full and unrestricted use and benefit of the subject work for the purpose intended;
2. All the systems and parts of the subject work are functional;
3. Utilities are connected and operate normally;
4. Only minor incidental work or correction or repair remains to complete the subject work; and
5. To the extent applicable, all occupancy permits, inspection permits, and temporary construction easement releases have been provided.

E. **Duty to Maintain Easement Improvements On Lot A.**

1. Grantor covenants to maintain, repair, and replace the Easement Improvements in their existing locations so as to provide at least the level, extent, and quality of function specified in the Plans.
  - (a) Grantor further covenants that within the Easement Area as defined in **Exhibit B-2** attached hereto, Grantor shall preserve lighting equal to or better than that which exists on the Easement Area as of the Closing Date as defined in the Purchase and Sale Agreement ("Closing Date").
  - (b) Grantor covenants to erect, at its sole expense, a security chain-link fence on the boundary between Lot A and Grantee's P&R Lot within thirty (30) days of the date of closing. Provided, that Grantor's security fence shall not interfere with Grantee's right of ingress and egress under this Easement.
  - (c) Grantor covenants to disconnect from Grantee's electrical service, according to law and at Grantor's sole expense, power to all the light poles that are located north of the south boundary line of Lot A (not including those that are located on the south boundary line) within ninety (90) days of the Closing Date.
  - (d) Grantor covenants to disconnect from the irrigation system that serves the P&R Lot the portion of the irrigation system that serves that landscaping located completely within Lot A. Grantor shall complete this work within ninety (90) days of the Closing Date. Grantor further covenants to maintain an operational irrigation system to serve the landscaping that is located completely within Lot A.
  - (e) Grantor shall undertake and fulfill the duties imposed under this Section I.E.1 at Grantor's sole cost and expense; and such cost and expense shall never become a lien on or against the Benefitted Property or otherwise become Grantee's liability or obligation.

2. Grantor covenants that except as set forth in Section I.E.1, the existing Easement Improvements shall not be changed, modified, or relocated except with Grantee's prior written approval, which approval may be withheld in Grantee's sole and absolute discretion. Grantor further covenants that so long as this Easement is in effect, the Lighting Improvements shall never be relocated, altered, modified, or changed in any manner that would reduce the level, extent, or quality of lighting below that which is specified in the Plans.
3. Notwithstanding Paragraphs 1 and 2 of this Section I.E, if the Federal Aviation Administration ("FAA") or its successor requires Grantor to change the existing Lighting Improvements then the Parties shall negotiate as to how Grantor may accommodate such requirement while meeting the standard set forth in Section I.E.1, and such negotiation shall be subject to dispute resolution under Section III.B of this Agreement.

F. **Grantee's Discretionary Right to Maintain Lighting Improvements.**

1. Grantor and Grantee agree that the Lighting Improvements are critical to the safe and efficient operation of Grantee's public transportation system and mass transit activities upon the P&R Lot and the Easement Area. Grantor understands, acknowledges, and agrees that the Lighting Improvements must be maintained to meet the standard set forth in Section I.E at all times, and that any needed repairs or replacements shall be treated as a matter of public safety and shall be afforded the highest priority. To that end, Grantor covenants that Grantee shall have the right, but not the duty, to maintain, repair, or replace the Lighting Improvements pursuant to this Section I.F.
2. If Grantee, in its reasonable discretion, believes that Grantor has not met its duty to maintain the Lighting Improvements to the standard in Section I.E, then Grantee may notify Grantor of the work needed and the proposed maintenance, repair, or replacement (collectively, the "Work") in sufficient detail that Grantor could estimate the cost of the labor and materials needed to complete the Work. If within seventy-two hours Grantor has not either (a) initiated the work or provided Grantee a written proposal of equivalent maintenance, repair, or replacement, which Grantee may at its sole discretion approve or deny, or (b) completed the work, or approved equivalent, then Grantee may undertake such maintenance, repair, or replacement. PROVIDED, that Grantee shall make a good faith effort to provide Grantor with twenty-four (24) hours advance written notice of intent to perform the Work. Such notices may be by telephone, fax, email with confirmation of delivery, or any means specified in Section III.E of this Easement.
3. If Grantee performs the Work, it shall invoice Grantor for all fees, costs, and expenses associated with the Work, including but not limited to the cost of

Grantee's staff time to prepare Grantee's Notice and to develop and implement any procurement, plans, permitting, or project documentation necessary for the Work (collectively, the "Work Costs"). Grantor shall pay the Work Costs to Grantee within forty-five (45) days of receipt of Grantee's invoice. Grantee shall add a late fee of five percent (5%) to any Work Costs invoice not timely paid. If any Work Costs invoice remains outstanding ninety (90) days after receipt, Grantee may send it to collections.

**G. Grantee's Discretionary Right to Maintain Other Easement Improvements.**

1. Subject to the notice requirements set forth in this Section I.G, Grantor covenants that Grantee shall have the right, but not the obligation, to maintain, repair, or replace all Easement Improvements on or in the Easement Area. This Section I.G does not apply to the Lighting Improvements, which are addressed in Section 1.F.
2. If Grantee believes that the Easement Improvements require substantial repair, maintenance, or replacement, then Grantee shall notify Grantor in writing consistent with Section III.E of this Easement ("Grantee's Notice"). Grantee's Notice shall specify the work needed in sufficient detail for Grantor to determine whether the proposed work is acceptable. Grantee need not provide advance written notice of minor or ordinary repair or maintenance work, and may perform such work in Grantee's sole discretion.
3. Grantor shall respond to Grantee's Notice within thirty (30) days. Grantor's response shall state whether the proposed work and schedule is acceptable to Grantor. If the work or schedule is not acceptable to Grantor then the Parties shall engage in dispute resolution under Section III.B of this Easement.

**H. Emergency Work.** In addition to Grantee's discretionary right to maintain, repair, or replace the Easement Improvements under Sections I.F and I.G of this Easement, Grantee shall also have the discretionary right, but not the duty, to perform emergency maintenance, repair, or replacement of the Easement Improvements. Grantee shall make a good faith effort to provide Grantor with twenty-four (24) hours advance written notice of such emergency work. Such notice may be by fax, email with confirmation of delivery, or any means specified in Section III.E of this Easement. To the extent feasible under the circumstances, Grantee's notice under this Section I.H shall describe the emergency and the proposed maintenance, repair, or replacement in detail. Grantee's emergency repairs to Easement Improvements on the Easement Area shall not be subject to dispute resolution under Section III.B.

**I. Grantee's Discretionary Right to Propose Upgrades to Easement Improvements.**

1. In addition to Grantee's rights under paragraphs E, F, G, and H of this Section I, Grantee shall have the right, but not the obligation or duty, to propose betterments or upgrades to the Easement Improvements on the Easement Area, and to construct and install such betterments or upgrades at its own expense; PROVIDED, that Grantee shall not undertake any such betterment or upgrade of the Easement Improvements without first submitting Grantee's proposal to Grantor for review and approval, and Grantor shall not unreasonably withhold, condition, or delay its approval.
  2. If Grantor approves Grantee's proposed betterment or upgrade then Grantee may construct or install it, and the betterment or upgrade shall become Grantor's property upon substantial completion as defined in Section I.D of this Easement, and thereafter the Parties' respective rights, duties and obligations as to such betterment or upgrade shall be governed by this Easement. If Grantor does not approve Grantee's proposed betterment or upgrade then the Parties shall undertake dispute resolution pursuant to Section III.B of this Easement.
  3. Grantor's review and approval of Grantee's plans and specifications under this Section I.G shall be strictly limited to the facilities and/or excavation shown on the plans and specifications submitted to Grantor and shall in no event constitute or be construed as a certification of the adequacy or sufficiency of Grantee's plans and specifications nor whether Grantee's construction, work or activity complies with other applicable laws, building codes and other governmental rules and regulations.
- J. **Grantee's Restoration of Easement Area.** Whenever Grantee undertakes any maintenance, repair, replacement, betterment, or upgrade of any Easement Improvements pursuant to Sections I.F through I.I of this Easement, then upon completion of such work Grantee shall remove any debris and restore the surface of any disturbed portion of the Easement Area to a condition reasonably approximating that which existed at the commencement of such work.
- K. **Grantee's Abandonment of Easement.**
1. Grantee may at any time, in its sole and absolute discretion, permanently abandon this Easement or any portion thereof, but only by recording an express written notice of such abandonment. Mere nonuse or disuse of the Easement Area, the Easement Improvements, or the rights granted in this Easement shall not constitute or be deemed to constitute legal abandonment.
  2. In addition to recording a notice of abandonment, Grantee may, at its sole and absolute discretion, execute and record a full or partial reconveyance or release of this Easement, whereupon this Easement or the relevant portion thereof, and all related rights, duties and obligations of the Parties thereunder, in whole or in

part, shall automatically terminate. Such reconveyance shall be in the form of a quitclaim deed unilaterally executed by Grantee.

3. Grantee's actions under this Section I.K are not subject to dispute resolution under Section III.B.

- L. **Grantee to Comply with Applicable FAA Safety Requirements.** Grantee covenants that in exercising its rights and privileges as to the Easement Improvements on the Easement Area, Grantee shall comply with applicable FAA safety requirements, including but not limited to vertical height restrictions, horizontal setbacks or clearance requirements, and mandatory fencing, signage, marking, or lighting limitations or requirements, including, to the extent applicable, that certain clear zone (avigation) easement recorded at King County Recording No. 6696709.

## II RESTRICTIVE COVENANTS

- A. **Grant of Restrictive Covenant.** Grantor hereby grants and conveys, confirms, and re-affirms to Grantee, the following perpetual restrictive covenants in the Lot A:
  1. Grantor covenants that it shall use Lot A for no purpose that will impede, interfere with, obstruct or endanger Grantee's easement rights under Article I of this Easement.
  2. Grantor covenants that Lot A shall not be subdivided, developed, demolished, redeveloped, reconfigured, modified, used, cleared or graded, or otherwise altered or improved in any manner that would interfere with Grantee's easement rights under Article I of this Easement, or be inconsistent with the purpose and intent of this Easement.
  3. Grantor covenants that Grantee's buses and other public transportation or mass transit vehicles shall not be required to stop at, and shall have free passage through, over, under, around, and across any fencing, gate, guardhouse, checkpoint, chicane, or any other security feature that may be erected on, about, or in connection with Lot A. PROVIDED, that this Section II.A.3 shall not apply: In case of a specific, documented, credible threat to any facility or enterprise that may constructed or operated on Lot A; or if the Governor of the State of Washington declares a state of emergency or martial law; or as may be required by Federal law pertaining to national security.
  4. Grantor shall not convey fee title to, or any lesser interest or privilege in, Lot A or any portion of it, except by instrument expressly referencing this Easement by its title ("Public Transportation Easement and Restrictive Covenant") and recording number.

5. Grantor shall hold harmless, indemnify, and defend Grantee from any and all cost, liability, claims, judgments, administrative actions, litigation, or other obligations arising out of or relating to the discharge of pollutants or Hazardous Substances (as defined in Section 3.1.9 of the Purchase and Sale Agreement) in any stormwater, surface water, runoff, or any other form of discharge or release from Lot A into any of the stormwater facilities that serve the P&R Lot.
  6. Beginning eighteen (18) months after the Closing Date, and each calendar year thereafter for so long as Grantor owns Lot A, upon Grantee's written demand Grantor shall pay to Grantee a share of Grantee's annualized cost to maintain those certain stormwater facilities that serve both the P&R Lot and a portion of Lot A (the "Joint Use Facilities"). Grantor's share of Grantee's annualized cost shall be determined by multiplying Grantee's annualized cost to maintain the Joint Use Facilities by a fraction, the numerator of which is the square footage of the Lot A area served by the Joint Use Facilities, and the denominator of which is that same Lot A area plus the square footage of the P&R Lot area served by the Joint Use Facilities.
  7. If the Lot A area served by the Joint Use Facilities, which area is shown in **Exhibit D**, is ever redeveloped or improved for any purpose other than a vehicle parking lot, then before commencing construction of such redevelopment or improvement Grantor or Grantor's successor, assign, or designee shall disconnect Lot A's stormwater or surface water system from the Joint Use Facilities. The Parties agree that **Exhibit D** shall not be recorded but shall remain on file with the Parties.
  8. If Grantee ever redevelops the P&R Lot, then the City of Auburn shall limit its drainage review and approval (if any) to those surface water or storm water impacts arising out of or related to drainage from the P&R Lot, and without reference to or consideration of any surface water or stormwater discharge from Lot A.
- B. Run with the Land.** Grantor agrees that the benefit of these restrictive covenants runs with the land and real property interests that make up the Benefitted Property and with Grantee's estate in the Benefitted Property. Grantor agrees that the burden of these restrictive covenants runs with the land that makes up Lot A and with Grantor's estate in Lot A. The Parties agree that these restrictive covenants shall be binding upon and inure to their respective successors and assigns.
- C. Touch and Concern.** The Parties agree that the benefits of these restrictive covenants touch and concern Grantee's fee title in Lot B and Grantee's easement in Lot A, in that they perpetuate the existing public transportation and mass transit regime on the Benefitted Property and ensure Grantee's ability to continue to use

the Benefitted Property for public transportation and mass transit purposes. The Parties agree that the burdens of these restrictive covenants touch and concern Grantor's fee title in Lot A, in that they limit the uses to which Lot A may be put and the acts that may be done there.

- D. Dispute Resolution.** Any disputes between the Parties regarding these restrictive covenants shall be subject to the dispute resolution process set forth in Section III.B.
- E. Equitable Relief.** The Parties agree that if dispute resolution is not successful in resolving a dispute regarding these restrictive covenants, then either Party may seek any remedy at law or equity, including but not limited to temporary restraining orders or other forms of injunctive relief.
- F. Termination of Covenants II.A.5-8 Upon Further Property Transaction.** The covenants in paragraphs numbered 5, 6, 7, and 8 of this Section II.A shall terminate and thereafter shall be of no further force or effect beginning upon such date as the King County Recorder's Office may record a deed from King County to the City of Auburn conveying the real property on which is located the stormwater retention/detention pond serving the P&R Lot and Lot A.

### III. GENERAL TERMS AND CONDITIONS

**A. Grantor's Use of Property.**

1. Subject to Articles I and II of this Easement, Grantor reserves the right to use Lot A and/or to grant other easement, license or use rights to Lot A for any purpose not inconsistent with the rights herein granted to Grantee so long as such use or use rights do not interfere with, obstruct or endanger either or both of the following:
  - a. Grantee's use of the Benefitted Property for public transportation and mass transit access, ingress, and egress purposes; or
  - b. The maintenance, repair, replacement, improvement, or betterment of any Easement Improvements now or hereafter constructed, installed, used, operated or maintained in the Easement Area pursuant to this Easement.
2. Prior to any activity by Grantor in the Easement Area that extends to within ten (10) feet of any of Easement Improvements contained therein or which changes the compression loads on or to the lateral support for any such Easement Improvements, Grantor shall notify Grantee in writing and shall provide Grantee with a copy of all plans and specifications for such proposed activity for review at least forty-five (45) days prior to the commencement of such activity. Grantor shall not commence such activity

unless and until it has received Grantee's prior written consent that the Grantor's proposed construction, work or activity will not interfere with the Grantee's rights under this Easement, which Grantee hereby confirms will not be unreasonably withheld.

3. Grantee's review and approval of Grantor's plans and specifications shall be strictly limited to the facilities and/or excavation shown on the plans and specifications submitted to Grantee and shall in no event constitute or be construed as a certification of the adequacy or sufficiency of Grantor's plans and specifications nor whether Grantor's construction, work or activity complies with other applicable laws, building codes and other governmental rules and regulations.
- B. **Dispute Resolution.** Except as otherwise specified in this Easement, and subject to Paragraph 6 of this Section III.B, all disputes arising under or related to this Easement shall be subject to the following dispute resolution process:
1. Grantor and Grantee shall each within ten (10) business days, designate a senior officer or director to meet to attempt to resolve the dispute ("Management Escalation"). The designated individuals shall meet within twenty (20) business days after their designation. Any dispute resolved through the Management Escalation process shall be documented by appropriate written documentation executed by all participating parties.
  2. If Management Escalation fails to resolve the dispute, then mediation may be requested by either Party, and shall be attempted prior to any litigation arising under or related to this Easement. Within ten (10) days of a mediation request, each Party shall designate, in writing, not more than three (3) candidates to act as a non-binding mediator. Candidates shall be proposed from Judicial Arbitration and Mediation Services (JAMS) or Judicial Dispute Resolution (JDR) or their successors, or shall be a neutral, independent and recognized expert in the field in which the dispute arises. If the Parties cannot agree on one of the mediators from the combined list within five (5) days of exchanging lists, then the Parties shall promptly meet and select a mediator by blind draw from a pool consisting of all six candidates selected by the Parties.
  3. Upon selection of the mediator, the Parties shall within thirty (30) days, or as soon thereafter as practicable, meet and engage in a mediation of the dispute with the assistance of the mediator. Each Party shall be responsible for its own costs and expenses, including attorneys' fees, incurred pursuant to this section. Costs of the mediator and other common costs shall be divided equally between the Parties. The mediator shall determine reasonable procedures.



4. The Parties agree that if they are unable to resolve their dispute through Management Escalation or mediation, and for all matters not subject to dispute resolution, King County Superior Court shall have the authority to decide the dispute. Jurisdiction shall lie with the King County Superior Court and venue shall be King County Superior Court in Kent, Washington, unless the King County Superior Court local rules would place venue in Seattle, Washington, in which case venue shall be in Seattle, Washington.
5. The dispute resolution procedures shall not prejudice the Parties' legal or equitable rights. At the request of either party, the Parties shall enter into an agreement to toll the statute of limitations with respect to the subject matter of a dispute while the Parties pursue the dispute resolution process set forth in this Section III.B. Positions expressed, responses given, and information submitted in any dispute resolution process under this Section III.B shall not be admissible as evidence in any subsequent dispute resolution, litigation, or other legal proceeding.
6. If a Party reasonably determines that circumstances require immediate action to prevent or mitigate significant damage to or loss of the Benefitted Property, the Easement Area, or the Easement Improvements, or that delay in initiating or prosecuting a claim in litigation would irrevocably prejudice that Party, then after giving the other Party notice of the dispute the affected Party may immediately pursue any remedy available at law or in equity without following the dispute resolution procedures in this Section III.B.

**C. Insurance.**

1. The Parties shall each maintain commercially reasonable insurance to protect their respective interests. This insurance requirement may be met through a program of self-insurance or participation in a risk-sharing pool. Each Party shall provide written proof of commercially reasonable insurance upon demand of the other Party.
2. The Parties shall require their contractors and subcontractors of all tiers to name each of the Parties as additional insured on any insurance policy that may apply to any work performed on the Easement Area. The Parties may each request certificates of insurance or copies of insurance policies from any contractors and subcontractors of all tiers that perform work on the Easement Area.

3. The insurance-related obligations contained in this Section III.C shall survive the expiration, abandonment or termination of this Easement and the easement rights and restrictive covenants granted hereunder.

**D. Indemnification.**

1. Grantor and Grantee each agrees for itself, its successors, and assigns to protect, defend, indemnify and hold harmless the other, and the other's appointed and elected officials and employees from and against liability for all claims, demands, suits, and judgments, including costs of defense thereof, for injury to persons, death or property damage—(collectively, "Claims") caused by or arising out of the Grantor's or Grantee's own acts or omissions, respectively, and those of their respective agents, employees or contractors within or about the Easement Area or that is otherwise caused by or arises out of their exercise of the rights and privileges respectively granted by or reserved under this Easement, including without limitation liability from the products contained in, transferred through, released or escaped from their respective improvements or otherwise introduced by Grantor or Grantee, respectively, or their respective agents, employees or contractors within or about the Easement Area. The Parties' obligations under this Section III.B shall include:
  - a. Indemnification for such Claims whether or not they arise from the Parties' own acts or omissions, the concurrent negligence of both Parties or a third party, or the acts or omissions of the Parties' own contractors, subcontractors, or the acts or omissions of one or more third parties under the direction or control of Grantor or Grantee, respectively;
  - b. The duty to promptly accept tender of defense and provide defense to the indemnified Party at the indemnifying Party's own expense;
  - c. Indemnification of Claims made by the Parties' own employees or agents;
  - d. Waiver of immunity under the industrial insurance provisions of Title 51 RCW, but only to the extent necessary for Grantor and Grantee to indemnify each other against Claims subject to Title 51 RCW, which waiver has been mutually negotiated by the Parties; and
  - e. Indemnification for Claims that are submitted by the indemnified Party's contractor or subcontractors and arise from the indemnifying Party's improvements within or about the Easement Area.
2. Notwithstanding Paragraph 1 of this Section III.D, Grantee shall have no

obligation under this Section III.D to indemnify and hold harmless Grantor for Claims arising from the sole negligence or willful misconduct of Grantor, its appointed and elected officials and employees; and Grantor shall have no obligation under this Section III.D to indemnify and hold harmless Grantee for Claims arising from the sole negligence or willful misconduct of Grantee, its appointed and elected officials and employees.

3. Grantor and Grantee agree that if a court of competent jurisdiction determines that RCW 4.24.115 applies to this Easement, or to any Claim arising hereunder, then Grantor and Grantee shall each defend, hold harmless and indemnify the other to the maximum extent permitted thereunder, and specifically for their own negligence concurrent with that of the other Party, to the full extent of Grantor's or Grantee's own negligence.
  4. Grantor and Grantee shall give each other timely written notice of the making of any Claim or of the commencement of any such action, suit, or other proceeding covered by the indemnity in this Section III.D. If any such Claim arises, then the indemnified Party shall tender the defense thereof to the indemnifying Party, and the indemnifying Party shall have the duty to defend, settle, or compromise any Claims arising hereunder; and the indemnified Party shall cooperate fully therein. The indemnified Party's failure to timely notify the indemnifying Party of such a Claim or action, however, shall not constitute a defense to the indemnity set out in this Section III.D, except to the extent of actual prejudice to the indemnifying Party.
  5. The indemnification, protection, defense and save harmless obligations contained in this Section III.D shall survive the expiration, abandonment or termination of this Easement and the easement rights and restrictive covenants granted hereunder.
- E. **Notices.** Except for Grantee's notice of work under Sections I.F and I.H, any notices required herein shall be in writing and shall be deemed to have been duly given and received on the date of personal service, or one day after deposit with a reputable national overnight delivery service, or two days after deposit with the United States Postal Service, sent by registered or certified mail, return receipt requested, postage prepaid. Notice may also be provided by email or other means of electronic transmittal, provided that receipt of the email or transmittal content can be confirmed by the sender, with time of receipt being the uniform time the e-mail or other transmittal enters the information processing system that the recipient has designated or uses for the purpose of receiving email or other form of transmittal. In all cases notice shall be sent to the addresses listed below or as hereafter updated by the Parties by written notice as set forth in this Section III.E:

**TO GRANTOR:**

Office of the Mayor  
City of Auburn  
25 West Main Street  
Auburn, WA 98001

**TO GRANTEE:**

Manager's Office  
Transit Division  
King County Department of Transportation  
201 S King Street  
Seattle WA 98104

**WITH A COPY TO:**

Auburn City Attorney's Office  
City of Auburn  
25 West Main Street  
Auburn, WA 98001

**WITH A COPY TO:**

King County Prosecutor's Office  
King County Courthouse, W400  
516 Third Avenue  
Seattle, WA 98104-2388  
Attn: Chief Civil Deputy

F. **Representations.** Grantor represents that it is the lawful owner of Lot A and has the legal authority to grant and convey this Easement to Grantee.

G. **Successors and Assigns; Legal Relations.**

1. Grantee may assign its rights under this Easement, in whole or in part, without approval or consent of Grantor. Grantor shall not convey or assign any right, title, interest, or license in Lot A except by instrument specifically referencing this Easement by its title and recording number as required under Section II.A.4.
2. Nothing in this Easement shall make, or be deemed to make, Grantor and Grantee a partner of one another. This Easement shall not be construed as creating a partnership or joint venture. This Easement shall create no right, privilege, duty, obligation, or cause of action in any person or entity not a party to it.
3. Nothing contained in this Easement shall diminish or be construed to diminish the governmental or police powers of Grantor or Grantee.

H. **Force Majeure.**

1. "Force Majeure Event" means any act or event that prevents a Party from performing its obligations under this Agreement, if such act or event is beyond the reasonable control, and not the result of the fault or negligence, of the affected Party and such Party is unable to overcome such act or event

with the exercise of due diligence (including the expenditure of reasonable sums). Subject to the foregoing definition, Force Majeure Event may include natural phenomena, such as storms, hurricanes, floods, lightning or earthquakes; explosions or fires arising from causes unrelated to the acts or omissions of the Party seeking to be excused from performance; acts of war, civil unrest, public disorder, sabotage, epidemic, rebellion, riot, or terrorism or war. Force Majeure Events shall not include equipment failures or acts or omissions of agents, suppliers, contractors or subcontractors of any tier, except to the extent that such acts or omissions arise from a Force Majeure Event as defined in this Paragraph III.H.1.

2. Except as provided in Paragraph III.H.1 or otherwise specifically provided in this Easement neither Party shall be considered in breach of this Easement or liable for any delay or failure to comply with this Easement, if and to the extent that such delay or failure is attributable to the occurrence of a Force Majeure Event. Provided, that the Party claiming relief based on a Force Majeure Event shall:
    - a. Promptly notify the other Party in writing of the existence and nature of the Force Majeure Event;
    - b. Exercise all reasonable efforts to minimize delay caused by such Force Majeure Event;
    - c. Notify the other Party in writing of the cessation of such Force Majeure Event; and
    - d. Resume performance of its obligations under this Easement as soon as practicable thereafter.
  3. Obligations to pay for services already provided shall not be excused by a Force Majeure Event.
- I. **Construction.** All of the Recitals set forth above are incorporated into this Easement as though fully set forth herein. The headings contained in this Easement are for convenience of reference purposes only and shall not in any way affect the meaning or interpretation hereof, nor serve as evidence of the intention of the parties hereto. Whenever the context hereof shall so require the singular shall include the plural.
  - J. **Entire Agreement.** This Easement sets forth the entire agreement of the Parties as to the subject matter hereof and supersedes all prior discussions and understandings between them. This Easement may not be modified, except by an instrument in writing signed by a duly authorized officer or representative of each party hereto.
  - K. **Severability.** In case any one or more of the provisions contained in this Easement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision

hereof, and this Easement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

- L. **Waivers.** No waiver of any right under this Easement shall be effective unless contained in a 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 any other right arising under this Easement.
- M. **Governing Law; Venue for Litigation.** This Easement shall be governed by and construed and enforced in accordance with the laws of the State of Washington, without reference to its choice of law rules or conflicts of law provisions. The Superior Court of King County, Washington, shall be the sole venue for any litigation between the Parties that arises under or relates to this Easement.

**TERMS AND CONDITIONS CONTINUE ON FOLLOWING PAGE**

N. **Exhibits.** The following exhibits and record documents are incorporated by this reference as if fully set forth herein:

- Exhibit A      Legal Description of Easement Area
- Exhibit B-1    Legal Description of Lot A
- Exhibit B-2    Legal Description of Benefitted Property
- Exhibit C      Illustration of Boundary Line Adjustment
- Exhibit D      Illustration of Property Area Served by Joint Use Facilities (not recorded; copies on file with the Parties)
- Plan Set No. 111189, dated February 10, 1978, as modified by pages E101 through E103 of that certain Contract No. C65046C, dated October 1996, and as further modified by pages C301 through C304 of that certain Contract No. C75134C, dated July 1997 (File Nos. E80, E81, E82), (not attached or recorded; copies on file with the Parties)

EXECUTED AND EFFECTIVE as of the date last signed below.

**FOR GRANTOR:**

**FOR GRANTEE:**

\_\_\_\_\_  
Peter Lewis, Mayor  
City of Auburn

\_\_\_\_\_  
Steve Salyer, Manager  
Real Estate Services Section  
King County Dep't of Executive Services

**DATE:** \_\_\_\_\_

**DATE:** \_\_\_\_\_

Approved as to Form:

Approved as to Form:

By \_\_\_\_\_  
Deputy City Attorney

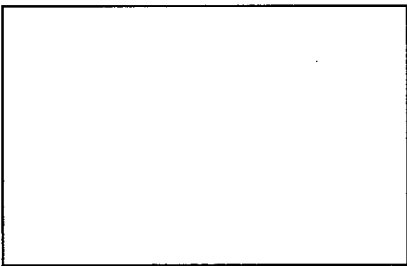
By \_\_\_\_\_  
Deputy Prosecuting Attorney

**NOTARY BLOCKS APPEAR ON FOLLOWING PAGE**

STATE OF WASHINGTON    )  
  ) ss.  
COUNTY OF KING         )

On this day personally appeared before me \_\_\_\_\_,  
to me known to be the \_\_\_\_\_ of **KING COUNTY**, the  
\_\_\_\_\_ that executed the within and foregoing instrument, and acknowledged the said  
instrument to be the free and voluntary act and deed of **KING COUNTY**, for the uses and purposes  
therein mentioned, and on oath stated that he/she was authorized to execute the said instrument.

Dated: \_\_\_\_\_.



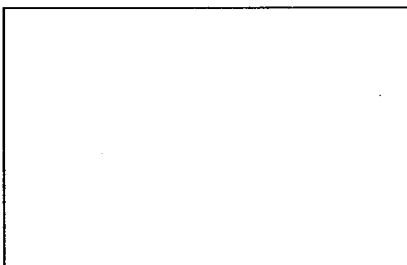
\_\_\_\_\_  
Notary Public  
Print Name \_\_\_\_\_  
My commission expires \_\_\_\_\_

(Use this space for notarial stamp/seal)

STATE OF WASHINGTON    )  
  ) ss.  
COUNTY OF KING         )

On this day personally appeared before me \_\_\_\_\_,  
to me known to be the \_\_\_\_\_ of **THE CITY OF AUBURN**, the  
\_\_\_\_\_ that executed the within and foregoing instrument, and acknowledged the said  
instrument to be the free and voluntary act and deed of **THE CITY OF AUBURN**, for the uses and  
purposes therein mentioned, and on oath stated that he/she was authorized to execute the said  
instrument.

Dated: \_\_\_\_\_.



\_\_\_\_\_  
Notary Public  
Print Name \_\_\_\_\_  
My commission expires \_\_\_\_\_

(Use this space for notarial stamp/seal)



Public Transportation Easement  
Auburn Park-and-Ride  
Lot "A" of BLA # \_\_\_\_\_

**EXHIBIT A**

Legal Description of Easement Area

THAT SOUTH PORTION OF PARCEL "A" OF BLA NO. \_\_\_\_\_, THE TRUE POINT OF BEGINNING COMMENCING AT THE SOUTH-EASTERLY CORNER OF PARCEL "A", THENCE N 89° 42' 06" W 299.66 FT, THENCE N 00° 39' 20" E 170.04 FT, THENCE S 89° 42' 06" E APPROXIMATELY 299.60 FT, THENCE S 00° 30' 04" W 170.04 FT TO THE TRUE POINT OF BEGINNING, CONTAINING APPROXIMATELY 50,954 SQ FT.

Public Transportation Easement  
Auburn Park-and-Ride  
Lot "A" of BLA # \_\_\_\_\_

**EXHIBIT B-1**

Legal Description of Lot A

## LEGAL DESCRIPTION

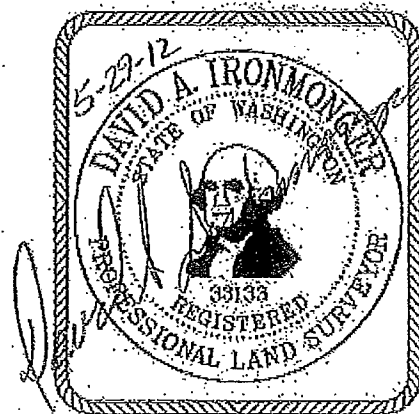
## — PARCEL A

THAT PORTION OF THE SOUTH HALF OF JOSEPH BRANNAN DONATION LAND CLAIM NO. 38, SITUATED IN THE WEST HALF OF SECTION 7, TOWNSHIP 21 NORTH, RANGE 5 EAST, W.M.; AND THE EAST HALF OF SECTION 12, TOWNSHIP 21 NORTH, RANGE 4 EAST, W.M., IN THE CITY OF AUBURN, KING COUNTY, WASHINGTON, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT A 3 INCH DIAMETER BRASS DISK IN CONCRETE, IN CASE, MARKING THE CENTERLINE RIGHT-OF-WAY OF 15<sup>TH</sup> STREET N.E. WITH THE CENTERLINE RIGHT-OF-WAY OF 'D' STREET N.E. AS SHOWN ON RECORD OF SURVEY, RECORDING NUMBER 7701179008, RECORDS OF SAID COUNTY, FROM WHICH, A 3 INCH DIAMETER BRASS DISK IN CONCRETE, IN CASE, MARKING THE CENTERLINE RIGHT-OF-WAY OF SAID 15<sup>TH</sup> STREET N.E. WITH THE CENTERLINE RIGHT-OF-WAY OF 'A' STREET N.E., BEARS NORTH 89°30'04" WEST, 980.32 FEET; THENCE ALONG THE CENTERLINE OF SAID 'D' STREET N.E., NORTH 00°41'08" EAST, 360.38 FEET TO A 1-1/2 INCH DIAMETER BRASS SURFACE MONUMENT; THENCE CONTINUING ALONG SAID CENTERLINE NORTH 00°41'08" EAST, 130.42 FEET TO THE SOUTH LINE OF AUBURN MUNICIPAL AIRPORT AS SHOWN ON SAID SURVEY; THENCE ALONG SAID SOUTH LINE NORTH 89°04'44" WEST, 691.73 FEET TO THE SOUTHWEST CORNER OF SAID AIRPORT PROPERTY AND THE TRUE POINT OF BEGINNING; THENCE ALONG THE SOUTHERLY EXTENSION OF THE WEST LINE OF SAID AIRPORT PROPERTY SOUTH 00°39'48" WEST, 143.93 FEET; THENCE SOUTH 89°30'49" EAST 40.36 FEET; THENCE SOUTH 00°30'04" WEST, 170.04 FEET; THENCE NORTH 89°42'06" WEST, 299.66 FEET TO THE EAST MARGIN OF 'A' STREET N.E.; THENCE ALONG SAID MARGIN NORTH 00°39'20" EAST, 614.85 FEET TO THE NORTHWEST CORNER OF THAT CERTAIN PARCEL OF LAND AS SHOWN ON SAID RECORD OF SURVEY; THENCE ALONG THE NORTH LINE OF SAID PARCEL SOUTH 89°30'04" EAST, 258.89 FEET TO THE WEST LINE OF SAID AIRPORT PROPERTY; THENCE ALONG SAID WEST LINE SOUTH 00°39'48" WEST 299.84 FEET TO THE TRUE POINT OF BEGINNING.

CONTAINING 3.81 ACRES, MORE OR LESS

SUBJECT TO EASEMENTS, CONDITIONS, AND RESTRICTIONS



Public Transportation Easement  
Auburn Park-and-Ride  
Lot "A" of BLA # \_\_\_\_\_

**EXHIBIT B-2**

Legal Description of Benefitted Property

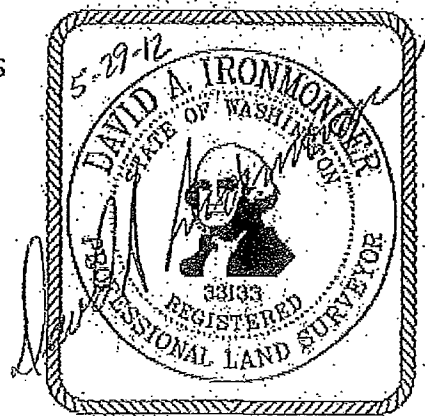
**LEGAL DESCRIPTION  
OF A PORTION OF KING COUNTY METRO  
PARK AND RIDE TO CITY OF AUBURN AIRPORT**

THAT PORTION OF THE SOUTH HALF OF JOSEPH BRANNAN DONATION LAND CLAIM NO. 38, SITUATED IN THE WEST HALF OF SECTION 7, TOWNSHIP 21 NORTH, RANGE 05 EAST, OF THE WILLAMETTE MERIDIAN, CITY OF AUBURN, KING COUNTY, WASHINGTON, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT A 3 INCH DIAMETER BRASS DISK IN CONCRETE, IN CASE, MARKING THE CENTERLINE RIGHT-OF-WAY OF 15<sup>TH</sup> STREET N.E. WITH THE CENTERLINE RIGHT-OF-WAY OF 'D' STREET N.E. AS SHOWN ON RECORD OF SURVEY, RECORDING NUMBER 7701179008, RECORDS OF SAID COUNTY, FROM WHICH, A 3 INCH DIAMETER BRASS DISK IN CONCRETE, IN CASE, MARKING THE CENTERLINE RIGHT-OF-WAY OF SAID 15<sup>TH</sup> STREET N.E. WITH THE CENTERLINE RIGHT-OF-WAY OF 'A' STREET N.E., BEARS NORTH 89°30'04" WEST, 980.32 FEET; THENCE ALONG THE CENTERLINE OF SAID 'D' STREET N.E., NORTH 00°41'08" EAST, 360.38 FEET TO A 1-1/2 INCH DIAMETER BRASS SURFACE MONUMENT; THENCE CONTINUING ALONG SAID CENTERLINE NORTH 00°41'08" EAST, 130.42 FEET TO THE SOUTH LINE OF AUBURN MUNICIPAL AIRPORT AS SHOWN ON SAID SURVEY; THENCE ALONG SAID SOUTH LINE NORTH 89°04'44" WEST, 325.23 FEET TO THE NORTHEAST CORNER OF PARCEL 'C' AS SHOWN ON CITY OF AUBURN SHORT PLAT 15-77, RECORDING NUMBER 7709280757 RECORDS OF SAID COUNTY AND THE TRUE POINT OF BEGINNING; THENCE SOUTH 00°39'48" WEST ALONG THE EAST LINE OF SAID PARCEL C, 208.72 FEET; THENCE LEAVING SAID EAST LINE NORTH 89°20'06" WEST, 246.11 FEET; THENCE NORTH 00°17'57" EAST, 66.81 FEET; THENCE NORTH 89°30'49" WEST, 119.96 FEET TO THE SOUTHERLY EXTENSION OF THE WEST LINE OF SAID AIRPORT PROPERTY; THENCE NORTH 00°39'48" EAST ALONG THE EXTENSION OF SAID WEST LINE, 143.93 FEET TO THE CENTER OF A 5/8 INCH HOLE IN A 6 INCH SQUARE CONCRETE MONUMENT, SAID MONUMENT BEING ACCEPTED AS THE SOUTHWEST CORNER OF SAID AIRPORT PROPERTY; THENCE ALONG THE SOUTH LINE OF SAID PROPERTY SOUTH 89°04'44" EAST, 366.50 FEET TO THE TRUE POINT OF BEGINNING.

SUBJECT TO EASEMENTS, CONDITIONS AND RESTRICTIONS

CONTAINING 68,790 SQUARE FEET OR 1.58 ACRES, MORE OR LESS

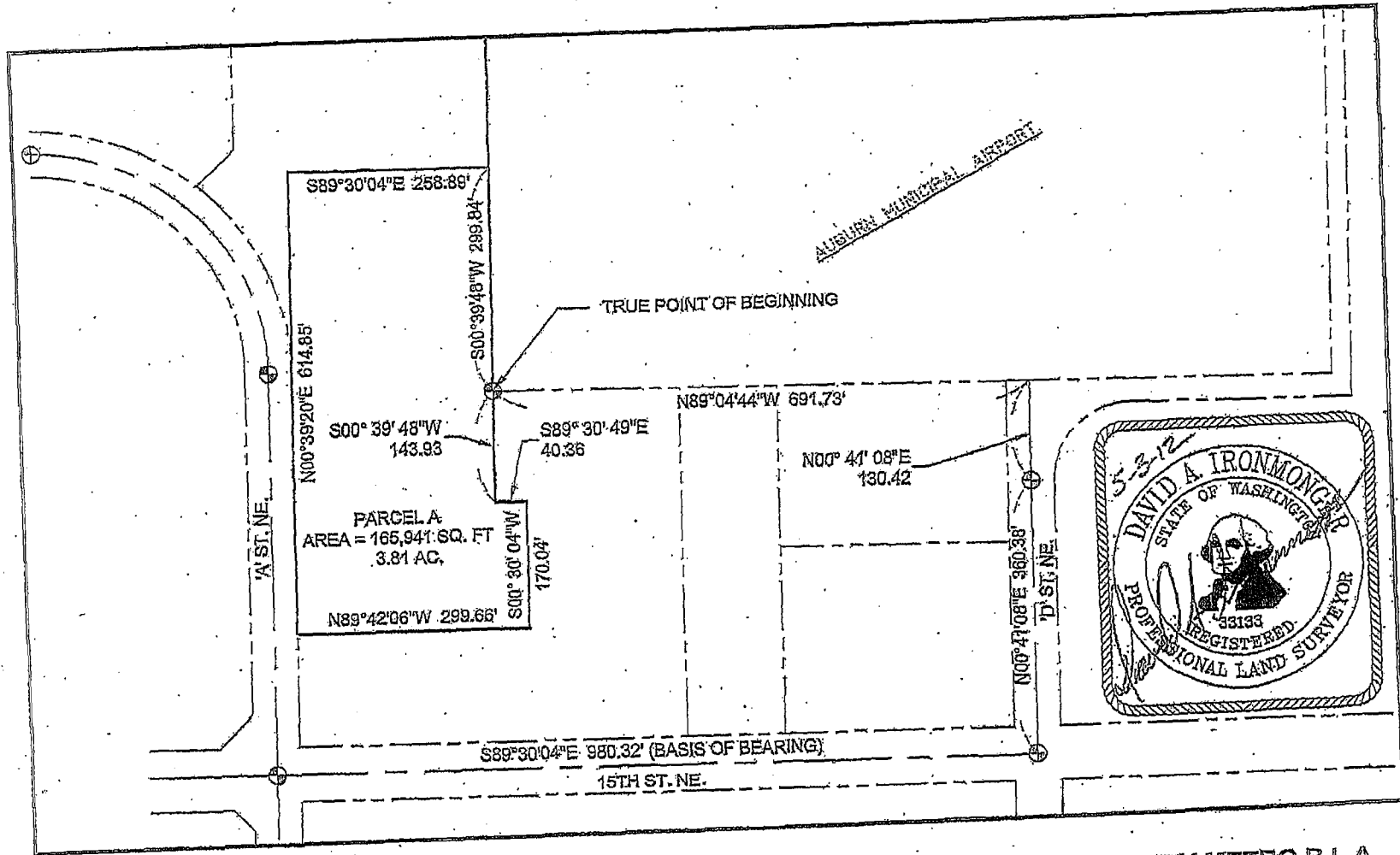


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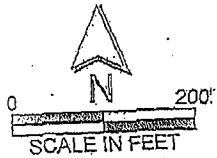
Public Transportation Easement  
Auburn Park-and-Ride  
Lot "A" of BLA # \_\_\_\_\_

**EXHIBIT C**

Illustration of Boundary Line Adjustment



Parametrix DATE: May 3, 2012 FILE: NEWLOT1EXH



CITY OF AUBURN - KING COUNTY METRO B.L.A.  
PARCEL A

Public Transportation Easement  
Auburn Park-and-Ride  
Lot "A" of BLA # \_\_\_\_\_

**EXHIBIT D**

Illustration of Property Area Served by Joint Use Facilities



Parcel "A"

Property Served  
by Joint Use  
Facilities

Parcel "B"

**EXHIBIT B-3.**

**Illustration of Property Area served by Joint Use Facilities**



44

Parcel "A"

Parcel "B"

Property Served  
by Joint Use  
Facilities

100'

100'

100'

CHERRY HILL

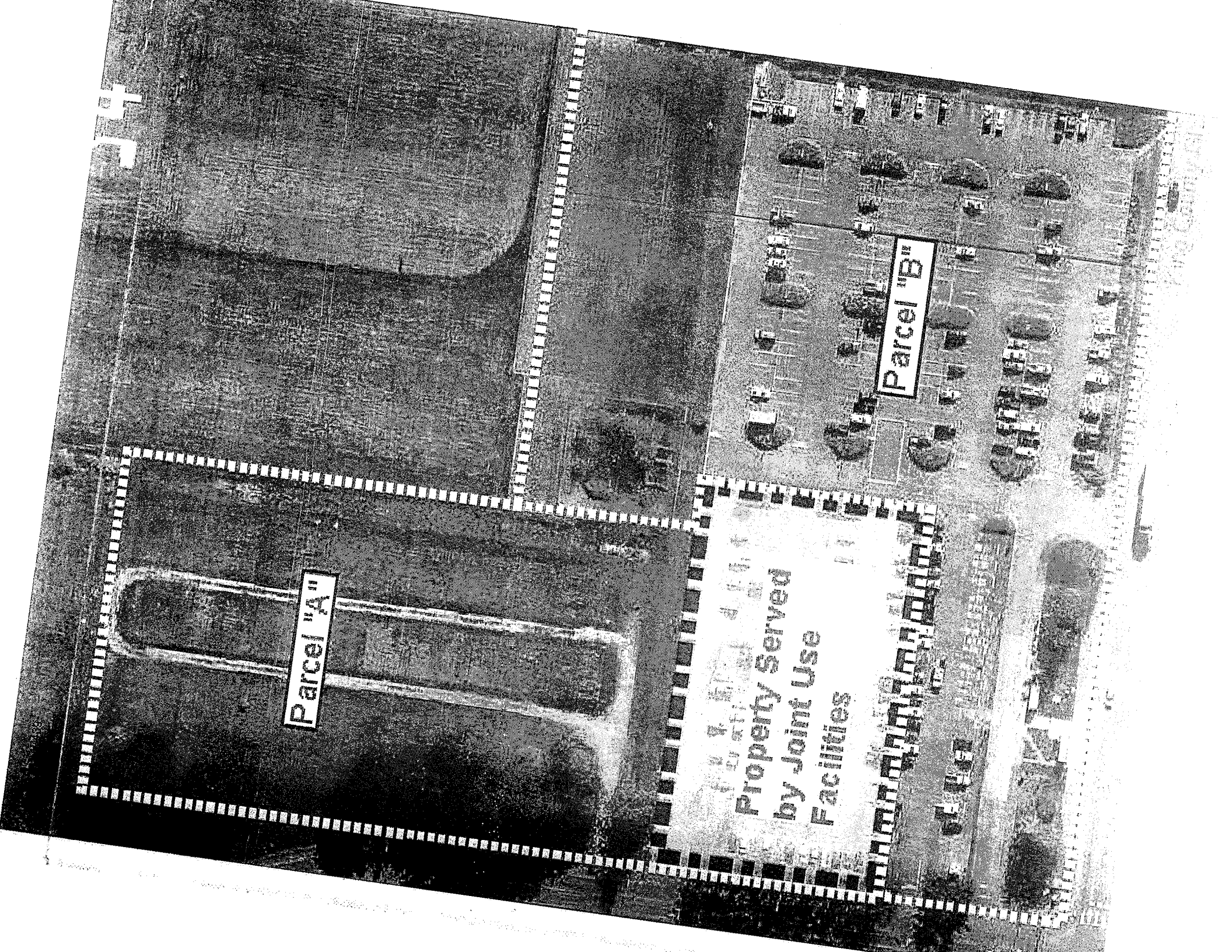
CHERRY HILL

CHERRY HILL

CHERRY HILL

CHERRY HILL

CHERRY HILL



**EXHIBIT C.**

**Form of Bill of Sale and Assignment.**

**BILL OF SALE AND ASSIGNMENT**

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THIS BILL OF SALE is made as of this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_ by KING COUNTY ("Seller"), in favor of CITY OF AUBURN, a municipal corporation 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 (the "Personalty") 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; the Personalty, 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.

The sale of the Personalty is made on an "AS-IS" condition and basis with all faults. It is understood and agreed that the sale price reflects that the Personalty is sold by Seller to Buyer subject to the foregoing sentence.

Seller expressly and specifically disclaims and negates any guarantee or warranty of the Personalty for any use or purpose, whether expressed or implied, and whether in writing or otherwise, and including but not limited to any warranty of merchantability or habitability.

Upon Buyer's acceptance of the Personalty, Buyer will be deemed to have accepted the Personalty "AS IS, WHERE IS," with all faults and defects.

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

SELLER:

By: \_\_\_\_\_

Its: \_\_\_\_\_

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**EXHIBIT D.**

**Certificate of Non-Foreign Status.**

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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

Transferor's United States employer identification number is 91-6001327;  
and

- 2. Transferor's office address is King County Facilities Management Division, Real Estate Services Section, Room 800 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 \_\_\_\_\_, 20\_\_.

**TRANSFEROR:**

**KING COUNTY**

By \_\_\_\_\_

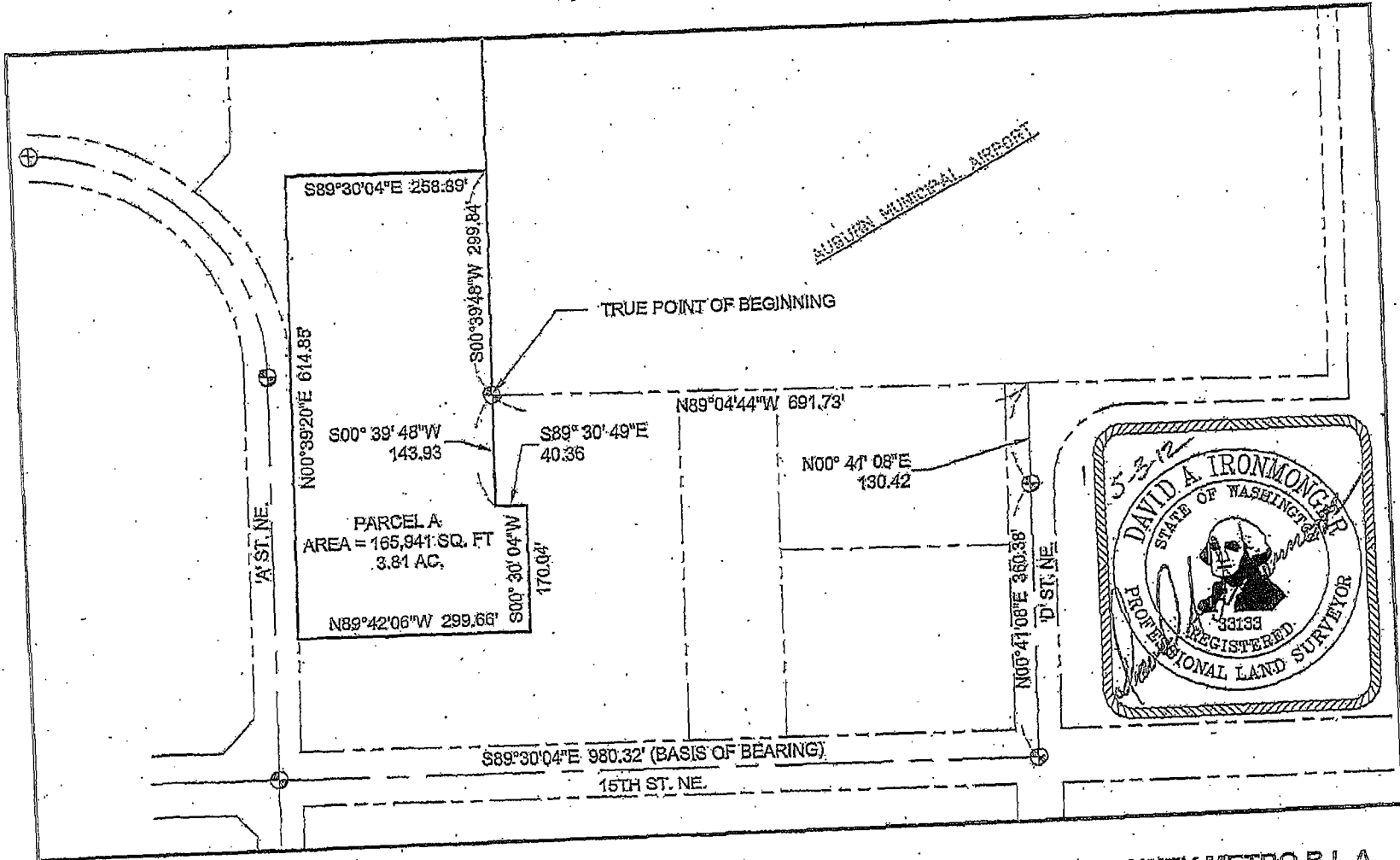
Title \_\_\_\_\_

Print Name: \_\_\_\_\_

**Exhibit E.**

**Illustration of Auburn Park-and-Ride Subdivision**





Parametrix DATE: May 3, 2012 FILE: NEWLOT15XH

CITY OF AUBURN - KING COUNTY METRO B.L.A. PARCEL A

