



King County

Metropolitan King County Council Budget and Fiscal Management Committee

STAFF REPORT

Agenda Item No.:	7	Date:	4 December 2012
Proposed No.:	2012-0372	Prepared by:	Nick Wagner

SUMMARY

Proposed Ordinance 2012-0372 (pp. 5-7) would approve the sale of four parcels of surplus county real property. The parcels are located in council districts 5 and 9.

BACKGROUND

Process for Sale of Surplus County Property

The process to be followed for the sale of surplus county real property is prescribed in chapter 4.56 of the King County Code (KCC). Briefly, if a county department identifies real property that is surplus to its needs, it is required to notify the Facilities Management Division (FMD), which then “shops” the property to all other county agencies. If no other agency expresses an interest in using the property to provide essential services, FMD must determine whether the property is suitable to be used for affordable housing. If the property is found unsuitable for use as affordable housing, FMD is authorized to declare the property to be surplus.

Once the property has been declared surplus, FMD is required to review other possible uses of the property before it is offered for sale. Those other uses are listed in section 4.56.070(D) of the county code.

Sale of surplus property must be by public auction or by sealed bid, except in certain circumstances specified in the section 4.56.100(A) of the county code. Those circumstances include: “The facilities management division has determined that the county will receive a greater return on real property when it is listed and sold through a residential or commercial real estate listing service.”

THE PROPOSED SALES

The Process Followed for Sale of the Subject Properties

For each of the properties that are the subject of Proposed Ordinance 2012-0372, FMD circulated a surplus property notice to county agencies, none of which expressed interest in using the property, and determined that the property was unsuitable for affordable housing. After determining that the county had no other use for the property, FMD listed each property for sale with the Northwest Multiple Listing Service, advertised

it on the King County Real Estate Services website, and posted one or more for-sale signs on the property.

The process followed by FMD appears to comply with the requirements of the KCC chapter 4.56.

The Surplus Properties and the Proposed Sales

Each of the surplus properties is described below, along with the relevant appraisal and sale information.

Property A: 13326 – 230th Ave SE, Issaquah area (Council District 9)

According to FMD (p. 123), this is an improved residential property located east of Issaquah-Hobart Road in the Issaquah Area. The Road Services Division (Roads) of the county Department of Transportation purchased the property in 2006 for use in the reconstruction of Bandaret Bridge, which crosses Issaquah Creek on May Valley Road. The property is zoned RA-5 and contains a single-family home in poor-to-fair condition.

After completion of the bridge project, Roads determined that the remaining residential lot was not needed for future road purposes, subject to reserving a 19,315 square foot conservation easement. This conservation easement provides environmental mitigation for the bridge project by ensuring unobstructed fish passage on Issaquah Creek and restricting access to the creek near the north side of the bridge.

FMD appraised the property at \$240,000, effective 17 February 2011, and re-appraised it at \$210,000, effective 5 March 2012. Details of FMD's comparative analysis are included in the property summary at p. 124. The entire property summary is included at pp. 123-25.

The sale price is \$230,000, which is \$20,000 above the most recent FMD appraisal. The sale price was the winning bid among multiple offers. The net sale proceeds will go to the Roads CIP fund. The fiscal note is at p. 139.

Property B: 19851 – 140th Ave SE, Renton area (Council District 9)

According to FMD (p. 127), this parcel is located on the west side of 140th Avenue SE at the corner of SE 200th Street in the Renton area. Roads purchased the parcel in 1997 for Phase II of the 140th Avenue SE/132nd Avenue SE road improvement project. Following a subsequent redesign of that project, the property was not needed for road purposes.

The existing house and built-in garage were built in 1967. The parcel is zoned R-6, but its small size provides limited development potential. The house retains sufficient value to justify sale as a single-family residence, although the property needs many upgrades. The property provided rental income from 1998 through 2011. Roads has determined that the parcel is no longer needed for county roadway projects and is therefore surplus to its needs.

FMD appraised the property at \$135,000, effective 2 March 2011, and re-appraised it at \$110,000, effective 4 May 2012. Details of FMD's comparative analysis are included in the property summary at p. 128. The entire property summary is included at pp. 127-29.

The sale price is \$110,000, which is the same as the most recent FMD appraisal. The net sale proceeds will go to the Roads CIP fund. The fiscal note is at p. 141.

**Property C: NE corner of SE 179th PI and 140th Ave SE, Renton area
(Council District 9)**

According to FMD (p. 131), this vacant, level parcel is located at the northeast corner of SE 179th Place and 140th Avenue SE in the Renton area. Roads purchased the parcel and removed the existing improvements in 1996 for the 140th road-widening project south of Petrovitsky Road. The lot is zoned R-6 in a neighborhood predominated by single family dwellings.

Although this lot has adequate size, shape, and topography for development of multiple units, the high cost of extending sewer service (455 feet to the south) makes single family use most likely. Water and electricity are available. Roads has determined that the parcel is no longer needed for county roadway projects and is therefore surplus to its needs.

FMD appraised the property at \$95,000 as a single-family residence and at \$67,000 as a multi-family subdivision, effective 14 December 2011. Details of FMD's comparative analysis are included in the property summary at p. 132. The entire property summary is included at pp. 131-33.

The sale price is \$99,950, which is \$4,590 higher than the FMD appraisal as a single-family residence. The sale price was the winning bid among multiple offers. The net sale proceeds will go to the Roads CIP fund. The fiscal note is at p. 143.

Property D: 21400 Block of 37th PI S, City of SeaTac (Council District 5)

According to FMD (p. 135), this hillside vacant lot is located on the west side of the 21400 block of 37th Place South in south SeaTac. Located on the sloping eastern edge of the Highline Ridge, its primary access is from Military Road on South 216th Street. Kelsey Pit was purchased for gravel mining in 1909 but was never utilized.

Although the lot is zoned UL-15000, which potentially allows multiple unit development, SeaTac indicates that as a reasonable use exception to the city's Environmentally Sensitive Areas chapter, it would permit development of only one single-family home due to the lot's nearly total classification as a steep slope hazard area. The entire 750-foot frontage along 37th Place must be supported by a retaining wall and there is limited area to develop access. Roads has determined that the parcel is no longer needed for county roadway projects and is therefore surplus to its need.

FMD appraised the property at \$22,000, effective 21 February 2012, based on its highest and best use being development of the lot for a single-family residence. Details

of FMD's comparative analysis are included in the property summary at p. 136. The entire property summary is included at pp. 135-37.

The sale price is \$25,000, which is \$3,000 higher than the FMD appraisal. The sale price was the winning bid among multiple offers. The net sale proceeds will go to the Roads operating fund. The fiscal note is at p. 145.

Reasonableness

Since the proposed sales appear to meet applicable county code requirements and to benefit the county, and since FMD has provided a reasonable explanation of the sale price of each property, adoption of Proposed Ordinance 2012-0372 would be a reasonable business decision.

Legal Review

The council's legal counsel has reviewed and approved the sale documents.

INVITED:

- Kathy Brown, Director, Facilities Management Division (FMD), King County Department of Executive Services (DES)
- Steve Salyer, Manager, Real Estate Services Section, FMD, DES
- Kate Donley, Project Program Manager, Real Estate Services Section, FMD, DES
- Rey Sugui, Intergovernmental Relations Program Analyst, Road Services Division, Department of Transportation
- Rose LeSmith, Managing Engineer, Roadway Design and Preservation Unit, Road Services Division, Department of Transportation

ATTACHMENTS

Page

1.	Proposed Ordinance 2012-0372.....	5
	Att. A – Purchase and Sale Agreement for Property A	9
	Att. B – Purchase and Sale Agreement for Property B	39
	Att. C – Purchase and Sale Agreement for Property C.....	65
	Att. D – Purchase and Sale Agreement for Property D.....	91
2.	Transmittal letter	117
	Property A summary	123
	Property B summary	127
	Property C summary	131
	Property D summary	135
3.	Fiscal Notes	
	Property A.....	139
	Property B.....	141
	Property C.....	143
	Property D.....	145



KING COUNTY

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

Signature Report

November 27, 2012

Ordinance

Proposed No. 2012-0372.1

Sponsors

1 AN ORDINANCE approving King County's sale of four
2 surplus residential parcels located in council districts five
3 and nine.

4 BE IT ORDAINED BY THE COUNTY COUNCIL OF KING COUNTY:

5 **SECTION 1. Findings:**

6 A. The King County road services division is the custodian of four residential
7 properties that it has determined to be surplus to its needs.

8 B. The facilities management division has circulated surplus notices to King
9 County agencies, pursuant to K.C.C. 4.56.070, and none expressed interest. The facilities
10 management division has determined that the properties are not suitable for affordable
11 housing and has declared the properties to be surplus.

12 C. The facilities management division has accepted the following purchase offers
13 after listing the properties for sale through the Northwest Multiple Listing Service in
14 conformance with K.C.C. 4.56.100.A.4:

15 1. 13326 - 230th Avenue SE, Issaquah Area \$230,000 Edward and Roxanna
16 Morgan;

17 2. 19851 - 140th Avenue SE, Renton Area \$110,000 Michael and Anne
18 Nguyen;

19 3. SE 179th Place Lot, Renton Area \$99,950 Chi L. Nguyen; and

20 4. Kelsey Pit Lot, 102204-9026 SeaTac \$25,000 Maria Higuera.

21 D. In accordance with K.C.C. 4.56.080, the King County council must approve
22 the sale of county-owned properties valued in excess of ten thousand dollars.

23 SECTION 2. The King County council, having determined that the sale of the
24 subject properties is in the best interest of the public, does hereby approve the proposed
25 sales in substantially the same form as provided in the attached purchase and sale

26 agreements, and authorizes the King County executive to execute any other documents
27 necessary to convey and deliver the properties to the individual buyers.
28

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON

Larry Gossett, Chair

ATTEST:

Anne Noris, Clerk of the Council

APPROVED this ____ day of _____, _____.

Dow Constantine, County Executive

Attachments: A . 13326-230th Avenue SE, Issaquah, B. 19851-140th Avenue SE, Renton, C. 179th Place Lot, Renton, D. Kelsey Pit Lot, SeaTac

[Blank Page]

ATTACHMENT A TO ORDINANCE
Real Estate Purchase and Sale Agreement
13326 -230th Avenue SE, Issaquah area

[Blank Page]

REAL ESTATE PURCHASE AND SALE AGREEMENT

THIS REAL ESTATE PURCHASE AND SALE AGREEMENT ("Agreement") is made and entered into as of APRIL 18, 2018, by and between **KING COUNTY**, a home rule charter county and political subdivision of the State of Washington (the "Seller") and Edward T. Morgan and Roxana G. Morgan, a married couple, residing at 8718 -314th Avenue SE, Issaquah, Washington 98027 (the "Buyer"). Seller and Buyer may be referred to hereinafter individually as "Party" or collectively as the "Parties."

RECITALS

A. Seller is the owner of that certain real property located in unincorporated King County, Washington, which consists of approximately 44,431 square feet, commonly identified as Assessor's Parcel Number 509040-0020, located at 13326 - 230th Avenue SE, and the legal description of which is attached hereto as **EXHIBIT A** (the "Property").

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

AGREEMENT

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

ARTICLE 1.

PURCHASE AND TRANSFER OF ASSETS

1.1. PROPERTY TO BE SOLD. Subject to and upon the terms and conditions set forth in this Agreement, Seller shall sell, convey, assign, transfer and deliver to Buyer on the Closing Date (as defined in Article 10.2 below) 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**; subject to Seller's retention of any reservations as described in **EXHIBIT B** (the deed as to form), including but not limited to reservation of a Conservation Easement as provided for in Section 4.4.1 of this Agreement;

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

(c) 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; and

(d) This sale includes all built-in appliances at the Property, including a refrigerator, if any.

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

ARTICLE 2. PURCHASE PRICE

2.1. PURCHASE PRICE AND PAYMENT. In consideration of the sale, transfer, conveyance, assignment and delivery of the Purchased Assets, Buyer shall, in full payment therefor, pay to Seller on the Closing Date a total purchase price of Two Hundred Thirty Thousand and No/100ths Dollars (\$230,000.00) (the "Purchase Price"). This sale is not contingent upon Buyer obtaining financing, and Buyer will provide all cash at closing.

2.2 EARNEST MONEY. Not later than two (2) business days following the execution of this Agreement, Buyer shall deposit with Escrow Agent (defined in Section 10.1 of this Agreement) a promissory note in the form attached hereto as **Exhibit C** the amount of Two Thousand Two Hundred and No/100ths Dollars (\$2,200.00) as the initial earnest money deposit (the "Earnest Money Note"). Within two (2) business days after satisfaction of the Council Approval Contingency set forth in Section 5.2 of this Agreement, the Earnest Money Note shall be replaced with cash in the same amount as the Earnest Money Note and such cash shall be deposited into escrow as the earnest money (the "Earnest Money"). Upon closing of this transaction, the Earnest Money will be applied toward the Purchase Price that is due Seller. Should Buyer default on its obligations under this Agreement, the Seller shall be entitled to retain the Earnest Money as liquidated damages.

2.3. 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 minimus*.

ARTICLE 3.
REPRESENTATIONS AND WARRANTIES OF THE PARTIES

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

3.1.1. Definition of Seller. The Seller is a 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 and political subdivision of the State of Washington, (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 thereof.

3.1.3. Litigation. To the best of Seller's knowledge, there is no pending or 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. To the best of Seller's knowledge, there is no pending or contemplated condemnation or similar proceeding with respect to the Property or any part thereof.

3.1.4. Assessments. To the best of Seller's knowledge, there is no 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 best of Seller's knowledge, 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.

3.1.6. Broker. Seller agrees to pay a commission in accordance with any listing or commission agreement to which Seller is a party.

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

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

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

(ii) sell, dispose of or encumber any portion of the Property;

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

3.1.10. Condition of the Property. Except for the warranties, representations and indemnifications contained in this Agreement, Seller does not make and specifically disclaims any warranties, express or implied, including any warranty of merchantability or fitness for a particular purpose, with respect to the Purchased Assets and no employee or agent of seller is authorized otherwise. Without limitation, the foregoing specifically excludes, except for warranties, representations and indemnifications contained in this Agreement, any warranties or representations with respect to the structural condition of the Purchased Assets, the area of land being purchased, the existence or non-existence of any 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 products, distillates or fractions; any substance the presence of which is prohibited by statute or regulation; and any substance for which any statute or regulation requires a permit or special handling in its use, collection, storage, treatment or disposal.

3.1.11. 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.

3.1.12. 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 shall deliver to Purchaser prior to the Closing Date an affidavit, as set forth in **EXHIBIT D**, evidencing such fact, and such other documents as may be required under the Code.

3.1.13. Seller's Knowledge. Any and all representations or warranties based on Seller's knowledge are made to and limited by the present, actual knowledge of Anne Lockmiller, who is an employee of King County, and is the Real Property Surplussing Agent of the Real Estate Services Section. Anne Lockmiller has made no inquiries or investigations with respect to Seller's representations and warranties prior to the making thereof and has no duty to undertake the same.

3.2 Representations and Warranties of Buyer. BUYER REPRESENTS AND WARRANTS AS FOLLOWS:

3.2.1. 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.

3.2.2. 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.

3.2.3. Condition of Property. Buyer acknowledges that, within the Due Diligence Period (as defined in Article 5.1 below), it will have conducted a physical inspection and made all investigations Buyer deems necessary in connection with its purchase of the Purchased Assets. 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.

3.2.4. Waiver of Disclosure Statement. Buyer hereby expressly waives receipt of a Seller Disclosure Statement.

3.2.5 Indemnification. 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 after closing.

3.2.6. Broker. Buyer agrees to pay a commission in accordance with any listing or commission agreement to which Buyer is a party.

ARTICLE 4. TITLE MATTERS

4.1. TITLE. Seller shall deliver to Buyer good and marketable title, free and clear of all liens, defects and encumbrances except the Permitted Exceptions.

4.2 Title Commitment. Buyer shall obtain a current ALTA form of commitment for an owner's standard policy of title insurance (the "Title Commitment") issued by First American Title Insurance Company, located at 818 Stewart Street, Suite 800, Seattle, WA 98101, (206) 728-0400 (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, the Title Company shall further cause to be furnished to Buyer legible copies of all instruments referred to in the Title Commitment as restrictions or exceptions to title to the Property.

4.2.1 Survey. Buyer shall have the option, at its expense, to have prepared and furnished to the Title Company and Buyer a survey (the "Survey") of the Property prepared by a licensed public surveyor. The Survey shall be certified to Buyer and the Title Company, shall be satisfactory to the Title Company so as to permit it to issue an owner's extended coverage 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 required by Buyer.

4.2.2 Review of Title Commitment and Survey. Any exceptions or other items that are set forth in the Title Commitment or the Survey and to which Buyer does not object within the review period shall be deemed to be permitted exceptions ("Permitted Exceptions"). With regard to items to which Buyer does object within the review period, Seller shall notify Buyer within ten (10) days after Seller receives Buyer's notice of objections of any exceptions to 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 within the review period, and Buyer may, at Buyer's option, either waive the objections not cured or Buyer may terminate this Agreement by notice to Seller. Notwithstanding the foregoing, all monetary liens or encumbrances shall be paid by Seller at closing.

4.2.3. WAIVER OF OBJECTIONS TO TITLE. Buyer acknowledges that it has reviewed the Title Commitment, dated March 15, 2012, and approves the condition of title to the Property as disclosed therein. Having satisfied itself as to the condition of title, Buyer elects to exercise its option, at its sole and absolute discretion, to waive its right to object to any title exceptions or other items as provided for in Section 4.2.2 of this Agreement. By its signature set forth on the line below, Buyer hereby waives any objections to any exceptions to title.

Edward T. Morgan: Edward T. Morgan Dated: 4-13-12

Roxana G. Morgan: Roxana G. Morgan Dated: 4-13-12

4.3. OWNER'S TITLE INSURANCE POLICY. At the closing, Buyer shall cause a standard owner's policy of title insurance to be issued by the Title Company in the full amount of the 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 usual printed exceptions contained in such title insurance policy, to the matters approved by Buyer as provided herein, 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. Buyer shall pay any sum owing to the Title Company for the preparation of the preliminary and binding commitments generated by the Title Company.

4.4. CONVEYANCE. Seller shall convey to Buyer the title to the Property by deed, in substantially the form attached hereto as **EXHIBIT B**, subject only to the Permitted Exceptions and reservations of Seller that may be defined in **EXHIBIT B**. Rights reserved in federal patents or state deeds, building or use restrictions general to the district, and building or zoning regulations or provisions shall be deemed Permitted Exceptions.

4.4.1 Reservation of Conservation Easement. The conveyance deed described in Section 4.4 above shall include the reservation by Seller of a permanent and exclusive conservation easement described as follows:

RESERVING UNTO GRANTOR KING COUNTY, its heirs, successors and assigns, a permanent and exclusive *Conservation Easement*, together with access to and egress from, and maintenance over, across, along, in, under, upon and through the above-described Property, for a portion of the Property hereinafter defined as the *Conservation Easement*, or *Conservation Easement Area*, legally-described as follows:

**[LEGAL DESCRIPTION OF CONSERVATION EASEMENT
AREA TO BE INCLUDED IN CONVEYANCE DEED]**

King County reserves unto itself in perpetuity the right to enter upon and use the Conservation Easement Area at all times as a stream/wetland restoration and

buffer enhancement/mitigation site to satisfy the requirements of the United States Army Corps of Engineers, Washington State Department of Fish and Wildlife, and King County Department of Development and Environmental Services in connection with the Bandaret Bridge Project including, but not limited to, establishing, monitoring, maintaining, preserving, repairing and enhancing the stream/wetland restoration and buffer enhancement/mitigation site. King County may enter upon the Property in order to access the Conservation Easement Area at all times and for all purposes related to such use of the Conservation Easement Area. King County shall not unreasonably interfere with the ownership, possession, use, or enjoyment by the Grantee of the Property when entering the Property to perform the permitted functions on the Conservation Easement Area described herein.

The following covenants shall be placed on the Property, in perpetuity, as follows: (1) The Conservation Easement Area shall forever remain as a stream/wetland restoration and buffer enhancement/mitigation site, and no other use shall be permitted thereon; (2) The Grantee shall not in any way impair or interfere with the function and use of the Conservation Easement Area; (3) The Grantee shall not undertake, nor cause or permit to be undertaken, construction of any structures or artificial surfaces or alteration of any vegetation within the Conservation Easement Area, or any activity or use of the Conservation Easement Area which is inconsistent with the use of the Conservation Easement Area as a stream/wetland restoration and buffer enhancement/mitigation site. This covenant exists for the benefit of, and may be enforced by, King County.

The covenants, terms, conditions, and restrictions of this Conservation Easement shall be binding upon, and inure to the benefit of, King County and the Grantee, their respective personal representatives, heirs, successors, and assigns, shall continue as a servitude and easement running in perpetuity with the Property, and shall be included in any future deed conveying the Property.

ARTICLE 5. CONTINGENCIES

5.1. DUE DILIGENCE INSPECTION AND FEASIBILITY. Buyer shall satisfy itself by investigation and inspection, at its cost and expense in its sole and absolute discretion, that the condition of the Property for Buyer's contemplated use meets with its approval. If Buyer approves of the condition of the Property, Buyer agrees to notify Seller, in writing, thereby removing the contingency. Buyer shall make such determination within forty-five days following the date of mutual execution of this Agreement ("Due Diligence Period"); provided, however, that Buyer may, as provided for in Section 5.1.3 of this Agreement and at its sole and absolute discretion, waive its right to conduct further due diligence and feasibility investigation and inspection, thereby removing this contingency concurrent with the date of mutual execution of this Agreement.

In the event this contingency is not satisfied or waived within the Due Diligence Period, Buyer may terminate this Agreement upon written notice to Seller on or before the expiration of the Due Diligence Period, and neither party shall have any further rights or obligations to the other hereunder.

5.1.1. Inspections. During the Due Diligence Period, Buyer, its designated representatives or agents shall have the right at Buyer's expense to (i) 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); (ii) obtain a Phase I or Phase II Environmental Assessment on the Property and perform any and all tests, inspections and studies deemed necessary therewith; and (iii) examine all Due Diligence materials available to Seller that Buyer may reasonably request from Seller that are not subject to attorney-client privilege or that the County is not otherwise prohibited from disclosing by law; (IV) determine to its satisfaction whether approvals, permits and variances can be obtained under applicable land use and zoning codes for Buyers proposed development of the property, (V) determine whether Purchaser's proposed development of the property is economically feasible.

5.1.2. Right of Entry. Buyer and Buyer's designated representatives or agents shall have the right and Seller hereby grants to Buyer and Buyer's designated representatives the right to enter the Property pursuant to a County permit and conduct the tests, investigations and studies set forth in this Article 5 upon three (3) days advance written notice; provided that such right of entry will be limited to those times and dates that will not disrupt Seller's use of, or Seller's operations and activities on the Property. The Buyer will not be permitted to undertake activities that damage County property. Invasive tests of the Property, such as drilling or excavation shall be subject to Seller's prior written approval. If Buyer undertakes any invasive tests or activities disruptive to the Property, Buyer shall restore the Property to its original condition or better. In connection with such inspections, Buyer agrees to hold harmless, indemnify and defend Seller, its officers, agents and employees, from and against all claims, losses, or liability, for injuries, sickness or death of persons, including employees of Buyer caused by or arising out of any act, error or omission of Buyer, its officers, agents, contractors, subcontractors or employees in entering Seller's property for the above purposes, to the extent not caused by or arising out of any act, error or omission of Seller, its officers, agents and employees.

5.1.3. WAIVER OF DUE DILIGENCE INSPECTION AND FEASIBILITY CONTINGENCY.

By its signature set forth on the line below, Buyer acknowledges that it is satisfied that the condition of the Property for Buyer's contemplated use meets with its approval and that Buyer has, at its sole and absolute discretion, elected to waive its right to conduct further due diligence investigation and inspection as provided for in Section 5.1 of this Agreement and the contingency provided therein is therefore satisfied.

Edward T. Morgan: *Edward T. Morgan* Dated: 4-13-12

Roxana G. Morgan: *Roxana G. Morgan* Dated: 4-13-12

5.2. COUNCIL APPROVAL CONTINGENCY. This sale is expressly contingent upon the King County Council's adoption of an ordinance approving of this conveyance ("the Council Approval Contingency"). Seller will not transmit the proposed ordinance to Council until Buyer has either waived or satisfied all Buyer's contingencies in this Agreement.

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

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

**ARTICLE 7.
COVENANTS OF BUYER PENDING CLOSING**

7.1 CONDUCT, NOTICE OF CHANGE. Buyer covenants that between the date hereof and the closing, Buyer shall take all such actions as may be necessary to assure that the representations and warranties set forth in Article 3 hereof will be true and complete as of the closing (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 the representations and warranties made in Article 3 or elsewhere in this Agreement which occur prior to the Closing Date.

**ARTICLE 8.
CONDITIONS PRECEDENT TO BUYER'S OBLIGATIONS**

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

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

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

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

8.4. TITLE. Any and all matters shown or referred to in the Title Commitment to which Buyer has objected within the time specified in Section 4.1, shall have been cured by Seller, unless such objections have been waived by Buyer. The Title Company is irrevocably committed to issue an owner's extended coverage policy of title insurance containing no exceptions other than the Permitted Exceptions.

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

ARTICLE 9.

CONDITIONS PRECEDENT TO SELLER'S OBLIGATIONS

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

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

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

9.3. 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.

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

9.5. WAIVER OF CONTINGENCIES. Buyer shall have submitted waivers of, or confirmation of the satisfaction of, all contingencies stated in this Agreement, in writing to Seller, prior to close of escrow as defined in Article 10, below.

**ARTICLE 10.
CLOSING**

10.1. ESCROW AGENT. Upon execution of this Agreement, the Parties agree to set up an escrow account with First American Title Insurance Company, located at 818 Stewart Street, Suite 800, Seattle, WA 98101, (206) 728-0400 (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.

10.2. CLOSING DATE. This sale may close escrow no *earlier* than approximately twenty-five days (25) days, and *no later than* thirty-five (35) days, after satisfaction of the Council Approval Contingency.

Seller will pursue but Seller does not guarantee Council approval. Furthermore, Buyer understands and acknowledges that Seller can neither anticipate nor control the actual date by which King County Council will commence review of a proposed ordinance approving the sale.

Should the Council Approval Contingency not be met by **December 19, 2012**, the Parties may agree in writing to extend this date, or either Party may terminate without default.

Buyer will be entitled to possession of the Property upon closing.

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

10.3.1. CLOSING COSTS. Seller shall pay the cost of one-half (½) of the escrow fee charged by the Escrow Agent, any real estate excise or other transfer tax due, and its own attorneys' fees. Buyer shall pay one-half (½) of the escrow fee charged by the Escrow Agent, the cost of the preliminary and binding title commitments from the Title Company, the recording fees for the deed and its own attorneys' fees. Except as otherwise provided in this Section 10.3.1, and Sections 4.2 and 4.3 above, all other expenses hereunder shall be paid by the Party incurring such expenses.

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

- (a) A deed conveying the Property in substantially the form of **EXHIBIT B** attached hereto;
- (b) Seller's Certificate of Non-Foreign status substantially in the form of **EXHIBIT D**, attached hereto;

10.5. BUYER'S DELIVERY OF DOCUMENTS AND PURCHASE PRICE AT CLOSING. At the closing, Buyer will deliver Cash or immediately available funds in the amount of the Purchase Price.

ARTICLE 11. TERMINATION

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

ARTICLE 12. MISCELLANEOUS PROVISIONS

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

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

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

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

If to Buyer: Edward T. Morgan and Roxana G. Morgan
8718 -314th Avenue SE
Issaquah, Washington 98027
Phone: 425-222-3527

With a copy to: Susan Gardner, Keller Williams Realty
505 -106th Avenue NE, Suite 210
Bellevue, Washington 98004
Phone: 425-635-8088

If to Seller: King County Administration Building
Real Estate Services Section
500 4th Avenue, Room 830
Seattle, Washington 98104

With a copy to: King County Prosecuting Attorney
King County Courthouse
516 Third Avenue, Room W400
Seattle, Washington 98104

12.5. Onsite Sewage (Septic) System

12.5.1. Septic System Disclosure. Seller has disclosed to Buyer, and Buyer acknowledges, that the Property is served by a private on-site sewage system ("OSS"), specifically a septic system. Buyer further acknowledges that Seller has provided Buyer with available maintenance records pertaining to the OSS.

12.5.2. Monitoring and Performance Inspection. Seller will retain a licensed on-site system maintainer ("OSM") to prepare an OSS monitoring inspection report ("Operation and Maintenance Report") and to complete any other applicable requirements of the King County Board of Health Code ("KCBOHC") Section 13.60.030. Upon the OSM's completion of the requirements of KCBOH Section 13.60.030, and no later than the Closing Date, Seller will deliver to Buyer a copy of the Operation and Maintenance Report and a copy of any additional OSS maintenance records, if available. Pursuant to Section 3.2.4 of this Agreement, Buyer has waived the receipt of a seller disclosure statement in accordance with chapter 64.06 RCW.

12.5.3. Onsite Sewage System Operation and Maintenance Requirements. Pursuant to KCBOHC Section 13.60.005, Buyer will become responsible for the operation and maintenance of the OSS upon Closing. Seller will deliver to Buyer a Seller's Notice of On-Site Sewage System Operation and Maintenance Requirements, which will be recorded on or before the Closing Date. Buyer shall deliver to Seller on or before the Closing Date a Buyer's Declaration of Receipt of a copy of the Notice of On-Site Sewage System Operation and Maintenance Requirements. In addition, Buyer shall pay the Operation and Maintenance Program Fee, as set forth in the applicable King County Board of Health fee schedule.

12.6. MISCELLANEOUS DISCLOSURES. By its signature on the line below, Buyer acknowledges that prior to mutual execution of this Agreement, Buyer received from Seller disclosure pamphlets regarding Lead, Mold & Moisture, and the Law of Real Estate Agency. Additionally, Buyer acknowledges that because of the age of any improvements located on the Property asbestos may be present in any such improvements. Buyer further acknowledges that it has received reports from Seller of septic system and private well maintenance and repairs, along with documentation regarding mold remediation performed during Seller's ownership of the Property.

Edward T. Morgan: *Edward T. Morgan* Dated: 4-13-12

Roxana G. Morgan: *Roxana G. Morgan* Dated: 4-13-12

12.7. AGENCY DISCLOSURE. Buyer is aware that Anne Lockmiller, the listing agent, is an employee of King County and that she represents the Seller, King County.

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

12.9. 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.

12.10. 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.

12.11. Binding Effect. Subject to Section 12.12 below, this Agreement shall be binding upon and inure to the benefit of each Party hereto, its successors and assigns.

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

12.13. 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.

12.14. COOPERATION. Prior to and after closing the Parties shall cooperate, shall take such further action and shall execute and deliver further documents as may be reasonably requested by the other Party in order to carry out the provisions and purposes of this Agreement.

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

12.16. 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.

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

12.18. NEGOTIATION AND CONSTRUCTION. This Agreement and each of its terms and provisions are deemed to have been explicitly negotiated between the Parties, and the language in all parts of this Agreement will, in all cases, be construed according to its fair meaning and not strictly for or against either Party. All Parties acknowledge and represent, as an express term of this Agreement, that they have had the opportunity to obtain and utilize legal review of the terms and conditions outlined in this Agreement, although each Party must determine if they wish to obtain and pay for such legal review.

Each Party shall be and is separately responsible for payment of any legal services rendered on their behalf regarding legal review of the terms found in this Agreement.

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

EXHIBIT A	Legal Description
EXHIBIT B	Deed as to form
EXHIBIT C	Promissory Note as to form
EXHIBIT D	Certificate of Non-Foreign Status

12.20. FACSIMILE AND E-MAIL TRANSMISSIONS. The Parties agree that facsimile and e-mail transmissions of any signed original documentation forming this Agreement shall be the same as the original, and the delivery of the original, provided that documents are emailed to both Seller and Buyer at the email addresses provided below. At the request of either Party or of the Escrow Agent, original hard copy documents bearing the original signatures shall be substituted in place of facsimiles or email transmissions.

King County as Seller, to Anne Lockmiller – anne.lockmiller@kingcounty.gov
Edward and Roxana Morgan as Buyers – morganuci@gmail.com
With copies to Selling Broker: susan.gardner@comcast.net

12.21 Survival. Unless specified otherwise in this Agreement, all warranties, representations, and indemnity obligations and restrictions made, undertaken, and agreed to by the Parties under this Agreement shall survive the closing and/or expiration of this Agreement.

EXECUTED as of the date and year first above written:

SELLER: KING COUNTY

Name: *Stephen L. Salyer*
Stephen L. Salyer, Manager Real Estate Services Section

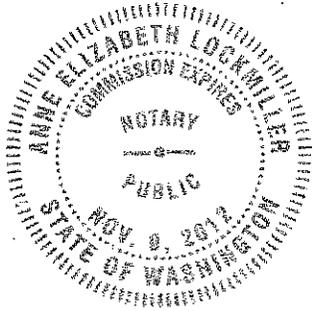
APPROVED AS TO FORM:

By *Cheryl Jackson*
Deputy Prosecuting Attorney

STATE OF WASHINGTON }
COUNTY OF KING } ss.

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

GIVEN UNDER MY HAND AND OFFICIAL SEAL this 18th day of APRIL, 2012.



Anne Lockmiller

Printed Name: ANNE E. LOCKMILLER
NOTARY PUBLIC in and for the State of Washington,
residing at SEATTLE, WASHINGTON
My Commission Expires NOVEMBER 9, 2012

BUYER'S SIGNATURE AND NOTARY BLOCKS ON PAGE 18

EXECUTED as of the date and year first above written:

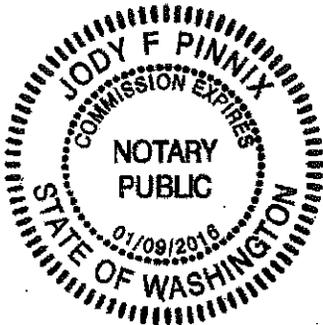
BUYER: Edward T. Morgan
Edward T. Morgan

BUYER: Roxana G. Morgan
Roxana G. Morgan

STATE OF WASHINGTON }
COUNTY OF KING } ss.

On this day personally appeared before me Edward T. Morgan and Roxana G. Morgan, to me known to be the Buyers who executed the foregoing instrument, and acknowledged such instrument to be their free and voluntary act and deed for the uses and purposes therein mentioned.

GIVEN UNDER MY HAND AND OFFICIAL SEAL this 13 day of April, 2012.



Jody Pinnix
Printed Name JODY FPINNIX
NOTARY PUBLIC in and for the State of Washington,
residing at KIM County
My Commission Expires 01/09/2016

EXHIBIT A

LEGAL DESCRIPTION

ASSESSOR'S PARCEL NUMBER 509040-0020.

Lot 2, Assessor's Plat of Maple Glen Estates Division No. 2, according to plat thereof, recorded in Volume 74 of Plats, Page 78, in King County, Washington.

EXHIBIT B

**STATUTORY WARRANTY DEED AS TO FORM
TO THE REAL ESTATE PURCHASE AND SALE AGREEMENT,
DATED APRIL 18, 2012
BETWEEN EDWARD T. and ROXANA G. MORGAN ("BUYER")
AND KING COUNTY ("SELLER")**

The Grantor herein, **KING COUNTY**, a political subdivision of the State of Washington ("Grantor") for the consideration of TEN DOLLARS (\$10.00) and other valuable consideration, conveys and warrants to EDWARD T. & ROXANA G. MORGAN (Grantee), all interest in the following described Property (the "Property"):

Lot 2, Assessor's Plat of Maple Glen Estates Division No. 2, according to plat thereof, recorded in Volume 74 of Plats, Page 78, in King County, Washington.

RESERVING UNTO GRANTOR KING COUNTY, its heirs, successors and assigns, a permanent and exclusive *Conservation Easement*, together with access to and egress from, and maintenance over, across, along, in, under, upon and through the above-described Property, for a portion of the Property hereinafter defined as the *Conservation Easement*, or *Conservation Easement Area*, legally-described as follows:

That portion of Lot 2, Assessor's Plat of Maple Glen Estates Division No. 2, as recorded in Volume 74, Page 78, Records of King County, Washington, lying southerly and easterly of the following described lines:

Commencing at the intersection of May Valley Road and 230th Ave SE (A Private Road) per said plat;
Thence N 35°29'43" W along the centerline of 230th Ave SE, a distance of 48.55 feet to the point of curvature of a curve to the right, the radial center of which bears N 54°30'17" E, a distance of 75.07 feet;
Thence along said curve to the right through a central angle of 14°43'21", an arc distance of 19.29 feet;
Thence N 69°13'37" E, on a radial bearing, a distance of 30.00 feet to a point on the west line of said lot 2, said point being the true point of beginning of the herein described line;
Thence N 50°19'54" E, a distance of 146.09 feet;
Thence N 54°44'26" E, a distance of 39.92 feet;
Thence N 16°39'28" E, a distance of 138.04 feet to a point on the north line of said lot 2, said point being the terminus of the herein described lines.

Containing Approximately 19,315 square feet (0.44 acres).

King County reserves unto itself in perpetuity the right to enter upon and use the Conservation Easement Area at all times as a stream/wetland restoration and buffer enhancement/ mitigation site to satisfy the requirements of the United States Army Corps of Engineers, Washington State Department of Fish and Wildlife, and King County Department of Development and Environmental Services in connection with the Bandaret Bridge Project including, but not limited to, establishing, monitoring, maintaining, preserving, repairing and enhancing the stream/wetland restoration and buffer enhancement/ mitigation site. King County may enter upon the Property in order to access the Conservation Easement Area at all times and for all purposes related to such use of the Conservation Easement Area. King County shall not unreasonably interfere with the ownership, possession, use, or enjoyment by the Grantee of the Property when entering the Property to perform the permitted functions on the Conservation Easement Area described herein.

The following covenants shall be placed on the Property, in perpetuity, as follows:

(1) The Conservation Easement Area shall forever remain as a stream/wetland restoration and buffer enhancement/mitigation site, and no other use shall be permitted thereon; (2) The Grantee shall not in any way impair or interfere with the function and use of the Conservation Easement Area; (3) The Grantee shall not undertake, nor cause or permit to be undertaken, construction of any structures or artificial surfaces or alteration of any vegetation within the Conservation Easement Area, or any activity or use of the Conservation Easement Area which is inconsistent with the use of the Conservation Easement Area as a stream/wetland restoration and buffer enhancement/mitigation site. This covenant exists for the benefit of, and may be enforced by, King County.

The covenants, terms, conditions, and restrictions of this Conservation Easement shall be binding upon, and inure to the benefit of, King County and the Grantee, their respective personal representatives, heirs, successors, and assigns, shall continue as a servitude and easement running in perpetuity with the Property, and shall be included in any future deed conveying the Property.

(DEED CONTINUED PAGE 22...)

SUBJECT TO all rights, conditions, covenants, obligations, limitations and reservations of record, including but not limited to the following permitted exceptions:

1. Lien of the Real Estate Excise Sales Tax and Surcharge upon any sale of said premises, if unpaid. As of the date herein, the excise tax rate for unincorporated King County is at 1.78%.
Levy/Area Code: 6981
2. General Taxes for the year 2012. The first half becomes delinquent after April 30th. The second half becomes delinquent after October 31st.
Tax Account No.: 509040-0020-08
1st Half
Amount Billed: \$ 72.62
Amount Paid: \$ 0.00
Amount Due: \$ 72.62
Assessed Land Value: \$ 0.00
Assessed Improvement Value: \$ 0.00
2nd Half
Amount Billed: \$ 72.62
Amount Paid: \$ 0.00
Amount Due: \$ 72.62
Assessed Land Value: \$ 0.00
Assessed Improvement Value: \$ 0.00
3. The taxes for the current year reflect an exemption. Any curtailment of the exemption may result in an additional amount being due for the current year and for any re-assessment of land and improvement values.
4. Any question that may arise due to the shifting and/or changing in the course of Issaquah Creek.
5. Rights of the general public to the unrestricted use of all the waters of a navigable body of water not only for the primary purpose of navigation, but also for corollary purposes, including (but not limited to) fishing, boating, bathing, swimming, water skiing and other related recreational purposes, as those waters may affect the tidelands, shorelands or adjoining uplands and whether the level of the water has been raised naturally or artificially to a maintained or fluctuating level, all as further defined by the decisional law of this state. (Affects all of the premises subject to such submergence)
6. The terms and provisions contained in the document entitled "Notice of on Site Sewage System"
Recorded: July 13, 2006
Recording No.: 20060713091616

EXHIBIT C

PROMISSORY NOTE

\$2,200.00

Dated: APRIL 18th, 2012

Seattle, Washington

FOR VALUE RECEIVED, the undersigned, Edward T. Morgan and Roxana G. Morgan ("Maker"), hereby promise to pay to the order of FIRST AMERICAN TITLE INSURANCE COMPANY ("Holder"), 818 Stewart Street, Suite 800, Seattle Washington 98101, the principal sum of TWO THOUSAND TWO HUNDRED AND NO/100 DOLLARS (\$2,200.00), payable in accordance with that certain Real Estate Purchase and Sale Agreement dated APRIL 18, 2012 with King County as Seller (the "Agreement").

Maker promises to pay all costs, expenses and attorneys' fees incurred by Holder in the exercise of any remedy (with or without litigation) under this Note in any proceeding for the collection of the debt evidenced by this Note, or in any litigation or controversy arising from or connected with this Note.

This Note shall be construed according to the laws of the State of Washington and pursuant to the terms and conditions of this Agreement.

Time is of the essence of this Note and each an every term and provision hereof.

MAKER:

Edward T. Morgan and Roxana G. Morgan

By: Edward T. Morgan

By: Roxana G. Morgan

EXHIBIT D

Certificate of Non-Foreign Status.

Assessor's Parcel Number 162206-9142

to the Real Estate Purchase and Sale Agreement
Dated APRIL 18, 2012, (the Agreement), between King County as Seller
and Edward T. Morgan and Roxana G. Morgan as Buyer

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

1. Transferor is not a foreign corporation, foreign partnership, foreign trust, or foreign estate (as those terms are defined in the Internal Revenue Code and Income Tax Regulations); and
2. Transferor's United States employer identification number is 91-6001327; and
3. Transferor's office address is King County Facilities Management Division, Real Estate Services Section, Room 830 King County Administration Building, 500 Fourth Avenue, Seattle, WA 98104

4. 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 _____, 2012.

TRANSFEROR: KING COUNTY

By: _____
STEPHEN L. SALYER

Title: MANAGER REAL ESTATE SERVICES SECTION

**FIRST AMENDMENT TO THE REAL ESTATE
PURCHASE AND SALE AGREEMENT DATED APRIL 18, 2012
BETWEEN KING COUNTY AS SELLER AND
EDWART T. MORGAN AND ROXANA G. MORGAN AS BUYER**

This FIRST AMENDMENT (the "Amendment") is made as of May 17th, 2012, modifying that certain Real Estate Purchase and Sale Agreement dated April 18, 2012, between King County, a home rule charter county of the State of Washington as "Seller" and Edward T. Morgan and Roxana G. Morgan, a married couple, as "Buyer" (the "Agreement"). Seller and Buyer may be referred to hereinafter individually as "Party" or collectively as the "Parties."

RECITALS

- A. The Agreement sets forth the terms and conditions for the purchase and sale of certain real property located at 13326 -- 230th Avenue SE in the Issaquah area of King County, Washington, also identified as Assessor's Parcel No. 509040-0020, the legal description for which is attached to the Agreement as Exhibit A (the "Property").
- B. The Parties desire to amend the legal description set forth in Exhibit A to reflect an updated legal description for the Property as provided in the *Commitment for Title Insurance, Second Report*, issued April 17, 2012 by First American Title Company.
- C. The Parties also desire to amend Exhibit B, the deed form, to reflect the amended legal description as provided for herein.

NOW THEREFORE, in consideration of the mutual covenants and conditions set forth herein and in the Agreement, the Buyer and Seller agree to amend the Agreement as follows:

AGREEMENT

1. The legal description for the Property as set forth in Exhibit A of the Agreement is hereby deleted in its entirety and replaced with the following legal description:

Parcel A:

Lot 2, Assessor's Plat of Maple Glen Estates Division No. 2, according to the plat thereof, recorded in Volume 74 of Plats, page 78, in King County Washington.

*FIRST AMENDMENT TO REAL ESTATE PURCHASE AND SALE AGREEMENT
BETWEEN KING COUNTY (SELLER) AND EDWARD T. MORGAN AND
ROXANA G. MORGAN (BUYER) FOR PARCEL NO. 509040-0020*

Page 1 of 3

Parcel B:

A non-exclusive easement for Private Road known as 230th Avenue Southeast and delineated on said Plat, granted by easement recorded September 30, 1958, under King County Recording No. 4948871.

2. Exhibit B of the Agreement, the form of deed, is hereby amended by deleting the legal description set forth therein and replacing it with the amended legal description set forth at Section 1 of this Amendment. Other than as specifically provided for herein, Exhibit B remains unmodified and all other provisions included therein shall continue in full force and effect, including but not limited to the reservation of a permanent and exclusive conservation easement as provided for with specificity therein.

3. Unless otherwise provided herein, defined terms, words and phrases shall have the same meaning as provided for in the Agreement.

4. All other terms and conditions of the Agreement not specifically amended herein shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties hereto have executed this FIRST AMENDMENT as of the latest date written below.

BUYER: EDWARD T. MORGAN and ROXANA G. MORGAN

By: Edward T. Morgan Date: 5/15/12
Edward T. Morgan

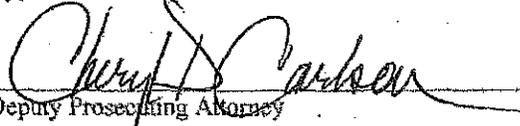
By: Roxana G. Morgan Date: 5-15-12
Roxana G. Morgan

SELLER: KING COUNTY

By: Stephen L. Salyer Date: 5/17/12
Stephen L. Salyer
Manager, Real Estate Services Section

FIRST AMENDMENT TO REAL ESTATE PURCHASE AND SALE AGREEMENT
BETWEEN KING COUNTY (SELLER) AND EDWARD T. MORGAN AND
ROXANA G. MORGAN (BUYER) FOR PARCEL NO. 509040-0020
Page 2 of 3

Approved as to Form:


Deputy Prosecuting Attorney

Date: 5/17/12

*FIRST AMENDMENT TO REAL ESTATE PURCHASE AND SALE AGREEMENT
BETWEEN KING COUNTY (SELLER) AND EDWARD T. MORGAN AND
ROXANA G. MORGAN (BUYER) FOR PARCEL NO. 509040-0020*
Page 3 of 3

[Blank Page]

ATTACHMENT B TO ORDINANCE
Real Estate Purchase and Sale Agreement
19851 -140th Avenue SE, Renton area

[Blank Page]

REAL ESTATE PURCHASE AND SALE AGREEMENT

THIS REAL ESTATE PURCHASE AND SALE AGREEMENT ("Agreement") is made and entered into as of JUNE 1st, 2012, by and between **KING COUNTY**, a home rule charter county and political subdivision of the State of Washington (the "Seller") and Michael Nguyen and Anne Nguyen, a married couple, residing at 19219 -138th Avenue SE, Renton, Washington 98058 (the "Buyer"). Seller and Buyer may be referred to hereinafter individually as "Party" or collectively as the "Parties."

RECITALS

A. Seller is the owner of that certain real property located at 19851 -140th Avenue SE in the Renton area of unincorporated King County, Washington, which consists of an approximately 12,289 square foot lot and 1,020 square foot house, identified as Assessor's Parcel Number 815500-0040, and the legal description of which is attached hereto as **EXHIBIT A** (the "Property").

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

AGREEMENT

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

ARTICLE 1.

PURCHASE AND TRANSFER OF ASSETS

1.1. PROPERTY TO BE SOLD. Subject to and upon the terms and conditions set forth in this Agreement, Seller shall sell, convey, assign, transfer and deliver to Buyer on the Closing Date (as defined in Article 10.2 below) 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**; subject to Seller's retention of any reservations as described in **EXHIBIT B** (the deed as to form;

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

(c) 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; and

(d) 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");

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

ARTICLE 2. PURCHASE PRICE

2.1. PURCHASE PRICE AND PAYMENT. In consideration of the sale, transfer, conveyance, assignment and delivery of the Purchased Assets, Buyer shall, in full payment therefor, pay to Seller on the Closing Date a total purchase price of **ONE HUNDRED FIFTEEN THOUSAND AND NO/100ths DOLLARS (\$115,000.00)** (the "Purchase Price").

2.2. THIS SALE IS NOT CONTINGENT UPON BUYER OBTAINING FINANCING, AND BUYER WILL PROVIDE ALL CASH AT CLOSING.

2.3. EARNEST MONEY. Not later than two (2) business days following the execution of this Agreement, Buyer shall deposit with Escrow Agent (defined in Section 10.1 of this Agreement) a promissory note in the form attached hereto as **Exhibit C** the amount of **TWO THOUSAND AND NO/100 DOLLARS (\$2,000.00)** as the initial earnest money deposit (the "Earnest Money Note"). Within two (2) business days after satisfaction of the Council Approval Contingency set forth in Section 5.2 of this Agreement, the Earnest Money Note shall be replaced with cash in the same amount as the Earnest Money Note and such cash shall be deposited into escrow as the earnest money (the "Earnest Money"). Upon closing of this transaction, the Earnest Money will be applied toward the Purchase Price that is due Seller. Should Buyer default on its obligations under this Agreement, the Seller shall be entitled to retain the Earnest Money as liquidated damages.

2.4. 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 minimus*.

MN AN

ARTICLE 3.
REPRESENTATIONS AND WARRANTIES OF THE PARTIES

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

3.1.1. Definition of Seller. The Seller is a 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 and political subdivision of the State of Washington, (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 thereof.

3.1.3. Litigation. To the best of Seller's knowledge, there is no pending or 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. To the best of Seller's knowledge, there is no pending or contemplated condemnation or similar proceeding with respect to the Property or any part thereof.

3.1.4. Assessments. To the best of Seller's knowledge, there is no 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 best of Seller's knowledge, 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.

3.1.6. Broker. Seller agrees to pay a commission in accordance with any listing or commission agreement to which Seller is a party.

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

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

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

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

3.1.10. Condition of the Property. Except for the warranties, representations and indemnifications contained in this Agreement, Seller does not make and specifically disclaims any warranties, express or implied, including any warranty of merchantability or fitness for a particular purpose, with respect to the Purchased Assets and no employee or agent of seller is authorized otherwise. Without limitation, the foregoing specifically excludes, except for warranties, representations and indemnifications contained in this Agreement, any warranties or representations with respect to the structural condition of the Purchased Assets, the area of land being purchased, the existence or non-existence of any 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 products, distillates or fractions; any substance the presence of which is prohibited by statute or regulation; and any substance for which any statute or regulation requires a permit or special handling in its use, collection, storage, treatment or disposal.

3.1.11. 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.

3.1.12. 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 shall deliver to Purchaser prior to the Closing Date an affidavit, as set forth in **EXHIBIT D**, evidencing such fact, and such other documents as may be required under the Code.

MN *AT*

3.1.13. Seller's Knowledge. Any and all representations or warranties based on Seller's knowledge are made to and limited by the present, actual knowledge of Anne Lockmiller, who is an employee of King County, and is the Real Property Surplussing Agent of the Real Estate Services Section. Anne Lockmiller has made no inquiries or investigations with respect to Seller's representations and warranties prior to the making thereof and has no duty to undertake the same.

3.2. Representations and Warranties of Buyer. BUYER REPRESENTS AND WARRANTS AS FOLLOWS:

3.2.1. 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.

3.2.2. 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.

3.2.3. Condition of Property. Buyer acknowledges that, within the Due Diligence Period (as defined in Article 5.1 below), it will have conducted a physical inspection and made all investigations Buyer deems necessary in connection with its purchase of the Purchased Assets. 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.

3.2.4. Waiver of Disclosure Statement. Buyer hereby expressly waives receipt of a Seller Disclosure Statement.

3.2.5. Indemnification. 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 after closing.

3.2.6. **Broker.** Buyer agrees to pay a commission in accordance with any listing or commission agreement to which Buyer is a party.

ARTICLE 4. TITLE MATTERS

4.1. **TITLE.** Seller shall deliver to Buyer good and marketable title, free and clear of all liens, defects and encumbrances except the Permitted Exceptions.

4.2. **Title Commitment.** Buyer shall obtain a current owner's standard policy of title insurance (the "Title Commitment") issued by First American Title Insurance Company, located at 818 Stewart Street, Suite 800, Seattle, WA 98101, (206) 728-0400 ("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, the Title Company shall further cause to be furnished to Buyer legible copies of all instruments referred to in the Title Commitment as restrictions or exceptions to title to the Property.

4.2.1. **Survey.** Buyer shall have the option, at its expense, to have prepared and furnished to the Title Company and Buyer a survey (the "Survey") of the Property prepared by a licensed public surveyor. The Survey shall be certified to Buyer and the Title Company, shall be satisfactory to the Title Company so as to permit it to issue a Title Commitment, 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 required by Buyer.

4.2.2. **Review of Title Commitment and Survey.** Buyer shall have five (5) calendar days from the date of mutual execution of this Agreement for review of the Title Commitment (the "Title Contingency Due Date"). 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"). Buyer shall state any objection to the Permitted Exceptions to Seller, in writing, no later than the Title Contingency Due Date. With regard to items to which Buyer does object within the Title Contingency Due Date, Seller shall notify Buyer within 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 within the 10 day response period, and Buyer may, at Buyer's option, either waive the objections not cured or Buyer may terminate this Agreement by written notice to Seller. Notwithstanding the foregoing, all monetary liens or encumbrances shall be paid by Seller at closing.

In the event the Title Commitment contingency is not satisfied or waived within the Title Contingency Due Date, Buyer may terminate this Agreement upon written notice to Seller on or before the expiration of the Title Contingency Due Date, and neither party shall have any further rights or obligations to the other hereunder.

4.3. OWNER'S TITLE INSURANCE POLICY. At the closing, Buyer shall cause a Title policy to be issued by the Title Company in the full amount of the 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 usual printed exceptions contained in such title insurance policy, to the matters approved by Buyer as provided herein, 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. Buyer shall pay any sum owing to the Title Company for the preparation of the preliminary and binding commitments generated by the Title Company.

4.4. CONVEYANCE. Seller shall convey to Buyer the title to the Property by deed, in substantially the form attached hereto as **EXHIBIT B**, subject only to the Permitted Exceptions and reservations of Seller that may be defined in **EXHIBIT B**. Rights reserved in federal patents or state deeds, building or use restrictions general to the district, and building or zoning regulations or provisions shall be deemed Permitted Exceptions.

ARTICLE 5. CONTINGENCIES

5.1. DUE DILIGENCE INSPECTION AND FEASIBILITY. Buyer shall satisfy itself by investigation and inspection, at its cost and expense 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 the contingency. Buyer shall make such determination within **five (5) calendar days** following the date of mutual execution of this Agreement ("Due Diligence Period"). In the event this contingency is not satisfied or waived within the Due Diligence Period, Buyer may terminate this Agreement upon written notice to Seller on or before the expiration of the Due Diligence Period, and neither party shall have any further rights or obligations to the other hereunder.

5.1.1. Inspections. During the Due Diligence Period, Buyer, its designated representatives or agents shall have the right at Buyer's expense to (i) 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); (ii) obtain a Phase I or Phase II Environmental Assessment on the Property and perform any and all

MN AN

tests, inspections and studies deemed necessary therewith; and (iii) examine all Due Diligence materials available to Seller that Buyer may reasonably request from Seller that are not subject to attorney-client privilege or that the County is not otherwise prohibited from disclosing by law; (IV) determine to its satisfaction whether approvals, permits and variances can be obtained under applicable land use and zoning codes for Buyers proposed development of the property, (V) determine whether Purchaser's proposed development of the property is economically feasible.

5.1.2. Right of Entry. Buyer and Buyer's designated representatives or agents shall have the right and Seller hereby grants to Buyer and Buyer's designated representatives the right to enter the Property pursuant to a County permit and conduct the tests, investigations and studies set forth in this Article 5 upon three (3) days advance written notice; provided that such right of entry will be limited to those times and dates that will not disrupt Seller's use of, or Seller's operations and activities on the Property. The Buyer will not be permitted to undertake activities that damage County property. Invasive tests of the Property, such as drilling or excavation shall be subject to Seller's prior written approval. If Buyer undertakes any invasive tests or activities disruptive to the Property, Buyer shall restore the Property to its original condition or better. In connection with such inspections, Buyer agrees to hold harmless, indemnify and defend Seller, its officers, agents and employees, from and against all claims, losses, or liability, for injuries, sickness or death of persons, including employees of Buyer caused by or arising out of any act, error or omission of Buyer, its officers, agents, contractors, subcontractors or employees in entering Seller's property for the above purposes, to the extent not caused by or arising out of any act, error or omission of Seller, its officers, agents and employees.

5.2. COUNCIL APPROVAL CONTINGENCY. This sale is expressly contingent upon the King County Council's adoption of an ordinance approving of this conveyance ("the Council Approval Contingency").

ARTICLE 6. COVENANTS OF SELLER PENDING CLOSING

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

Seller shall give Buyer prompt written notice of any material change in any of the information contained in the representations and warranties made in Article 3 or elsewhere in this Agreement which occurs prior to the Closing Date.

ARTICLE 7.
COVENANTS OF BUYER PENDING CLOSING

7.1. CONDUCT, NOTICE OF CHANGE. Buyer covenants that between the date hereof and the closing, Buyer shall take all such actions as may be necessary to assure that the representations and warranties set forth in Article 3 hereof will be true and complete as of the closing (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 the representations and warranties made in Article 3 or elsewhere in this Agreement which occur prior to the Closing Date.

ARTICLE 8.
CONDITIONS PRECEDENT TO BUYER'S OBLIGATIONS

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

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

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

8.3. OBLIGATIONS. All obligations required by the terms of this Agreement to be performed by Seller at or before the closing 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 Title Contingency Due Date specified in Section 4.1, shall have been cured by Seller, unless such objections have been waived by Buyer. The Title Company is irrevocably committed to issue a Title Commitment containing no exceptions other than the Permitted Exceptions.

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

ARTICLE 9.
CONDITIONS PRECEDENT TO SELLER'S OBLIGATIONS

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

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

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

9.3. 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.

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

9.5. WAIVER OF CONTINGENCIES. Buyer shall have submitted waivers of, or confirmation of the satisfaction of, all contingencies stated in this Agreement, in writing to Seller, prior to close of escrow as defined in Article 10, below.

ARTICLE 10.
CLOSING

10.1. ESCROW AGENT. Upon execution of this Agreement, the Parties agree to set up an escrow account with First American Title Insurance Company, located at 818 Stewart Street, Suite 800, Seattle, WA 98101, (206) 728-0400 (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.

10.2. CLOSING DATE. This sale may close escrow no *earlier* than approximately twenty-five days (25) days, and no *later than* thirty-five (35) days, after satisfaction of the Council Approval Contingency.

Seller will pursue but Seller does not guarantee Council approval. Furthermore, Buyer understands and acknowledges that Seller can neither anticipate nor control the actual date by which King County Council will commence review of a proposed ordinance approving the sale.

Should the Council Approval Contingency not be met by **December 31, 2012**, the Parties may agree in writing to extend this date, or either Party may terminate without default.

Buyer will be entitled to possession of the Property upon closing.

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

10.3.1. CLOSING COSTS. Seller shall pay the cost of one-half (1/2) of the escrow fee charged by the Escrow Agent, one-half (1/2) the cost of preparation of the preliminary and binding commitments generated by the Title Company, any real estate excise or other transfer tax due, and its own attorneys' fees. Buyer shall pay one-half (1/2) of the escrow fee charged by the Escrow Agent, one-half (1/2) the cost of the preliminary and binding title commitments from the Title Company, the recording fees for the deed and its own attorneys' fees. Except as otherwise provided in this Section 10.3.1, and Section 4.3 above, all other expenses hereunder shall be paid by the Party incurring such expenses.

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

- (a) A deed conveying the Property in substantially the form of **EXHIBIT B** attached hereto;
- (b) Seller's Certificate of Non-Foreign status substantially in the form of **EXHIBIT D**, attached hereto;

10.5. BUYER'S DELIVERY OF DOCUMENTS AND PURCHASE PRICE AT CLOSING. At the closing, Buyer will deliver Cash or immediately available funds in the amount of the Purchase Price.

ARTICLE 11. TERMINATION

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

MN AN

ARTICLE 12.
MISCELLANEOUS PROVISIONS

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

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

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

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

If to Buyer: Michael Nguyen and Anne Nguyen
19219 -138th Avenue SE
Renton, Washington 98058
Phone: (206) 218-5146

With a copy to: _____

Phone: _____

If to Seller: King County Administration Building
Real Estate Services Section
500 4th Avenue, Room 830, Seattle, Washington 98104

With a copy to: King County Prosecuting Attorney
King County Courthouse
516 Third Avenue, Room W400
Seattle, Washington 98104

MN AN

12.5. Onsite Sewage (Septic) System

12.5.1. Septic System Disclosure. Seller has disclosed to Buyer, and Buyer acknowledges, that the Property is served by a private on-site sewage system ("OSS"), specifically a septic system.

12.5.2. Monitoring and Performance Inspection. Seller will retain a licensed on-site system maintainer ("OSM") to prepare an OSS monitoring inspection report ("Operation and Maintenance Report") and to complete any other applicable requirements of the King County Board of Health Code ("KCBOHC") Section 13.60.030. Upon the OSM's completion of the requirements of KCBOH Section 13.60.030, and no later than the Closing Date, Seller will deliver to Buyer a copy of the Operation and Maintenance Report and a copy of any additional OSS maintenance records, if available. Pursuant to Section 3.2.4 of this Agreement, Buyer has waived the receipt of a seller disclosure statement in accordance with chapter 64.06 RCW.

12.5.3. Onsite Sewage System Operation and Maintenance Requirements. Pursuant to KCBOHC Section 13.60.005, Buyer will become responsible for the operation and maintenance of the OSS upon Closing. Seller will deliver to Buyer a Seller's Notice of On-Site Sewage System Operation and Maintenance Requirements, which will be recorded on or before the Closing Date. Buyer shall deliver to Seller on or before the Closing Date a Buyer's Declaration of Receipt of a copy of the Notice of On-Site Sewage System Operation and Maintenance Requirements. In addition, Buyer shall pay the Operation and Maintenance Program Fee, as set forth in the applicable King County Board of Health fee schedule.

12.6. MISCELLANEOUS DISCLOSURES. By its signature on the line below, Buyer acknowledges that prior to mutual execution of this Agreement, Buyer received from Seller disclosure pamphlets regarding Lead, Mold & Moisture, and the Law of Real Estate Agency. Additionally, Buyer acknowledges that because of the age of any improvements located on the Property asbestos may be present in any such improvements.

BUYER: Michael Nguyen Dated: 5-21-2012

BUYER: Anne Nguyen Dated: 5-21-2012

12.7. AGENCY DISCLOSURE. Buyer is aware that Anne Lockmiller, the listing agent, is an employee of King County and that she represents the Seller, King County. Buyer acknowledges that Jeffrey Vo of Dove Realty, Inc., represents Buyer.

BUYER: Michael Nguyen Dated: 5-21-2012

BUYER: Anne Nguyen Dated: 5-21-2012

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

12.9. 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.

12.10. 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.

12.11. Binding Effect. Subject to Section 12.12 below, this Agreement shall be binding upon and inure to the benefit of each Party hereto, its successors and assigns.

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

12.13. 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.

12.14. COOPERATION. Prior to and after closing the Parties shall cooperate, shall take such further action and shall execute and deliver further documents as may be reasonably requested by the other Party in order to carry out the provisions and purposes of this Agreement.

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

12.16. 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.

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

12.18. NEGOTIATION AND CONSTRUCTION. This Agreement and each of its terms and provisions are deemed to have been explicitly negotiated between the Parties, and the language in all parts of this Agreement will, in all cases, be construed according to its fair meaning and not

strictly for or against either Party. All Parties acknowledge and represent, as an express term of this Agreement, that they have had the opportunity to obtain and utilize legal review of the terms and conditions outlined in this Agreement, although each Party must determine if they wish to obtain and pay for such legal review.

Each Party shall be and is separately responsible for payment of any legal services rendered on their behalf regarding legal review of the terms found in this Agreement.

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

EXHIBIT A	Legal Description
EXHIBIT B	Deed as to form
EXHIBIT C	Promissory Note as to form
EXHIBIT D	Certificate of Non-Foreign Status

12.20. FACSIMILE AND E-MAIL TRANSMISSIONS. The Parties agree that facsimile and e-mail transmissions of any signed original documentation forming this Agreement shall be the same as the original, and the delivery of the original, provided that documents are emailed to both Seller and Buyer at the email addresses provided below. At the request of either Party or of the Escrow Agent, original hard copy documents bearing the original signatures shall be substituted in place of facsimiles or email transmissions.

King County as Seller, to Anne Lockmiller – anne.lockmiller@kingcounty.gov

Michael and Anne Nguyen as Buyer, [MichaelDNguyen@yahoo.com]

With copies to michaeldnguyen@yahoo.com MN

annecnguyen@yahoo.com AN

12.21. Survival. Unless specified otherwise in this Agreement, all warranties, representations, and indemnity obligations and restrictions made, undertaken, and agreed to by the Parties under this Agreement shall survive the closing and/or expiration of this Agreement.

SELLER'S SIGNATURE AND NOTARY BLOCKS ON PAGE 16

BUYER'S SIGNATURE AND NOTARY BLOCKS ON PAGE 17

EXECUTED as of the date and year first above written:

SELLER: KING COUNTY

Name: Stephen L. Salyer
Stephen L. Salyer

Title:

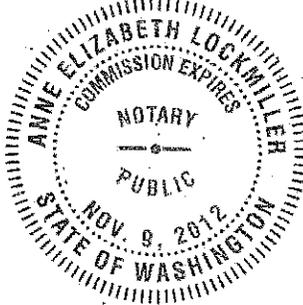
APPROVED AS TO FORM:

By: Cheryl D. Carlson
Deputy Prosecuting Attorney

STATE OF WASHINGTON }
COUNTY OF KING } ss.

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

GIVEN UNDER MY HAND AND OFFICIAL SEAL this 1ST day of JUNE, 2012.



Anne Lockmiller

Printed Name: ANNE E. LOCKMILLER
NOTARY PUBLIC in and for the State of Washington,
residing at SEATTLE, WASHINGTON
My Commission Expires NOVEMBER 9, 2012

EXECUTED as of the date and year first above written:

BUYER: Michael Nguyen
Michael Nguyen

BUYER: Anne Nguyen
Anne Nguyen

STATE OF WASHINGTON }
COUNTY OF KING } ss.

On this day personally appeared before me Michael Nguyen and Anne Nguyen, to me known to be the Buyer who executed the foregoing instrument, and acknowledged such instrument to be her free and voluntary act and deed for the uses and purposes therein mentioned.

GIVEN UNDER MY HAND AND OFFICIAL SEAL this 18th day of may, 2012.

Prabdeep Kaur

Printed Name Prabdeep Kaur

NOTARY PUBLIC in and for the State of Washington,

residing at Kenton, WA

My Commission Expires sep 12, 2013



EXHIBIT A

LEGAL DESCRIPTION

to the Real Estate Purchase and Sale Agreement,
Dated JUNE 1, 2012
Between Michael Nguyen and Anne Nguyen ("Buyer") and King County ("Seller")
Parcel 815500-0040

Lot 4, B.H. Suttle Addition, according to the plat thereof recorded
in Volume 81 of Plats, page 31, in King County, Washington.

LEGAL DESCRIPTION TO BE CONFIRMED BY NEW 2012 TITLE REPORT

MN AN
Real Estate Purchase and Sale Agreement - Michael Nguyen & Anne Nguyen as Buyer
Assessor's Parcel Number 815500-0040

Page 18 of 21

EXHIBIT B

STATUTORY WARRANTY DEED AS TO FORM

to the Real Estate Purchase and Sale Agreement,

Dated JUNE 1, 2012

**Between Michael Nguyen and Anne Nguyen ("Buyer") and King County ("Seller")
Parcel 815500-0040**

The Grantor herein, **KING COUNTY**, a home rule charter county and political subdivision of the State of Washington ("Grantor") for the consideration of TEN DOLLARS (\$10.00) and other valuable consideration, conveys and warrants to _____ ("Grantee"), all interest in the following described Property (the "Property"):

Lot 4, B.H. Suttle Addition, according to the plat thereof recorded in Volume 81 of Plats, page 31, in King County, Washington.

LEGAL DESCRIPTION TO BE CONFIRMED BY NEW 2012 TITLE REPORT

SUBJECT TO all rights, conditions, covenants, obligations, limitations and reservations of record, including but not limited to the following permitted exceptions:

AS REFERENCED IN NEW 2012 TITLE REPORT

MN AN

Real Estate Purchase and Sale Agreement - Michael Nguyen & Anne Nguyen as Buyer
Assessor's Parcel Number 815500-0040

Page 19 of 21

EXHIBIT C

PROMISSORY NOTE as to form

to the Real Estate Purchase and Sale Agreement,
Dated June 1, 2012
Between Michael Nguyen and Anne Nguyen ("Buyer") and King County ("Seller")
Parcel 815500-0040

\$2,000.00

Dated: _____, 2012

Seattle, Washington

FOR VALUE RECEIVED, the undersigned, **Michael Nguyen and Anne Nguyen**, ("Maker"), hereby promise to pay to the order of **FIRST AMERICAN TITLE INSURANCE COMPANY** ("Holder"), 818 Stewart Street, Suite 800, Seattle Washington 98101, the principal sum of **TWO THOUSAND DOLLARS and NO/100ths DOLLARS (\$2,000.00)**, payable in accordance with that certain Real Estate Purchase and Sale Agreement dated JUNE 1, 2012 with King County as Seller (the "Agreement").

Maker promises to pay all costs, expenses and attorneys' fees incurred by Holder in the exercise of any remedy (with or without litigation) under this Note in any proceeding for the collection of the debt evidenced by this Note, or in any litigation or controversy arising from or connected with this Note.

This Note shall be construed according to the laws of the State of Washington and pursuant to the terms and conditions of this Agreement.

Time is of the essence of this Note and each an every term and provision hereof.

MAKER:

By: Michael Nguyen
Michael Nguyen

By: Anne Nguyen
Anne Nguyen

EXHIBIT D

Certificate of Non-Foreign Status

to the Real Estate Purchase And Sale Agreement,

Dated JUNE 1, 2012

**Between Michael Nguyen and Anne Nguyen ("Buyer") and King County ("Seller")
Parcel 815500-0040**

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

1. Transferor is not a foreign corporation, foreign partnership, foreign trust, or foreign estate (as those terms are defined in the Internal Revenue Code and Income Tax Regulations); and
2. Transferor's United States employer identification number is 91-6001327; and
3. Transferor's office address is King County Facilities Management Division, Real Estate Services Section, Room 830 King County Administration Building, 500 Fourth Avenue, Seattle, WA 98104
4. 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 _____, 2012.

TRANSFEROR: KING COUNTY

**By: _____
STEPHEN L. SALYER**

Title: MANAGER REAL ESTATE SERVICES SECTION

Real Estate Purchase and Sale Agreement - Michael Nguyen & Anne Nguyen as Buyer
Assessor's Parcel Number 815500-0040

Page 21 of 21

MN AN

**FIRST AMENDMENT
TO THE REAL ESTATE PURCHASE AND SALE AGREEMENT
DATED JUNE 1, 2012, BETWEEN KING COUNTY AS SELLER
AND MICHAEL AND ANNE NGUYEN AS BUYER
FOR PARCEL 815500-0040**

This FIRST AMENDMENT (the "Amendment") is made as of the 9th day of July 2012, modifying that certain Real Estate Purchase and Sale Agreement dated June 1, 2012, between King County, a home rule charter county of the State of Washington, as "Seller", and Michael and Anne Nguyen as "Buyer" (the "Agreement"). Seller and Buyer may be referred to hereinafter individually as "Party" or collectively as the "Parties".

RECITALS

- A. The Agreement sets forth the terms and conditions for the purchase and sale of certain real property located at 19851 -140th Avenue SE, in the Renton area of unincorporated King County, Washington, also identified as Assessor's Parcel No. 815500-0040, and the legal description of which is attached in the Agreement as *Exhibit A* (the "Property").
- B. Pursuant to Section 5.1 of the Agreement, Buyer was provided a Due Diligence Period, as defined therein, to allow the Buyer an opportunity to investigate and inspect the Property to determine whether the condition of the Property for Buyer's contemplated use meets with its approval (the "Inspection Contingency"). Having undertaken such investigation and inspection, Buyer identified a number of significant repairs Buyer believes will be necessary in order for the Property to be suitable for its purposes. Due to the substantial expense associated with the anticipated repairs identified by Buyer, Buyer proposed that it be allowed a \$5,000.00 repair credit to be applied at the Close of Escrow.
- C. Seller is willing to agree to the proposed repair credit and Buyer is therefore satisfied that the Property is suitable for its purposes and agrees to waive the Inspection Contingency.

NOW THEREFORE, in consideration of the mutual covenants and conditions set forth herein and in the Agreement, the Parties agree to amend the Agreement as follows:

- 1. A new Section 2.1.1 (Repair Credit) is hereby added to the Agreement as follows:

Notwithstanding the provisions of Section 2.1 of the Agreement, Buyer will be granted a \$5,000.00 repair credit to be applied to the Purchase Price at closing as provided for in Section 10.5 of this Agreement.

- 2. Section 10.5 (Buyer's Delivery of Documents and Purchase Price at Closing) of the Agreement is hereby amended to read as follows:

MN/AN

At the closing, Buyer will deliver Cash or immediately available funds in the amount of the Purchase Price, less the \$5,000.00 repair credit provided for in Section 2.1.1 of this Agreement.

3. Unless otherwise provided herein, defined terms, words and phrases shall have the same meaning as provided for in the Agreement.
4. Except as specifically amended herein, all other terms and conditions of the Agreement shall remain in full force and effect. In the event any inconsistencies exist between the terms of this Amendment and the Agreement, this Amendment shall control as to those terms expressly modified herein.
5. The Parties represent and warrant that the persons that sign this Amendment are duly authorized to execute this Amendment on behalf of Buyer and Seller, respectively, and that no other signature, act or authorization is necessary to bind such entities to the provisions of this Amendment.

IN WITNESS WHEREOF, the Parties hereto have executed this FIRST AMENDMENT as of the latest date written below.

BUYER:

By: Michael Nguyen Date: 7/2/2012
Michael Nguyen

By: Anne Nguyen Date: 7/2/2012
Anne Nguyen

By: Stephen L. Salyer Date: 7/9/12
Stephen L. Salyer
Manager, Real Estate Services Section

Approved as to Form:

By: Cheryl D. Carbon Date: 7/9/12
Deputy Prosecuting Attorney

[Blank Page]

ATTACHMENT C TO ORDINANCE
Real Estate Purchase and Sale Agreement
179th Place Lot, Renton area

[Blank Page]

REAL ESTATE PURCHASE AND SALE AGREEMENT

THIS REAL ESTATE PURCHASE AND SALE AGREEMENT ("Agreement") is made and entered into as of MAY 25, 2012, by and between KING COUNTY, a home rule charter county and political subdivision of the State of Washington (the "Seller") and Chi L. Nguyen, a married person, residing at 18132 -145th Avenue SE, Renton, Washington, 98058, (the "Buyer"). Seller and Buyer may be referred to hereinafter individually as "Party" or collectively as the "Parties."

RECITALS

A. Seller is the owner of an unimproved parcel of land located in the 17800 Block of 140th Avenue SE at SE 179th Place, in the Renton area of unincorporated King County, Washington, which consists of approximately 30,686 square feet, is identified as Assessor's Parcel Number 342305-9106, and the legal description of which is attached hereto as EXHIBIT A (the "Property").

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

AGREEMENT

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

ARTICLE 1. PURCHASE AND TRANSFER OF ASSETS

1.1. **PROPERTY TO BE SOLD.** Subject to and upon the terms and conditions set forth in this Agreement, Seller shall sell, convey, assign, transfer and deliver to Buyer on the Closing Date (as defined in Article 10.2 below) 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; subject to Seller's retention of any reservations as described in EXHIBIT B (the form of deed);

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

(c) 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.

(d) all of Seller's right, title and interest in and to tangible personal property, if any, owned by the Seller and attached or appurtenant to the Property ("Personal Property").

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

ARTICLE 2. PURCHASE PRICE

2.1. PURCHASE PRICE AND PAYMENT. In consideration of the sale, transfer, conveyance, assignment and delivery of the Purchased Assets, Buyer shall, in full payment therefor, pay to Seller on the Closing Date a total purchase price of **NINETY-NINE THOUSAND NINE HUNDRED FIFTY AND NO/100THS DOLLARS (\$99,950.00)** (the "Purchase Price").

2.2. This sale is not contingent upon buyer obtaining financing, and buyer will provide all cash at closing.

2.3. EARNEST MONEY. Not later than two (2) business days following the execution of this Agreement, Buyer shall deposit with Escrow Agent (defined in Section 10.1 of this Agreement) a promissory note in the form attached hereto as **Exhibit C** the amount of **FIVE THOUSAND AND NO/100THS DOLLARS (\$5,000.00)** as the initial earnest money deposit (the "Earnest Money Note"). Within two (2) business days after satisfaction of the Council Approval Contingency set forth in Section 5.2 of this Agreement, the Earnest Money Note shall be replaced with cash in the same amount as the Earnest Money Note and such cash shall be deposited into escrow as the earnest money (the "Earnest Money"). Upon Closing of this transaction, the Earnest Money will be applied toward the Purchase Price that is due Seller. Should Buyer default on its obligations under this Agreement, the Seller shall be entitled to retain the Earnest Money as liquidated damages.

2.4. 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 minimus*.

ARTICLE 3. REPRESENTATIONS AND WARRANTIES OF THE PARTIES

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

3.1.1. Definition of Seller. The Seller is a 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 and political subdivision of the State of Washington, (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 thereof.

3.1.3. Litigation. To the best of Seller's knowledge, there is no pending or 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. To the best of Seller's knowledge, there is no pending or contemplated condemnation or similar proceeding with respect to the Property or any part thereof.

3.1.4. Assessments. To the best of Seller's knowledge, there is no 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 best of Seller's knowledge, 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.

3.1.6. Broker. Seller agrees to pay a commission in accordance with any listing or commission agreement to which Seller is a party.

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

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

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

(ii) sell, dispose of or encumber any portion of the Property;

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

3.1.10. Condition of the Property. Except for the warranties, representations and indemnifications contained in this Agreement, Seller does not make and specifically disclaims any warranties, express or implied, including any warranty of merchantability or fitness for a particular purpose, with respect to the Purchased Assets and no employee or agent of seller

is authorized otherwise. Without limitation, the foregoing specifically excludes, except for warranties, representations and indemnifications contained in this Agreement, any warranties or representations with respect to the structural condition of the Purchased Assets, the area of land being purchased, the existence or non-existence of any 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 products, distillates or fractions; any substance the presence of which is prohibited by statute or regulation; and any substance for which any statute or regulation requires a permit or special handling in its use, collection, storage, treatment or disposal.

3.1.11. 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.

3.1.12. 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 shall deliver to Purchaser prior to the Closing Date an affidavit, as set forth in **EXHIBIT D**, evidencing such fact, and such other documents as may be required under the Code.

3.1.13. Seller's Knowledge. Any and all representations or warranties based on Seller's knowledge are made to and limited by the present, actual knowledge of Anne Lockmiller, who is an employee of King County, and is the Real Property Surplussing Agent of the Real Estate Services Section. Anne Lockmiller has made no inquiries or investigations with respect to Seller's representations and warranties prior to the making thereof and has no duty to undertake the same.

3.2 Representations and Warranties of Buyer. BUYER REPRESENTS AND WARRANTS AS FOLLOWS:

3.2.1. 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.

3.2.2. 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.

3.2.3. Condition of Property. Buyer acknowledges that, within the Due Diligence Period (as defined in Article 5.1 below), it will have conducted a physical inspection and made all investigations Buyer deems necessary in connection with its purchase of the Purchased Assets. 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.

3.2.4. Waiver of Disclosure Statement. Buyer hereby expressly waives receipt of a Seller Disclosure Statement.

3.2.5. Indemnification. 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 after Closing.

3.2.6. Broker. Buyer agrees to pay a commission in accordance with any listing or commission agreement to which Buyer is a party.

ARTICLE 4. TITLE MATTERS

4.1. TITLE. Seller shall deliver to Buyer good and marketable title, free and clear of all liens, defects and encumbrances except the Permitted Exceptions.

4.2 Title Commitment. Buyer shall obtain a current owner's standard policy of title insurance (the "Title Commitment") issued by First American Title Insurance Company, located at 818 Stewart Street, Suite 800, Seattle, WA 98101, (206) 728-0400 (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, the Title Company shall further cause to be furnished to Buyer legible copies of all instruments referred to in the Title Commitment as restrictions or exceptions to title to the Property.

4.2.1 Survey. Buyer shall have the option, at its expense, to have prepared and furnished to the Title Company and Buyer a survey (the "Survey") of the Property prepared by a licensed public surveyor. The Survey shall be certified to Buyer and the Title Company,

shall be satisfactory to the Title Company so as to permit it to issue an owner's extended coverage 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 required by Buyer.

4.2.2. Review of Title Commitment and Survey. 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"). Buyer shall state any objection to the Permitted Exceptions to Seller, in writing, no later than the Title Contingency Due Date. With regard to items to which Buyer does object within the Title Contingency Due Date, Seller shall notify Buyer within 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 within the 10 day response period, and Buyer may, at Buyer's option, either waive the objections not cured or Buyer may terminate this Agreement by written notice to Seller. Notwithstanding the foregoing, all monetary liens or encumbrances shall be paid by Seller at closing.

4.2.3. Notwithstanding the foregoing, Buyer may waive further review of the Title Commitment, thereby removing this contingency concurrent with the date of mutual execution of this Agreement.

WAIVER OF OBJECTIONS TO TITLE. Buyer acknowledges that it has reviewed the Title Commitment, dated March 15, 2012, and approves the condition of title to the Property as disclosed therein. Having satisfied itself as to the condition of title, Buyer elects to exercise its option, at its sole and absolute discretion, to waive its right to object to any title exceptions or other items as provided for in Section 4.2.2 of this Agreement. By its signature set forth on the line below, Buyer hereby waives any objections to any exceptions to title.

Chi L. Nguyen:  Dated: 5-18-12

4.3. OWNER'S TITLE INSURANCE POLICY. At the Closing, Buyer shall cause a standard owner's policy of title insurance to be issued by the Title Company in the full amount of the 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 usual printed exceptions contained in such title insurance policy, to the matters approved by Buyer as provided herein, 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. Buyer shall pay any sum owing to the Title Company for the preparation of the preliminary and binding commitments generated by the Title Company.

4.4. **CONVEYANCE.** Seller shall convey to Buyer the title to the Property by deed, in substantially the form attached hereto as **EXHIBIT B**, subject only to the Permitted Exceptions and reservations of Seller that may be defined in **EXHIBIT B**. Rights reserved in federal patents or state deeds, building or use restrictions general to the district, and building or zoning regulations or provisions shall be deemed Permitted Exceptions.

ARTICLE 5. CONTINGENCIES

5.1. **DUE DILIGENCE INSPECTION AND FEASIBILITY.** Buyer shall satisfy itself by investigation and inspection, at its cost and expense in its sole and absolute discretion, that the condition of the Property for Buyer's contemplated use meets with its approval. If Buyer approves of the condition of the Property, Buyer agrees to notify Seller, in writing, thereby removing the contingency. Buyer shall make such determination within thirty (30) days following the date of mutual execution of this Agreement ("Due Diligence Period"); provided, however, that Buyer may, as provided for in Section 5.1.3 of this Agreement and at its sole and absolute discretion, waive its right to conduct further due diligence and feasibility investigation and inspection, thereby removing this contingency concurrent with the date of mutual execution of this Agreement.

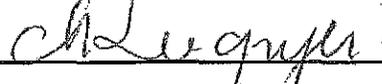
In the event this contingency is not satisfied or waived within the Due Diligence Period, Buyer may terminate this Agreement upon written notice to Seller on or before the expiration of the Due Diligence Period, and neither party shall have any further rights or obligations to the other hereunder.

5.1.1. **Inspections.** During the Due Diligence Period, Buyer, its designated representatives or agents shall have the right at Buyer's expense to (i) 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); (ii) obtain a Phase I or Phase II Environmental Assessment on the Property and perform any and all tests, inspections and studies deemed necessary therewith; and (iii) examine all Due Diligence materials available to Seller that Buyer may reasonably request from Seller that are not subject to attorney-client privilege or that the County is not otherwise prohibited from disclosing by law; (IV) determine to its satisfaction whether approvals, permits and variances can be obtained under applicable land use and zoning codes for Buyers proposed development of the property, (V) determine whether Purchaser's proposed development of the property is economically feasible.

5.1.2. **Right of Entry.** Buyer and Buyer's designated representatives or agents shall have the right and Seller hereby grants to Buyer and Buyer's designated representatives the right to enter the Property pursuant to a County permit and conduct the tests, investigations and studies set forth in this Article 5 upon three (3) days advance written notice; provided that such right of entry will be limited to those times and dates that will not disrupt Seller's use of, or Seller's operations and activities on the Property. The Buyer will not be permitted to undertake activities that damage County property. Invasive tests of the Property, such as drilling or excavation shall be subject to Seller's prior written approval. If Buyer undertakes any invasive tests or activities disruptive to the Property, Buyer shall restore the Property to its original

5.1.3. condition or better. In connection with such inspections, Buyer agrees to hold harmless, indemnify and defend Seller, its officers, agents and employees, from and against all claims, losses, or liability, for injuries, sickness or death of persons, including employees of Buyer caused by or arising out of any act, error or omission of Buyer, its officers, agents, contractors, subcontractors or employees in entering Seller's property for the above purposes, to the extent not caused by or arising out of any act, error or omission of Seller, its officers, agents and employees.

5.1.3. WAIVER OF DUE DILIGENCE INSPECTION AND FEASIBILITY CONTINGENCY. By its signature set forth on the line below, Buyer acknowledges that it is satisfied that the condition of the Property for Buyer's contemplated use meets with its approval and that Buyer has, at its sole and absolute discretion, elected to waive its right to conduct further due diligence investigation and inspection as provided for in Section 5.1 of this Agreement and the contingency provided therein is therefore satisfied.

Chi L. Nguyen:  Dated: 5-18-12

5.2. COUNCIL APPROVAL CONTINGENCY. This sale is expressly contingent upon the King County Council's adoption of an ordinance approving of this conveyance ("the Council Approval Contingency").

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

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

**ARTICLE 7.
COVENANTS OF BUYER PENDING CLOSING**

7.1 CONDUCT, NOTICE OF CHANGE. Buyer covenants that between the date hereof and the Closing, Buyer shall take all such actions as may be necessary to assure that the representations and warranties set forth in Article 3 hereof will be true and complete as of the Closing (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 the representations and warranties made in Article 3 or elsewhere in this Agreement which occur prior to the Closing Date.

ARTICLE 8.
CONDITIONS PRECEDENT TO BUYER'S OBLIGATIONS

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

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

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

8.3. OBLIGATIONS. All obligations required by the terms of this Agreement to be performed by Seller at or before 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 such objections have been waived by Buyer. The Title Company is irrevocably committed to issue an owner's extended coverage policy of title insurance containing no exceptions other than the Permitted Exceptions.

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

ARTICLE 9.
CONDITIONS PRECEDENT TO SELLER'S OBLIGATIONS

ALL OBLIGATIONS OF SELLER TO CLOSE ON THE CLOSING DATE ARE SUBJECT TO THE FULFILLMENT OF EACH OF THE FOLLOWING CONDITIONS AT OR PRIOR TO THE CLOSING, AND BUYER SHALL EXERT ITS BEST EFFORTS TO CAUSE EACH SUCH CONDITION TO BE SO FULFILLED:

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

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

9.3. 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.

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

9.5. WAIVER OF CONTINGENCIES. Buyer shall have submitted waivers of, or confirmation of the satisfaction of, all contingencies stated in this Agreement, in writing to Seller, prior to close of escrow as defined in Article 10, below.

ARTICLE 10. CLOSING

10.1. ESCROW AGENT. Upon execution of this Agreement, the Parties agree to set up an escrow account with First American Title Insurance Company, located at 818 Stewart Street, Suite 800, Seattle, WA 98101, (206) 728-0400 (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.

10.2. CLOSING DATE. This sale may close escrow no *earlier* than approximately twenty-five days (25) days, and *no later than* thirty-five (35) days, after satisfaction of the Council Approval Contingency.

Seller will pursue but Seller does not guarantee Council approval. Furthermore, Buyer understands and acknowledges that Seller can neither anticipate nor control the actual date by which King County Council will commence review of a proposed ordinance approving the sale.

Should the Council Approval Contingency not be met by December 31, 2012, the Parties may agree in writing to extend this date, or either Party may terminate without default.

Buyer will be entitled to possession of the Property upon Closing.

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

10.3.1. CLOSING COSTS. Seller shall pay the cost of one-half (1/2) of the escrow fee charged by the Escrow Agent, any real estate excise or other transfer tax due, and its own attorneys' fees. Buyer shall pay one-half (1/2) of the escrow fee charged by the Escrow Agent, the cost of the preliminary and binding title commitments from the Title Company, the recording fees for the deed and its own attorneys' fees. Except as otherwise provided in this Section 10.3.1, and Sections 4.2 and 4.3 above, all other expenses hereunder shall be paid by the Party incurring such expenses.

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

(a) A deed conveying the Property in substantially the form of **EXHIBIT B** attached hereto;

(b) Seller's Certificate of Non-Foreign status substantially in the form of **EXHIBIT D**, attached hereto;

10.5. BUYER'S DELIVERY OF DOCUMENTS AND PURCHASE PRICE AT CLOSING. At the Closing, Buyer will deliver Cash or immediately available funds in the amount of the Purchase Price.

ARTICLE 11. TERMINATION

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

ARTICLE 12. MISCELLANEOUS PROVISIONS

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

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

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

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

If to Buyer: Chi L. Nguyen
18132 -145th Avenue SE
Renton, Washington 98058
Phone: (206) 366-5844

With a copy to: Lois Towle, Broker
1002 -15th Street SW, Suite 106
Auburn, Washington 98001
Phone:

If to Seller: King County Administration Building
Real Estate Services Section
500 4th Avenue, Room 830
Seattle, Washington 98104

With a copy to: King County Prosecuting Attorney
King County Courthouse
516 Third Avenue, Room W400
Seattle, Washington 98104

12.5. MISCELLANEOUS DISCLOSURES. King County On-Site Sewage System Disclosure Form is attached hereto as **Exhibit E**.

12.6. AGENCY DISCLOSURE. Buyer is aware that Anne Lockmiller, the listing agent, is an employee of King County and that she represents the Seller, King County. Buyer acknowledges that Lois Towle of Keller Williams Realty Auburn represents Buyer.

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

12.8. 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.

12.9. 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.

12.10. Binding Effect. Subject to Section 12.12 below, this Agreement shall be binding upon and inure to the benefit of each Party hereto, its successors and assigns.

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

12.12. 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.

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

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

12.15. 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.

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

12.17. NEGOTIATION AND CONSTRUCTION. This Agreement and each of its terms and provisions are deemed to have been explicitly negotiated between the Parties, and the language in all parts of this Agreement will, in all cases, be construed according to its fair meaning and not strictly for or against either Party. All Parties acknowledge and represent, as an express term of this Agreement, that they have had the opportunity to obtain and utilize legal review of the terms and conditions outlined in this Agreement, although each Party must determine if they wish to obtain and pay for such legal review.

Each Party shall be and is separately responsible for payment of any legal services rendered on their behalf regarding legal review of the terms found in this Agreement.

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

EXHIBIT A	Legal Description
EXHIBIT B	Deed as to form
EXHIBIT C	Promissory Note as to form
EXHIBIT D	Certificate of Non-Foreign Status
EXHIBIT E	King County On-Site Sewage System Disclosure Form

12.19 FACSIMILE AND E-MAIL TRANSMISSIONS. The Parties agree that facsimile and e-mail transmissions of any signed original documentation forming this Agreement shall be the same as the original, and the delivery of the original, provided that documents are emailed to both Seller and Buyer at the email addresses provided below. At the request of either Party or of the Escrow Agent, original hard copy documents bearing the original signatures shall be substituted in place of facsimiles or email transmissions.

King County as Seller, to Anne Lockmiller – anne.lockmiller@kingcounty.gov
Chi L. Nguyen as Buyer, to Chilnguyen@yahoo.com.
With copies to _____ for Buyer

12.20 Survival. Unless specified otherwise in this Agreement, all warranties, representations, and indemnity obligations and restrictions made, undertaken, and agreed to by the Parties under this Agreement shall survive the Closing and/or expiration of this Agreement. EXECUTED as of the date and year first above written:

Seller's Signature and Notary Blocks on page 15

Buyer's Signature and Notary Blocks on page 16

EXECUTED as of the date and year first above written:

SELLER: KING COUNTY

BY: Stephen L. Salyer
Stephen L. Salyer, Manager Real Estate Services Section

APPROVED AS TO FORM:

By Cheryl D. Carlson
Deputy Prosecuting Attorney

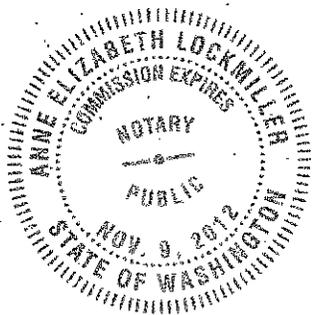
} ss.

STATE OF WASHINGTON

COUNTY OF KING

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

GIVEN UNDER MY HAND AND OFFICIAL SEAL this 25th day of MAY, 2012.



Anne Lockmiller

Printed Name: ANNE E. LOCKMILLER
NOTARY PUBLIC in and for the State of Washington,
residing at SEATTLE, WASHINGTON
My Commission Expires NOVEMBER 9, 2012

EXECUTED as of the date and year first above written:

BUYER: CHI L. NGUYEN

BY: *Chi L. Nguyen*

STATE OF WASHINGTON }
COUNTY OF KING } ss.

On this day personally appeared before me CHI L. NGUYEN, to me known to be the person who executed the foregoing instrument, and acknowledged such instrument to be his free and voluntary act and deed for the uses and purposes therein mentioned.

GIVEN UNDER MY HAND AND OFFICIAL SEAL this 18th day of May, 2012.

Lea B. Nelson

Printed Name LEA B. NELSON

NOTARY PUBLIC in and for the State of Washington,
residing at King County
My Commission Expires 9/29/12

LEA B. NELSON
NOTARY PUBLIC
STATE OF WASHINGTON
MY COMMISSION EXPIRES
09-29-12

EXHIBIT A

LEGAL DESCRIPTION

**To The Real Estate Purchase and Sale Agreement,
Dated May 25 2012
Between Chi L. Nguyen ("Buyer") and King County ("Seller")
For Parcel 342305-9106**

Vested Owner: King County, a political subdivision of the State of Washington

Real property in the County of King, State of Washington, described as follows:

That portion of the Northwest quarter of the Northeast quarter of Section 34, Township 23 North, Range 5 East, W.M., in King County, Washington, described as follows:

Beginning on the West line of said Northwest quarter of the Northeast quarter at a point 1196.25 feet north of the center of said Section;

Thence North along said West line 280 feet to the true point of beginning;

Thence North 110 feet;

Thence East 330 feet;

Thence South 110 feet;

Thence West 330 feet to the true point of beginning;

Except the West 30 feet thereof conveyed to King County for road purposes by deed recorded under Recording Number 4927669.

And except that portion conveyed to King County, Washington, Department of Transportation for road right of way purposes as recorded in deed under Recording No. 20050316000012.

Tax Parcel Number: 342305-9106-02

Situs Address: To Be Determined, WA

EXHIBIT B

STATUTORY WARRANTY DEED AS TO FORM

**To The Real Estate Purchase and Sale Agreement,
Dated May 25 2012
Between Chi L. Nguyen ("Buyer") and King County ("Seller")
For Parcel 342305-9106**

The Grantor herein, **KING COUNTY**, a home rule charter county and political subdivision of the State of Washington ("Grantor") for the consideration of TEN DOLLARS (\$10.00) and other valuable consideration, conveys and warrants to Chi L. Nguyen ("Grantee"), all interest in the following described Property (the "Property"):

Vested Owner: King County, a political subdivision of the State of Washington

Real property in the County of King, State of Washington, described as follows:

That portion of the Northwest quarter of the Northeast quarter of Section 34, Township 23 North, Range 5 East, W.M., in King County, Washington, described as follows:
Beginning on the West line of said Northwest quarter of the Northeast quarter at a point 1196.25 feet north of the center of said Section;
Thence North along said West line 280 feet to the true point of beginning;
Thence North 110 feet;
Thence East 330 feet;
Thence South 110 feet;
Thence West 330 feet to the true point of beginning;
Except the West 30 feet thereof conveyed to King County for road purposes by deed recorded under Recording Number 4927669.

And except that portion conveyed to King County, Washington, Department of Transportation for road right of way purposes as recorded in deed under Recording No. 20050316000012.
Tax Parcel Number: 342305-9106-02

Situs Address: To Be Determined, WA

SUBJECT TO all rights, conditions, covenants, obligations, limitations and reservations of record, including but not limited to the following permitted exceptions:

1. Lien of the Real Estate Excise Sales Tax and Surcharge upon any sale of said premises, if unpaid. As of the date herein, the excise tax rate for unincorporated King County is at 1.78%.
Levy/Area Code: 5100

2. General Taxes for the year 2012. The first half becomes delinquent after April 30th. The second half becomes delinquent after October 31st.

Tax Account No.: 342305-9106-02

1st Half

Amount Billed: \$ 72.62

Amount Paid: \$ 0.00

Amount Due: \$ 72.62

Assessed Land Value: \$ 0.00

Assessed Improvement Value: \$ 0.00

2nd Half

Amount Billed: \$ 72.61

Amount Paid: \$ 0.00

Amount Due: \$ 72.61

Assessed Land Value: \$ 0.00

Assessed Improvement Value: \$ 0.00

The taxes for the current year reflect an exemption. Any curtailment of the exemption may result in an additional amount being due for the current year and for any re-assessment of land and improvement values.

3. Taxes which may be assessed and extended on any subsequent roll for the tax year 2012, with respect to new improvements and the first occupancy which may be included on the regular assessment roll and which are an accruing lien not yet due or payable.

4. Right to make necessary slopes for cuts or fills upon said premises, as granted by Deed.

Recording Information: 4927669

Granted To: King County

5. Oil Service and Easement Agreement and the terms and conditions thereof:

Between: Ronald W. Scott and Annette L. Scott

And: Kenneth G. Wise

Recording Information: 5756081

6. Covenants, conditions, restrictions and/or easements; but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, family status, or national origin to the extent such covenants, conditions or restrictions violate Title 42, Section 3604(c), of the United States Codes:

Recording Information: 5813710

END

EXHIBIT C

PROMISSORY NOTE

To The Real Estate Purchase and Sale Agreement,
Dated MAY 25, 2012
Between Chi L. Nguyen ("Buyer") and King County ("Seller")
For Parcel 342305-9106

\$5,000.00

Dated: _____, 2012

Seattle, Washington

FOR VALUE RECEIVED, the undersigned, CHI L. NGUYEN. ("Maker"), hereby promise to pay to the order of FIRST AMERICAN TITLE INSURANCE COMPANY ("Holder"), 818 Stewart Street, Suite 800, Seattle Washington 98101, the principal sum of FIVE THOUSAND AND NO/100THS DOLLARS (\$5,000.00), payable in accordance with that certain Real Estate Purchase and Sale Agreement dated MAY 25 2012, 2012 with King County as Seller (the "Agreement").

Maker promises to pay all costs, expenses and attorneys' fees incurred by Holder in the exercise of any remedy (with or without litigation) under this Note in any proceeding for the collection of the debt evidenced by this Note, or in any litigation or controversy arising from or connected with this Note.

This Note shall be construed according to the laws of the State of Washington and pursuant to the terms and conditions of this Agreement.

Time is of the essence of this Note and each an every term and provision hereof.

MAKER:

CHI L. NGUYEN

By: *

Chi L. Nguyen

EXHIBIT D

Certificate of Non-Foreign Status.

**To The Real Estate Purchase and Sale Agreement,
Dated MAY 25 2012
Between Chi L. Nguyen ("Buyer") and King County ("Seller")
For Parcel 342305-9106**

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

1. Transferor is not a foreign corporation, foreign partnership, foreign trust, or foreign estate (as those terms are defined in the Internal Revenue Code and Income Tax Regulations); and
2. Transferor's United States employer identification number is 91-6001327; and
3. Transferor's office address is King County Facilities Management Division, Real Estate Services Section, Room 830 King County Administration Building, 500 Fourth Avenue, Seattle, WA 98104
4. 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 _____, 2012.

TRANSFEROR: KING COUNTY

By: _____
STEPHEN L. SALYER

Title: **MANAGER REAL ESTATE SERVICES SECTION**

EXHIBIT E

KING COUNTY ON-SITE SEWAGE SYSTEM DISCLOSURE FORM

To The Real Estate Purchase and Sale Agreement,
Dated MAY 25, 2012
Between Chi L. Nguyen ("Buyer") and King County ("Seller")
For Parcel 342305-9106

SEE ATTACHED, PAGE 23 OF THIS AGREEMENT

KING COUNTY ON-SITE SEWAGE DISCLOSURE FORM

King County Code 8.60.020 requires the following disclosure or alternative waiver form to be completed prior to entry into a binding agreement to purchase. Three copies of each disclosure or alternative waiver must be prepared. One copy shall be retained by the prospective Seller; one copy shall be retained by the prospective Buyer. If the prospective Buyer enters into a binding agreement to purchase, the Seller shall file the third copy with the King County Department of Records and Elections when other documents are recorded. A violation by any Seller or Seller's agent of any provision of Ordinance No. 1490 may result in assessment of a civil penalty.

NOTICE TO BUYER

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

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

SELLER'S REPRESENTATIONS

ON-SITE SEWAGE SYSTEM EVALUATION. Seller must complete either Statement A or Statement B as appropriate.

A. My agent _____ (Name of Agent), a registered civil or sanitary engineer or certificated sewage disposal system designer, has conducted an evaluation on this parcel: (Legal Description)

The evaluation was conducted on _____ (Date). From the evaluation, my agent concluded that an on-site system could could not be installed on this parcel in conformance with standards set by King County and in effect at the date of the evaluation.

I represent that the statements above are true.

Seller's Signature Date

B. No on-site sewage system evaluations have been conducted on this parcel: (Legal Description)

Ptn Sec 34 Twp 23N Rge 5E NW Qtr NE Qtr, King County

APN: 342305-9106-02

I have no knowledge material to a determination whether an on-site sewage system may be installed on this parcel, except as follows: (To be completed by seller).

Property may have had a septic system serving improvements existing prior to their demolition by King County. Records not located regarding current condition or fate of possible system.

I represent that the statements above are true.

By: John F. Baker _____ 5/25/12
Seller's Signature Date

BUYER'S SIGNATURE

I have read this statement and understand its contents.

Chi L. Nguyen _____ 5/18/12
Prospective Buyer's Signature Date

WAIVER (IN THE ALTERNATIVE)

I have read this disclosure form and understand its contents. I waive Seller's disclosure:

Unconditionally

OR

Upon the condition this sale will not be closed unless this parcel is subjected to an on-site sewage system evaluation that meets the requirements of the King County Department of Public Health.

Prospective Buyer's Signature Date

[Blank Page]

ATTACHMENT D TO ORDINANCE
Real Estate Purchase and Sale Agreement
Kelsey Pit Lot, SeaTac

[Blank Page]

REAL ESTATE PURCHASE AND SALE AGREEMENT

THIS REAL ESTATE PURCHASE AND SALE AGREEMENT ("Agreement") is made and entered into as of MAY 8, 2012, by and between KING COUNTY, a home rule charter county and political subdivision of the State of Washington (the "Seller") and MARIA C. OCHOA HIGUERA, residing at 19421 141st Avenue SE, in Renton, Washington 98058 (the "Buyer"). Seller and Buyer may be referred to hereinafter individually as "Party" or collectively as the "Parties."

RECITALS

A. Seller is the owner of that certain real property located in unincorporated King County, Washington, which consists of approximately 97,138 square feet, commonly identified as Assessor's Parcel Number 102204-9026, and located in the 21400 Block of 37th Place South, in the city of SeaTac, the legal description of which is attached hereto as EXHIBIT A (the "Property").

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

AGREEMENT

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

ARTICLE 1.

PURCHASE AND TRANSFER OF ASSETS

1.1. **PROPERTY TO BE SOLD.** Subject to and upon the terms and conditions set forth in this Agreement, Seller shall sell, convey, assign, transfer and deliver to Buyer on the Closing Date (as defined in Article 10.2 below) 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; subject to Seller's retention of any reservations as described in EXHIBIT B (the deed form);

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

(c) 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.

(d) all of Seller's right, title and interest in and to tangible personal property, if any, owned by the Seller and attached or appurtenant to the Property ("Personal Property").

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

ARTICLE 2. PURCHASE PRICE

2.1. PURCHASE PRICE AND PAYMENT. In consideration of the sale, transfer, conveyance, assignment and delivery of the Purchased Assets, Buyer shall, in full payment therefor, pay to Seller on the Closing Date a total purchase price of TWENTY-FIVE THOUSAND AND NO/100THS DOLLARS (\$25,000.00) (the "Purchase Price").

This sale is not contingent upon Buyer obtaining financing, and Buyer will provide all cash at closing.

2.2 EARNEST MONEY. Not later than two (2) business days following the execution of this Agreement, Buyer shall deposit with Escrow Agent (defined in Section 10.1 of this Agreement) a promissory note in the form attached hereto as **Exhibit C** the amount of ONE THOUSAND AND NO/100THS DOLLARS (\$1,000.00) as the initial earnest money deposit (the "Earnest Money Note"). Within two (2) business days after satisfaction of the Council Approval Contingency set forth in Section 5.2 of this Agreement, the Earnest Money Note shall be replaced with cash in the same amount as the Earnest Money Note and such cash shall be deposited into escrow as the earnest money (the "Earnest Money"). Upon closing of this transaction, the Earnest Money will be applied toward the Purchase Price that is due Seller. Should Buyer default on its obligations under this Agreement, the Seller shall be entitled to retain the Earnest Money as liquidated damages.

2.3. 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 minimus*.

ARTICLE 3.
REPRESENTATIONS AND WARRANTIES OF THE PARTIES

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

3.1.1. Definition of Seller. The Seller is a 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 and political subdivision of the State of Washington, (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 thereof.

3.1.3. Litigation. To the best of Seller's knowledge, there is no pending or 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. To the best of Seller's knowledge, there is no pending or contemplated condemnation or similar proceeding with respect to the Property or any part thereof.

3.1.4. Assessments. To the best of Seller's knowledge, there is no 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 best of Seller's knowledge, 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.

3.1.6. Broker. Seller agrees to pay a commission in accordance with any listing or commission agreement to which Seller is a party.

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

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

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

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

3.1.10. Condition of the Property. Except for the warranties, representations and indemnifications contained in this Agreement, Seller does not make and specifically disclaims any warranties, express or implied, including any warranty of merchantability or fitness for a particular purpose, with respect to the Purchased Assets and no employee or agent of seller is authorized otherwise. Without limitation, the foregoing specifically excludes, except for warranties, representations and indemnifications contained in this Agreement, any warranties or representations with respect to the structural condition of the Purchased Assets, the area of land being purchased, the existence or non-existence of any 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 products, distillates or fractions; any substance the presence of which is prohibited by statute or regulation; and any substance for which any statute or regulation requires a permit or special handling in its use, collection, storage, treatment or disposal.

3.1.11. 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.

3.1.12. 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 shall deliver to Purchaser prior to the Closing Date an affidavit, as set forth in **EXHIBIT D**, evidencing such fact, and such other documents as may be required under the Code.

3.1.13. Seller's Knowledge. Any and all representations or warranties based on Seller's knowledge are made to and limited by the present, actual knowledge of Anne Lockmiller, who is an employee of King County, and is the Real Property Surplussing Agent of the Real Estate Services Section. Anne Lockmiller has made no inquiries or investigations with respect to Seller's representations and warranties prior to the making thereof and has no duty to undertake the same.

3.2 Representations and Warranties of Buyer. BUYER REPRESENTS AND WARRANTS AS FOLLOWS:

3.2.1. Buyer is a married woman, taking title as her separate property.

3.2.2. 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.

3.2.3. 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.

3.2.4. Condition of Property. Buyer acknowledges that, within the Due Diligence Period (as defined in Article 5.1 below), it will have conducted a physical inspection and made all investigations Buyer deems necessary in connection with its purchase of the Purchased Assets. 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.

3.2.5. Waiver of Disclosure Statement. Buyer hereby expressly waives receipt of a Seller Disclosure Statement.

3.2.6. Indemnification. 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 after Closing.

3.2.7. Broker. Buyer agrees to pay a commission in accordance with any listing or commission agreement to which Buyer is a party.

ARTICLE 4. TITLE MATTERS

4.1. TITLE. Seller shall deliver to Buyer good and marketable title, free and clear of all liens, defects and encumbrances except the Permitted Exceptions.

4.2 Title Commitment. Buyer shall obtain a current ALTA form of commitment for an owner's standard policy of title insurance (the "Title Commitment") issued by First American Title Insurance Company, located at 818 Stewart Street, Suite 800, Seattle, WA 98101, (206) 728-0400 (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, the Title Company shall further cause to be furnished to Buyer legible copies of all instruments referred to in the Title Commitment as restrictions or exceptions to title to the Property.

4.2.1 Survey. Buyer shall have the option, at its expense, to have prepared and furnished to the Title Company and Buyer a survey (the "Survey") of the Property prepared by a licensed public surveyor. The Survey shall be certified to Buyer and the Title Company, shall be satisfactory to the Title Company so as to permit it to issue an owner's extended coverage 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 required by Buyer.

4.2.2 Review of Title Commitment and Survey. Any exceptions or other items that are set forth in the Title Commitment or the Survey and to which Buyer does not object within the review period shall be deemed to be permitted exceptions ("Permitted Exceptions"). With regard to items to which Buyer does object within the review period, Seller shall notify Buyer within ten (10) days after Seller receives Buyer's notice of objections of any exceptions to 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 within the review period, and Buyer may, at Buyer's option, either waive the objections not cured or Buyer may terminate this Agreement by notice to Seller. Notwithstanding the foregoing, all monetary liens or encumbrances shall be paid by Seller at closing.

4.2.3. WAIVER OF OBJECTIONS TO TITLE. Buyer acknowledges that it has reviewed the Title Commitment, dated March 26, 2012, and approves the condition of title to the Property as disclosed therein. Having satisfied itself as to the condition of title, Buyer elects to

exercise its option, at its sole and absolute discretion, to waive its right to object to any title exceptions or other items as provided for in Section 4.2.2 of this Agreement.

By its signature set forth and dated on the line below, Buyer hereby waives any objections to any exceptions to title.

Maria C. Ochoa Higuera: Maria C. Ochoa Higuera **Dated:** 4-26-12

4.3. OWNER'S TITLE INSURANCE POLICY. At the closing, Buyer shall cause a standard owner's policy of title insurance to be issued by the Title Company in the full amount of the 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 usual printed exceptions contained in such title insurance policy, to the matters approved by Buyer as provided herein, 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. Buyer shall pay any sum owing to the Title Company for the preparation of the preliminary and binding commitments generated by the Title Company.

4.4. CONVEYANCE. Seller shall convey to Buyer the title to the Property by deed, in substantially the form attached hereto as **EXHIBIT B**, subject only to the Permitted Exceptions and reservations of Seller that may be defined in **EXHIBIT B**. Rights reserved in federal patents or state deeds, building or use restrictions general to the district, and building or zoning regulations or provisions shall be deemed Permitted Exceptions.

ARTICLE 5. CONTINGENCIES

5.1. DUE DILIGENCE INSPECTION AND FEASIBILITY. Buyer shall satisfy itself by investigation and inspection, at its cost and expense in its sole and absolute discretion, that the condition of the Property for Buyer's contemplated use meets with its approval. If Buyer approves of the condition of the Property, Buyer agrees to notify Seller, in writing, thereby removing the contingency. Buyer shall make such determination within forty-five days following the date of mutual execution of this Agreement ("Due Diligence Period"); provided, however, that Buyer may, as provided for in Section 5.1.3 of this Agreement and at its sole and absolute discretion waive its right to conduct further due diligence and feasibility investigation and inspection, thereby removing this contingency concurrent with the date of Buyer's signature at Section 5.1.3 below. In the event this contingency is not satisfied or waived within the Due Diligence Period, Buyer may terminate this Agreement upon written notice to Seller on or before the expiration of the Due Diligence Period, and neither Party shall have any further rights or obligations to the other hereunder.

5.1.1. Inspections. During the Due Diligence Period, Buyer, its designated representatives or agents shall have the right at Buyer's expense to (i) 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); (ii) obtain a Phase I or Phase II Environmental Assessment on the Property and perform any and all tests, inspections and studies deemed necessary therewith; and (iii) examine all Due Diligence materials available to Seller that Buyer may reasonably request from Seller that are not subject to attorney-client privilege or that the County is not otherwise prohibited from disclosing by law; (IV) determine to its satisfaction whether approvals, permits and variances can be obtained under applicable land use and zoning codes for Buyers proposed development of the property, (V) determine whether Purchaser's proposed development of the property is economically feasible.

5.1.2. Right of Entry. Buyer and Buyer's designated representatives or agents shall have the right and Seller hereby grants to Buyer and Buyer's designated representatives the right to enter the Property pursuant to a County permit and conduct the tests, investigations and studies set forth in this Article 5 upon three (3) days advance written notice; provided that such right of entry will be limited to those times and dates that will not disrupt Seller's use of, or Seller's operations and activities on the Property. The Buyer will not be permitted to undertake activities that damage County property. Invasive tests of the Property, such as drilling or excavation shall be subject to Seller's prior written approval. If Buyer undertakes any invasive tests or activities disruptive to the Property, Buyer shall restore the Property to its original condition or better. In connection with such inspections, Buyer agrees to hold harmless, indemnify and defend Seller, its officers, agents and employees, from and against all claims, losses, or liability, for injuries, sickness or death of persons, including employees of Buyer caused by or arising out of any act, error or omission of Buyer, its officers, agents, contractors, subcontractors or employees in entering Seller's property for the above purposes, to the extent not caused by or arising out of any act, error or omission of Seller, its officers, agents and employees.

5.1.3. WAIVER OF DUE DILIGENCE INSPECTION AND FEASIBILITY CONTINGENCY.

By its signature set forth on the line below, Buyer acknowledges that it is satisfied that the condition of the Property for Buyer's contemplated use meets with its approval and that Buyer has, at its sole and absolute discretion, elected to waive its right to conduct further due diligence investigation and inspection as provided for in Section 5.1 of this Agreement and the contingency provided therein is therefore satisfied.

Maria C. Ochoa Higuera: Maria C. Ochoa Higuera **Dated:** 7-26-12

5.2. COUNCIL APPROVAL CONTINGENCY. This sale is expressly contingent upon the King County Council's adoption of an ordinance approving of this conveyance ("the Council Approval Contingency").

ARTICLE 6.
COVENANTS OF SELLER PENDING CLOSING

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

Seller shall give Buyer prompt written notice of any material change in any of the information contained in the representations and warranties made in Article 3 or elsewhere in this Agreement which occurs prior to the Closing Date.

ARTICLE 7.
COVENANTS OF BUYER PENDING CLOSING

7.1 CONDUCT, NOTICE OF CHANGE. Buyer covenants that between the date hereof and the closing, Buyer shall take all such actions as may be necessary to assure that the representations and warranties set forth in Article 3 hereof will be true and complete as of the closing (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 the representations and warranties made in Article 3 or elsewhere in this Agreement which occur prior to the Closing Date.

ARTICLE 8.
CONDITIONS PRECEDENT TO BUYER'S OBLIGATIONS

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

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

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

8.3. OBLIGATIONS. All obligations required by the terms of this Agreement to be performed by Seller at or before the closing 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 Article 4, shall have been cured by Seller, unless such objections have been waived by Buyer. The Title Company is irrevocably committed to issue an owner's extended coverage policy of title insurance containing no exceptions other than the Permitted Exceptions.

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

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

**ALL OBLIGATIONS OF SELLER TO CLOSE ON THE CLOSING DATE ARE
SUBJECT TO THE FULFILLMENT OF EACH OF THE FOLLOWING
CONDITIONS AT OR PRIOR TO THE CLOSING, AND BUYER SHALL EXERT
ITS BEST EFFORTS TO CAUSE EACH SUCH CONDITION TO BE SO
FULFILLED:**

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

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

9.3. 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.

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

9.5. WAIVER OF CONTINGENCIES. Buyer shall have submitted waivers of, or confirmation of the satisfaction of, all contingencies stated in this Agreement, in writing to Seller, prior to close of escrow as defined in Article 10, below.

**ARTICLE 10.
CLOSING**

10.1. ESCROW AGENT. Upon execution of this Agreement, the Parties agree to set up an escrow account with First American Title Insurance Company, located at 818 Stewart Street, Suite 800, Seattle, WA 98101, (206) 728-0400 (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.

10.2. CLOSING DATE. This sale may close escrow no *earlier* than approximately twenty-five days (25) days, and *no later than* thirty-five (35) days, after satisfaction of the Council Approval Contingency.

Seller will pursue but Seller does not guarantee Council approval. Furthermore, Buyer understands and acknowledges that Seller can neither anticipate nor control the actual date by which King County Council will commence review of a proposed ordinance approving the sale.

Should the Council Approval Contingency not be met by January 31, 2013, the Parties may agree in writing to extend this date, or either Party may terminate without default.

Buyer will be entitled to possession of the Property upon closing.

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

10.3.1. CLOSING COSTS. Seller shall pay the cost of one-half (½) of the escrow fee charged by the Escrow Agent, any real estate excise or other transfer tax due, and its own attorneys' fees. Buyer shall pay one-half (½) of the escrow fee charged by the Escrow Agent, the cost of the preliminary and binding title commitments from the Title Company, the recording fees for the deed and its own attorneys' fees. Except as otherwise provided in this Section 10.3.1, and Sections 4.2 and 4.3 above, all other expenses hereunder shall be paid by the Party incurring such expenses.

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

(a) A deed conveying the Property in substantially the form of **EXHIBIT B** attached hereto;

(b) Seller's Certificate of Non-Foreign status substantially in the form of **EXHIBIT D**, attached hereto;

10.5. BUYER'S DELIVERY OF DOCUMENTS AND PURCHASE PRICE AT CLOSING. At the closing, Buyer will deliver Cash or immediately available funds in the amount of the Purchase Price.

ARTICLE 11. TERMINATION

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

ARTICLE 12. MISCELLANEOUS PROVISIONS

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

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

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

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

If to Buyer: Maria C. Ochoa Higuera
19421 -141st Avenue SE
Renton, Washington 98058
Phone: 206 948 8548

With a copy to: Shannon Hernandez, Keller Williams
455 SW -142nd Street
Burien, Washington 98066
Phone: 206.240.9332

If to Seller: King County Administration Building
Real Estate Services Section
500 4th Avenue, Room 830
Seattle, Washington 98104

With a copy to: King County Prosecuting Attorney
King County Courthouse
516 Third Avenue, Room W400
Seattle, Washington 98104

12.5 MISCELLANEOUS DISCLOSURES. A King County On-Site Sewage System Disclosure Form is attached hereto as **Exhibit E**.

12.6 AGENCY DISCLOSURE. Buyer is aware that Anne Lockmiller, the listing agent, is an employee of King County and that she represents the Seller, King County.

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

12.8 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.

12.9 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.

12.10 Binding Effect. Subject to Section 12.12 below, this Agreement shall be binding upon and inure to the benefit of each Party hereto, its successors and assigns.

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

12.12 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.

12.13 COOPERATION. Prior to and after closing the Parties shall cooperate, shall take such further action and shall execute and deliver further documents as may be reasonably requested by the other Party in order to carry out the provisions and purposes of this Agreement.

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

12.15 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.

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

12.17 NEGOTIATION AND CONSTRUCTION. This Agreement and each of its terms and provisions are deemed to have been explicitly negotiated between the Parties, and the language in all parts of this Agreement will, in all cases, be construed according to its fair meaning and not strictly for or against either Party. All Parties acknowledge and represent, as an express term of this Agreement, that they have had the opportunity to obtain and utilize legal review of the terms and conditions outlined in this Agreement, although each Party must determine if they wish to obtain and pay for such legal review.

Each Party shall be and is separately responsible for payment of any legal services rendered on their behalf regarding legal review of the terms found in this Agreement.

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

EXHIBIT A	Legal Description
EXHIBIT B	Deed as to form
EXHIBIT C	Promissory Note
EXHIBIT D	Certificate of Non-Foreign Status
EXHIBIT E	King County On-Site Sewage System Disclosure Form

12.19 FACSIMILE AND E-MAIL TRANSMISSIONS. The Parties agree that facsimile and e-mail transmissions of any signed original documentation forming this Agreement shall be the same as the original, and the delivery of the original, provided that documents are emailed to both Seller and Buyer at the email addresses provided below. At the request of either Party or of the Escrow Agent, original hard copy documents bearing the original signatures shall be substituted in place of facsimiles or email transmissions.

King County as Seller, to Anne Lockmiller – anne.lockmiller@kingcounty.gov

Maria C. Ochoa Higuera as Buyer, to _____

With copies to Shannon McIntyre for Buyer – Shannon@Shannonmcintyre.com

12.20 Survival. Unless specified otherwise in this Agreement, all warranties, representations, and indemnity obligations and restrictions made, undertaken, and agreed to by the Parties under this Agreement shall survive the closing and/or expiration of this Agreement.

EXECUTED as of the date and year first above written:

SELLER: KING COUNTY

Name: Stephen L. Salyer
Stephen L. Salyer, Manager Real Estate Services Section

APPROVED AS TO FORM:

By Cheryl D. Carlson
Deputy Prosecuting Attorney

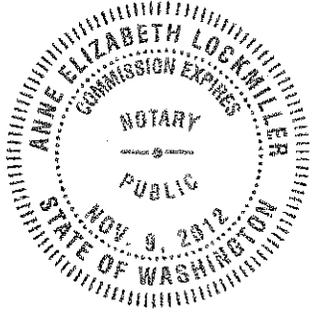
Seller's Notarization Page 16

Buyer's Signature and Notarization Page 17

STATE OF WASHINGTON }
COUNTY OF KING } ss.

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

GIVEN UNDER MY HAND AND OFFICIAL SEAL this 8th day of MAY, 2012.



Anne Lockmiller

Printed Name: ANNE E. LOCKMILLER
NOTARY PUBLIC in and for the State of Washington,
residing at SEATTLE, WASHINGTON
My Commission Expires NOVEMBER 9, 2012

EXECUTED as of the date and year first above written:

BUYER: Maria C. Ochoa Higuera
Maria C. Ochoa Higuera

} ss.

STATE OF WASHINGTON
COUNTY OF KING

On this day personally appeared before me Maria C. Ochoa Higuera, to me known to be the person who executed the foregoing instrument, and acknowledged such instrument to be her free and voluntary act and deed for the uses and purposes therein mentioned.

GIVEN UNDER MY HAND AND OFFICIAL SEAL this 26 day of April, 2012.

Patricia A. Archer

Printed Name Patricia A. Archer
NOTARY PUBLIC in and for the State of Washington,
residing at Burien, WA
My Commission Expires 11-19-15



EXHIBIT A

LEGAL DESCRIPTION

ASSESSOR'S PARCEL NUMBER 102204-9026

Vested Owner: KING COUNTY, STATE OF WASHINGTON

Real property in the County of King, State of Washington, described as follows:

Beginning at the Southwest corner of the Southeast Quarter of the Northwest Quarter of Section 10, Township 22 North, Range 4 East, W.M.;

Thence North 89°28'56" East along the East and West center of said Section 10 a distance of 298 feet, more or less, to the West margin line of County Road # 155 as shown on King County Engineers Survey No. 10-22-4-12;

Thence North along the West margin of County Road No. 155 (37th Pl. So.) to its intersection with the West line of the Southeast Quarter of the Northwest Quarter of said Section 10;

Thence Southerly along the West boundary line of said Southeast Quarter of the Northwest Quarter of Section 10 a distance of 708 feet, more or less to the place of beginning;

Except the South 16.5 ft. thereof situate in the County of King, State of Washington.

Tax Parcel Number: 102204-9026-09

Situs Address: To Be Determined, WA

Containing Approximately 97,138 square feet (2.25 acres).

STATUTORY WARRANTY DEED AS TO FORM

**TO THE REAL ESTATE PURCHASE AND SALE AGREEMENT,
DATED MAY 8, 2012, BETWEEN
MARIA C. OCHOA HIGUERA ("BUYER") AND KING COUNTY ("SELLER")**

The Grantor herein, **KING COUNTY**, a political subdivision of the State of Washington ("Grantor") for the consideration of TEN DOLLARS (\$10.00) and other valuable consideration, conveys and warrants to Maria C. Ochoa Higuera ("Grantee") all interest in the following described Property (the "Property"):

Vested Owner: KING COUNTY, STATE OF WASHINGTON

Real property in the County of King, State of Washington, described as follows:

Beginning at the Southwest corner of the Southeast Quarter of the Northwest Quarter of Section 10, Township 22 North, Range 4 East, W.M.;

Thence North 89°28'58" East along the East and West center of said Section 10 a distance of 298 feet, more or less, to the West margin line of County Road # 155 as shown on King County Engineers Survey No. 10-22-4-12;

Thence North along the West margin of County Road No. 155 (37th Pl. So.) to its intersection with the West line of the Southeast Quarter of the Northwest Quarter of said Section 10;

Thence Southerly along the West boundary line of said Southeast Quarter of the Northwest Quarter of Section 10 a distance of 708 feet, more or less to the place of beginning;

Except the South 16.5 ft. thereof situate in the County of King, State of Washington.

Tax Parcel Number: 102204-9026-09

Situs Address: To Be Determined, WA

Containing Approximately 97,138 square feet (2.25 acres)

(DEED CONTINUED ON PAGE 19...)

SUBJECT TO all rights, conditions, covenants, obligations, limitations and reservations of record, including but not limited to the following permitted exceptions:

1. Lien of the Real Estate Excise Sales Tax and Surcharge upon any sale of said premises, if unpaid. As of the date herein, the excise tax rate for the City of Seatac is at 1.78%.
Levy/Area Code: 2251

2. General Taxes for the year 2012. The first half becomes delinquent after April 30th. The second half becomes delinquent after October 31st.

Tax Account No.: 102204-9026-09

1st Half

Amount Billed: \$ 12.39

Amount Paid: \$ 0.00

Amount Due: \$ 12.39

Assessed Land Value: \$ 0.00

Assessed Improvement Value: \$ 0.00

2nd Half

Amount Billed: \$ 0.00

Amount Paid: \$ 0.00

Amount Due: \$ 0.00

Assessed Land Value: \$ 0.00

Assessed Improvement Value: \$ 0.00

3. The taxes for the current year reflect an exemption for. Any curtailment of the exemption may result in an additional amount being due for the current year and for any re-assessment of land and improvement values.

4. Taxes which may be assessed and extended on any subsequent roll for the tax year 2012, with respect to new improvements and the first occupancy which may be included on the regular assessment roll and which are an accruing lien not yet due or payable.

5. Agreement and the terms and conditions thereof:

Between: David Kelsey and Mary Kelsey

And: Cecil H. Upper, A. Washburn, Charles Lybeck, Wm. H. Parro and
J.D. Rose

Recording Information: 880000

A. Potential charges, for the King County Sewage Treatment Capacity Charge, as authorized under RCW 35.58 and King County Code 28.84.050. Said charges could apply for any property that connected to the King County Sewer Service area on or after February 1, 1990. Note: Properties located in Snohomish County may be subject to the King County Sewage Treatment Capacity Charges.

EXHIBIT C

PROMISSORY NOTE

\$1,000.00

Dated: _____, 2012

Seattle, Washington

FOR VALUE RECEIVED, the undersigned, **MARIA C. OCHOA HIGUERA** ("Maker"), hereby promise to pay to the order of FIRST AMERICAN TITLE INSURANCE COMPANY ("Holder"), 818 Stewart Street, Suite 800, Seattle Washington 98101, the principal sum of ONE THOUSAND AND NO/100THS DOLLARS (\$1,000.00), payable in accordance with that certain Real Estate Purchase and Sale Agreement dated MAY 8, 2012, 2012 with King County as Seller (the "Agreement").

Maker promises to pay all costs, expenses and attorneys' fees incurred by Holder in the exercise of any remedy (with or without litigation) under this Note in any proceeding for the collection of the debt evidenced by this Note, or in any litigation or controversy arising from or connected with this Note.

This Note shall be construed according to the laws of the State of Washington and pursuant to the terms and conditions of this Agreement.

Time is of the essence of this Note and each an every term and provision hereof.

MAKER:

By: Maria C. Ochoa Higuera

MARIA C. OCHOA HIGUERA

EXHIBIT D

**Certificate of Non-Foreign Status.
Assessor's Parcel Number 102204-9026**

to the Real Estate Purchase and Sale Agreement
Dated MAY 8, 2012, (the Agreement),
between King County as Seller and Maria C. Ochoa Higuera, As Buyer

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

1. Transferor is not a foreign corporation, foreign partnership, foreign trust, or foreign estate (as those terms are defined in the Internal Revenue Code and Income Tax Regulations); and
2. Transferor's United States employer identification number is 91-6001327; and
3. Transferor's office address is King County Facilities Management Division, Real Estate Services Section, Room 830 King County Administration Building, 500 Fourth Avenue, Seattle, WA 98104
4. 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 _____, 2012.

TRANSFEROR: KING COUNTY

By: _____
STEPHEN L. SALYER

Title: MANAGER REAL ESTATE SERVICES SECTION

EXHIBIT E

KING COUNTY ON-SITE SEWAGE SYSTEM DISCLOSURE FORM

PARCEL 102204-9026

SEE PAGE 24 OF THIS AGREEMENT

EXHIBIT E

KING COUNTY ON-SITE SEWAGE SYSTEM DISCLOSURE FORM

King County Code 8.60.020 requires the following disclosure or alternative waiver form to be completed prior to entry into a binding agreement to purchase. Three copies of each disclosure or alternative waiver must be prepared. One copy shall be retained by the prospective Seller; one copy shall be retained by the prospective Buyer. If the prospective Buyer enters into a binding agreement to purchase, the Seller shall file the third copy with the King County Department of Records and Elections when other documents are recorded. A violation by any Seller or Seller's agent of any provision of Ordinance No. 1490 may result in assessment of a civil penalty.

NOTICE TO BUYER

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

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

SELLER'S REPRESENTATIONS

ON-SITE SEWAGE SYSTEM EVALUATION. Seller must complete either Statement A or Statement B as appropriate.

A. My agent _____ (Name of Agent), a registered civil or sanitary engineer or certificated sewage disposal system designer, has conducted an evaluation on this parcel: (Legal Description)

The evaluation was conducted on _____ (Date). From the evaluation, my agent concluded that an on-site system could could not be installed on this parcel in conformance with standards set by King County and in effect at the date of the evaluation.

I represent that the statements above are true.

Seller's Signature

Date

B. No on-site sewage system evaluations have been conducted on this parcel: (Legal Description)

PTN SEC 10 TWP 22N RGE 4E SE 1/4 NW 1/4, KING COUNTY

I have no knowledge material to a determination whether an on-site sewage system may be installed on this parcel, except as follows: (To be completed by seller).

I represent that the statements above are true.

Steph Papp
Seller's Signature

MAY 8, 2012
Date

BUYER'S SIGNATURE

I have read this statement and understand its contents.

Marina C. Ochoa Higuera
Prospective Buyer's Signature

APRIL 26, 2012
Date

WAIVER (IN THE ALTERNATIVE)

I have read this disclosure form and understand its contents. I waive Seller's disclosure:

Unconditionally

OR

Upon the condition this sale will not be closed unless this parcel is subjected to an on-site sewage system evaluation that meets the requirements of the King County Department of Public Health.

Marina C. Ochoa Higuera
Prospective Buyer's Signature

Date

August 30, 2012

The Honorable Larry Gossett
Chair, King County Council
Room 1200
C O U R T H O U S E

Dear Councilmember Gossett:

Attached is an ordinance providing for King County Council approval to sell four residential properties that have been declared surplus by the Road Services Division (Roads). Sale of properties valued over \$10,000 requires King County Council approval, and each of these four properties meet that criterion. The proposed sales are each at or above appraised fair market value with aggregate gross sale prices totaling \$464,950. This package of property sales is consistent with the plan set forth in the 2012 Proviso Response: Real Estate Services Support for the Road Services Division – 2012-RPT0077. Packaging multiple, similar Roads property sales into one legislative package significantly streamlines the sales process and expedites revenue generation to the Road Fund to help bridge the near-term gap between service needs and available resources.

The Facilities Management Division (FMD) has circulated surplus notices to King County agencies, pursuant to K.C.C. 4.56.070, and none has expressed interest in the subject properties. FMD has determined that these properties are not suitable for affordable housing and has declared the properties to be surplus.

The table below summarizes the four property sales. Please see the attached document entitled Property Summaries for additional information regarding each property and each property's appraisal.

<u>Buyer/Address</u>	<u>Sale Price</u>	<u>Terms</u>	<u>Required Action</u>	<u>Improvements</u>
A) <u>Edward & Roxana Morgan</u> 13326 -230 th Ave SE Issaquah Area	\$230,000	All Cash	Dec 19, 2012	House - 1,980 sf Lot - 44,431 sf
B) <u>Michael & Anne Nguyen</u> 19851 -140 th Ave SE Renton Area	\$110,000	All Cash	Dec 31, 2012	House - 1,020 sf Lot - 12,289 sf
C) <u>Chi L. Nguyen</u> SE 179 th Place @ 140 th Ave SE Renton Area	\$99,950	All Cash	Dec 31, 2012	Lot - 30,686 sf
D) <u>Maria C. Higuera</u> Kelsey Pit Lot, 21400 Block of 37 th Place South SeaTac	\$25,000	All Cash	Jan 31, 2013	Lot - 97,138 sf

King County received multiple offers on each of these properties.

Each property on the list was appraised and all property sales have been negotiated at or above the fair market value. The properties were marketed by listing them for sale through the Northwest Multiple Listing Service in conformance with K.C.C. 4.56.100 (A)(4). Additionally, advertising flyers were posted on the King County Real Estate Services property sale website; brokers are referred to this link in the Northwest Multiple Listing Service. FMD staff also employed an inexpensive and novel way of increasing the marketing of these properties by using Twitter. King County has over 10,770 “Twitter followers.” The “tweeting” to these followers seemed to increase property sale website traffic. Web statistics show 10,349 viewers visited the Real Estate Services (RES) property sale webpage in the time period the properties were available.

Sale of these properties furthers the goals of the King County Strategic Plan by exercising good financial stewardship in returning the properties to the tax rolls, relieving the County of ongoing maintenance expense, and strengthening the Road Fund reserve.

The purchase and sale agreements for each sale have been reviewed and approved by the Prosecuting Attorney’s Office, and are included as attachments to the proposed ordinance.

The Honorable Larry Gossett

August 30, 2012

Page 3

Thank you for your consideration of this ordinance. Should you have any questions, please contact Kathy Brown, Director, Facilities Management Division, at 206-296-0630.

Sincerely,

Dow Constantine

King County Executive

Enclosures

cc: King County Councilmembers

ATTN: Michael Woywod, Chief of Staff

Anne Noris, Clerk of the Council

Carrie S. Cihak, Chief Advisor, Policy and Strategic Initiatives, King County
Executive Office

Dwight Dively, Director, Office of Performance, Strategy and Budget

Caroline Whalen, County Administrative Officer, Department of Executive
Services (DES)

Kathy Brown, Director, Facilities Management Division (FMD), DES

Steve Salyer, Manager, Real Estate Services Section, FMD.

Harold Taniguchi, Director, Department of Transportation (DOT)

Brenda Bauer, Director, Road Services Division, DOT

[Blank Page]

ATTACHMENT A TO TRANSMITTAL LETTER
PROPERTY SUMMARIES

[Blank Page]

A) PROPERTY SUMMARY

13326 -230th Avenue SE, Issaquah area

Sale Price: \$230,000

Size: House – 1,980 sf.
Lot – 44,431 sf.

Assessor’s Parcel: 509040-0020

Zoning: RA-5

Council District: Nine (Dunn)

Funding Source: Road Fund; CIP # 1116640

Declared Surplus: February 2, 2011



Property Synopsis: This improved residential property is located east of Issaquah-Hobart Road in the Issaquah Area. Roads purchased it in 2006 for use in the reconstruction of Bandaret Bridge which crosses Issaquah Creek on May Valley Road. The property is zoned RA-5 and contains a single-family home in fair condition. After completion of the bridge project, Roads determined that the remaining residential lot is not needed for future road purposes subject to reserving a 19,315 square foot conservation easement. This conservation easement provides environmental mitigation for the bridge project by ensuring unobstructed fish passage on Issaquah Creek and restricting access to the creek near the north side of the bridge.

Surplus Process: Pursuant to King County Code 4.56.070, FMD circulated a surplus property notice to King County agencies. None expressed interest, and the property was determined to be not suitable for affordable housing.

Marketing and Sale: Pursuant to King County Code 4.56.100, FMD listed the property for sale with the Northwest Multiple Listing Service, advertised it on the King County Real Estate Services website, and posted two for-sale signs on this corner lot. The property was marketed as a “fixer-upper” listed at the appraised value of \$210,000. Three bids were received. The highest and best offer was made by Edward and Roxana Morgan for \$230,000 (\$20,000 over appraisal) all cash with no buyer contingencies. The Purchase and Sale Agreement requires Council approval by December 19, 2012.

Appraisal Summary: The property was originally appraised for \$240,000 effective February 17, 2011. FMD re-appraised the property effective March 5, 2012 for \$210,000. Compared to comparable sales, the subject was found to be toward the lower end of the market range with the most emphasis on Comparable Sales 1 and 2.

Sale Comparables: 13326 -230th Avenue SE, Issaquah area

	Subject	Comp 1	Comp 2	Comp 3	Comp 4
LOCATION:	13326 230th Ave SE	13116 231st Ave SE	23220 SE May Valley Rd.	195 NW Cherry Pl.	24044 SE 111th St.
TAX ACCT. NO.:	509040-0020	152306-9073	509030-0005	50974-0045	032306-9140
2012 ASSESSMENT:	\$336,000	\$324,000	\$293,000	\$302,000	\$353,000
DAYS ON MARKET:	N/A	12	173	187	194
MLS #:		151422	255404	204950	185288
GRANTOR:	King County	FHLMC	Hall	Foss	ING Bank
GRANTEE:	N/A	Vezina	Robinson	Hauser	Glabek/Iwona
SALE PRICE:	N/A	\$248,575	\$220,000	\$247,000	\$150,000
SALE DATE:	N/A	12/30/2010 (-5%)	9/8/2011	12/20/2011	9/21/2011
INSTRUMENT:	N/A	Bargain & Sale	Deed of Pers Rep.	SWD	Special WD
TERMS:	N/A	Agency-owned	Cash to seller	Cash to seller	Bank owned
LOCATION:	Rural	Rural	Rural	In town	Rural - dirt drive
PRIOR SALE:	7/06, \$625,000	9/05, \$458,000	None	3/06, \$377,000	6/08, \$480,000
LAND SIZE:	44,431 SF	76,665 SF	34,848 SF	10,050 SF	81,892
LAND FEATURES:	Stream, Cons Esmt, traffic, Mtn view	Stream, some slope, no view	Traffic, trees, near stream, no view	Cul-de-sac, stream, flood zone, no view	Sloped, creek, no view, private
UTILITIES:	Well and septic	Well and septic	Well and septic	Public	Well and septic
PROXIMITY:	N/A	0.2 mile NE	0.2 mile NE	3.5 miles north	1.6 miles NE
DESIGN:	Rambler	Rambler	Rambler	Rambler	Rambler
QUALITY:	Average	Average	Low-Average	Average	Average
YEAR BUILT:	1961	1959	1954	1952	1963
CONDITION:	Poor/Fair (C6)	Avg/Good (C3)	Avg/Good (C3)	Avg/Good (C3)	Fair/Upgrades (C5)
BEDROOMS/BATHS:	3 / 2	3 / 2	3 / 1	3 / 1.75	3 / 1.75
ABOVE GRADE SQ FT:	1,980	1,700	1,650	1,630	2,180
BASEMENT:	None	None	None	None	None
PARKING:	2 car attached	2 car attached	2 car detached	2 det. Carport	Shed
Net Adjustment:		-\$40,425	-\$11,750	-\$27,250	\$10,000
Adjusted Price Indication:		\$208,150	\$208,250	\$219,750	\$160,000

Low Comparable Sale = \$160,000

High Comparable Sale = \$219,750

VICINITY VIEW



PARCEL VIEW



[Blank Page]

B) PROPERTY SUMMARY

Address: 19851 -140th Avenue SE,
Renton Area

Sale Price: \$110,000

Size: House – 1,020 sf.
Lot – 12,289 sf.

Assessor’s Parcel: 815500-0040

Zoning: R-6

Council District: Nine (Dunn)

Funding Source: Roads Fund; CIP #1116637

Declared Surplus: January 11, 2010



Property Synopsis: The subject parcel is located on the west side of 140th Avenue SE at the corner of SE 200th Street in the Renton area. Roads purchased the parcel in 1997 for Phase II of the 140th Avenue SE/132nd Avenue SE road improvement project. Following a subsequent redesign of that project, the property was not needed for road purposes. The existing house and built-in garage were constructed in 1967. The parcel is zoned R-6 but its small size provides limited development potential. The house retains sufficient value to justify sale as a single-family residence although the property needs many upgrades. The property provided rental income from 1998 through 2011. Roads has determined that the parcel is no longer needed for County roadway projects and is therefore surplus to its need.

Surplus Process: Pursuant to King County Code 4.56.070, FMD circulated a surplus property notice to King County agencies. None expressed interest, and the property was determined to be not suitable for affordable housing.

Marketing and Sale: Pursuant to King County Code 4.56.100, FMD listed the property for sale with the Northwest Multiple Listing Service, advertised it on the King County Real Estate Services website, and posted a for-sale sign at the site. The property was marketed as a “fixer-upper” and three offers were received. The highest and best offer was made by Michael and Anne Nguyen for \$115,000 all cash. The price was subsequently adjusted to \$110,000 based on several problems identified during the buyer’s due diligence inspection. The Purchase and Sale Agreement requires Council approval by December 31, 2012.

Appraisal Summary: FMD completed an appraisal dated March 2, 2011 which estimated fair market value at \$135,000, based on comparable residential sales at that time.

FMD subsequently updated the appraisal effective May 4, 2012, concluding a value of \$110,000 based on recent sales, with most emphasis on Comparable Sales 2, 3 and 4.

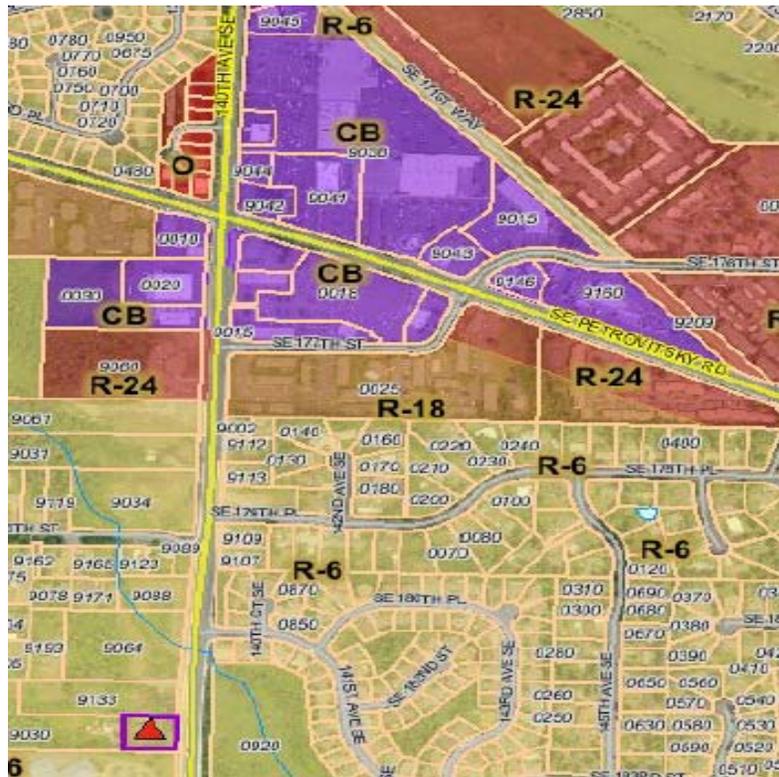
Sales Comparables: 19851 -140th Avenue SE, Renton Area

	Subject	Comp1	Comp2	Comp3	Comp4
LOCATION	19851 140th Av SE	23019 116th Av SE	22806 119th Av SE	22013 103rd Pl SE	20411 131st Pl SE
TAX ACCT. NO:	815500-0040	221221-0040	512695-0450	880240-0422	287300-0750
SALE DATE		2/10/2012	3/5/2012	2/10/2012	11/14/2011
SALE PRICE		\$100,000	\$119,000	\$109,500	\$120,000
Price/AV:		60.2%	66.5%	67.6%	71.9%
TERMS:		Bank owned/Cash	Bank owned/Cash	Bank owned/Cash	H/L Downed
LAND SIZE	12,289 SF	7,200 SF	8,400	8,498 SF	7,210 SF
LAND FEATURES:	Moderate traffic	Moderate traffic	Low traffic	Low traffic	Low traffic
UTILITIES:	Septic	Sewer	Sewer	Septic	Sewer
PROXIMITY:		2.2 miles SW	2.1 miles SW	2.4 miles SW	0.6 mile SW
DESIGN:	1 sty/Bsmt	Rambler	Split entry	Rambler	Rambler
QUALITY:	Low Average	Equal	Equal	Equal	Equal
AGE/CONDITION:	45/Fair to poor	36/ Fair "Fixer"	32/Low Average	53/Average	43/Average
ED/BA	3/1	3/1	4/ 1.5	3/ 1	3/ 1
ABOVE GRADESQFT	1,020	1,010	920	1,050	864
BASEMENT:	520 SF Storage	Nbre	480 SF Living Area	Nbre	Nbre
PARKING	2 Bl gar & 2 Qpt	2 car attached	1 Gar, 380 SF	Nbre	1 att gar, 340 SF
Net Adjustment:		\$3,600		-\$10,500	
Adjusted Price Indication:		\$103,600	\$108,500	\$107,000	\$114,440

Low Comparable Sale = \$103,600

High Comparable Sale = \$114,440

VICINITY VIEW



PARCEL VIEW



[Blank Page]

C) PROPERTY SUMMARY

Address: NE corner of SE 179th Place
and 140th Avenue SE,
Renton Area

Sale Price: \$99,950

Size: Vacant Lot – 30,686 sf
.70 Acre

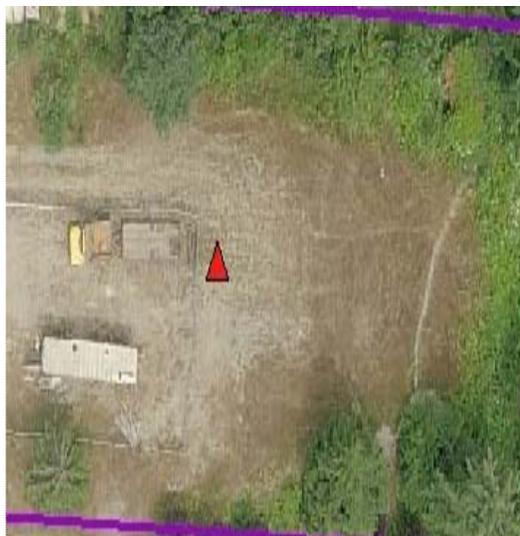
Assessor's Parcel: 342305-9106

Zoning: R-6

Council District: Nine (Dunn)

Funding Source: Roads CIP Fund # 1116637

Declared Surplus: February 20, 2012



Property Synopsis: This vacant, level parcel is located at the northeast corner of SE 179th Place and 140th Avenue SE in the Renton area. Roads purchased the parcel and removed the existing improvements in 1996 for the 140th road-widening project south of Petrovitsky Road. The lot is zoned R-6 in a neighborhood predominated by single family dwellings. Although this lot has adequate size, shape, and topography for development of multiple units, the high cost of extending sewer service (455 feet to the south) makes single family use most likely. (Analysis below.) Water and electricity are available. Roads has determined that the parcel is no longer needed for County roadway projects and is therefore surplus to its needs.

Surplus Process: Pursuant to King County Code 4.56.070, FMD circulated a surplus property notice to King County agencies. None expressed interest, and the property was determined to be not suitable for affordable housing due to the sluggish market and the very high cost of bringing sewer to the site.

Marketing and Sale: Pursuant to King County Code 4.56.100, FMD listed the property for sale with the Northwest Multiple Listing Service, advertised it on the King County Real Estate Services website, and posted a for-sale sign at the site. Two offers were received with the highest and best offer made by Chi L. Nguyen for the list price of \$99,950 all-cash with no buyer contingencies. The Purchase and Sale Agreement requires Council approval by December 31, 2012.

Appraisal Summary: FMD completed an appraisal dated December 14, 2011 which compared value as both a single-family home and for multi-family development, as summarized below. The appraiser concluded value at \$95,000 based on highest and best use as a single-family lot. (Note that the sale price is \$4,590 over the appraisal.)

Value as Single Family Residence (\$95,000) - The appraiser's \$95,000 estimate of value was based on comparable lot sales (listed below) which sold for single-family development with septic systems.

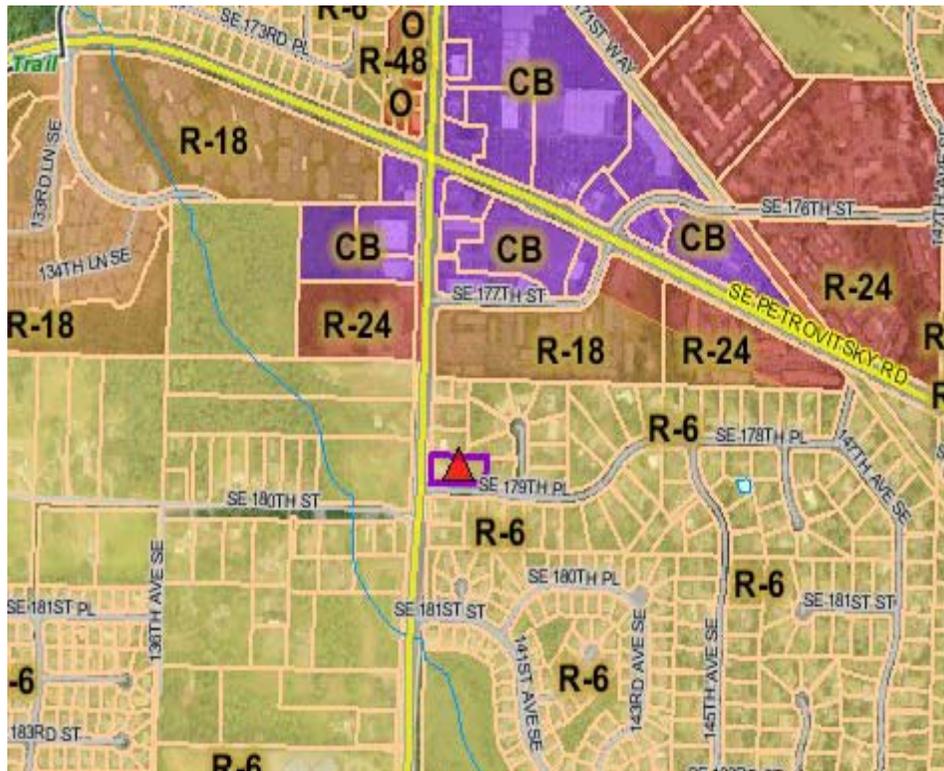
Land Sales Summary					
Sale #	Location APN	Land SF	Price	Price/SF	Description
		#Sites	Date of Sale	Price/Site	
1	20041 104th Pl. SE, Kent 155700-0010	9,418 1	\$80,000 2/18/2011	\$8.49 \$80,000	Level, rectangular home site in plat of mostly 50-year old houses with all utilities in street.
2	14429 SE 260th St., Kent 547010-0320	9,600 1	\$70,000 10/18/2010	\$7.29 \$70,000	Level, rectangular home site in plat of mostly 40-year old houses with all utilities in street. Buyer is building a rambler with 2,720 SF.
3	19025 133rd Ave. SE, Renton 342305-9136, -9013	57,689 2	\$150,000 8/31/2010	\$2.60 \$75,000	Potential for up to 7 houses but configuration is not good. Sewer available. Buyer reconfigured and is marketing two lots.
4	21023 142nd Ave. SE, Kent 344490-0060	40,600 1	\$175,000 7/2/2010	\$4.31 \$175,000	Good home site outside UGA in plat of acre-sized lots. Will need septic and retaining walls. Low territorial view to NW. Buyer building a house.
5	21725 102nd Pl. SE, Kent 082205-9164	38,700 1	\$77,700 4/22/2010	\$2.01 \$77,700	Home site off private drive with about half in steep slopes. Sewer about 300 feet distant. Has existing storage shed.

Value as Multi-Family Subdivision (\$67,000) - The existing R-6 zoning potentially allows subdivision development of up to four lots on sewer. The appraiser concluded that similar small finished home sites served by sewer would sell for approximately \$75,000 based on comparable sales. Following is a summary of the appraiser's development analysis deducting development costs, including \$200 per lineal foot for sewer extension, from the potential gross value of finished lots. The resultant residual land value is \$67,550.

Note that an experienced developer submitted an earlier offer for \$115,000 but subsequently terminated the agreement due to potential sewer connection costs up to \$200 per lineal foot (estimate from Soos Creek Water & Sewer District).

<u>Value After Short Plat</u>		
\$/home site	No. of Sites	Total
\$75,000	4	\$300,000
<u>Cost and Incentive Adjustments</u>		
DDES, Consulting & Misc. Costs:		\$20,000
Street Improvements, 258 ft @ \$25/LF:		\$6,450
Sewer Extension, 713 feet, rounded:		\$156,000
20% Return on Investment & Profit:		\$50,000
Total Costs + Profit (Deduction):		\$232,450
Residual Land, Indicated As-Is Value:		\$67,550

VICINITY VIEW



PARCEL VIEW



[Blank Page]

D) PROPERTY SUMMARY

Address: Kelsey Pit Lot
21400 Blk of 37th Place South,
City of SeaTac

Sale Price: \$25,000

Size: Vacant Lot – 97,138 sf.
(2.22 acres)

Assessor’s Parcel: 102204-9026

Zoning: UL-15000

Council District: Five (Patterson)

Funding Source: Roads Operating Fund
#1114348



Declared Surplus: September 1, 2009

Property Synopsis: This hillside vacant lot is located on the west side of the 21400 block of 37th Place South in south SeaTac. Located on the sloping eastern edge of the Highline Ridge, its primary access is from Military Road on South 216th Street. Kelsey Pit was purchased for gravel mining in 1909 but was never utilized. Although the lot is zoned UL-15000 which potentially allows multiple unit development, SeaTac indicates that as a reasonable use exception to the city’s Environmentally Sensitive Areas chapter, it would only permit development of one single-family home due to the lot’s nearly total classification as a steep slope hazard area. The entire 750-foot frontage along 37th Place must be supported by a retaining wall and there is limited area to develop access. Roads has determined that the parcel is no longer needed for County roadway projects and is therefore surplus to its need.

Surplus Process: Pursuant to King County Code 4.56.070, Facilities Management Division (FMD) circulated a surplus property notice to King County agencies. None expressed interest, and the property was determined to be not suitable for affordable housing.

Marketing and Sale: Pursuant to King County Code 4.56.100, FMD listed the property for sale with the Northwest Multiple Listing Service, advertised it on the King County Real Estate Services website, and posted a for-sale sign at the site. Two bids were received and the highest and best offer was made by Maria Higuera for \$25,000 (\$3,000 over appraisal) all-cash with no buyer contingencies. The Purchase and Sale Agreement requires Council approval by January 31, 2013.

Appraisal Summary: FMD completed an appraisal dated February 21, 2012 which estimated fair market value at \$22,000 based on highest and best use as a single-family lot.

To review the development potential for the subject property, the appraiser consulted with a senior planner at the City of SeaTac. The City reports that only one house would be permitted under the reasonable use exception to the Environmentally Sensitive Areas rules against development on steep slopes. Sewer service is available, and the city says that it may grant an administrative exception to its requirement that the line be extended along the entire 750 feet of the property's frontage to provide service to the adjacent property at a cost of \$200 per linear foot. Without such administrative exception, the financial feasibility of development of even a single family home site is limited. The appraiser concluded, however, that the highest and best use of the property would be development of a single family residence near the southeast corner of the property assuming reasonable cost to connect to the existing sewer system. The valuation placed most emphasis on Comparable Sales 1, 2 and 4.

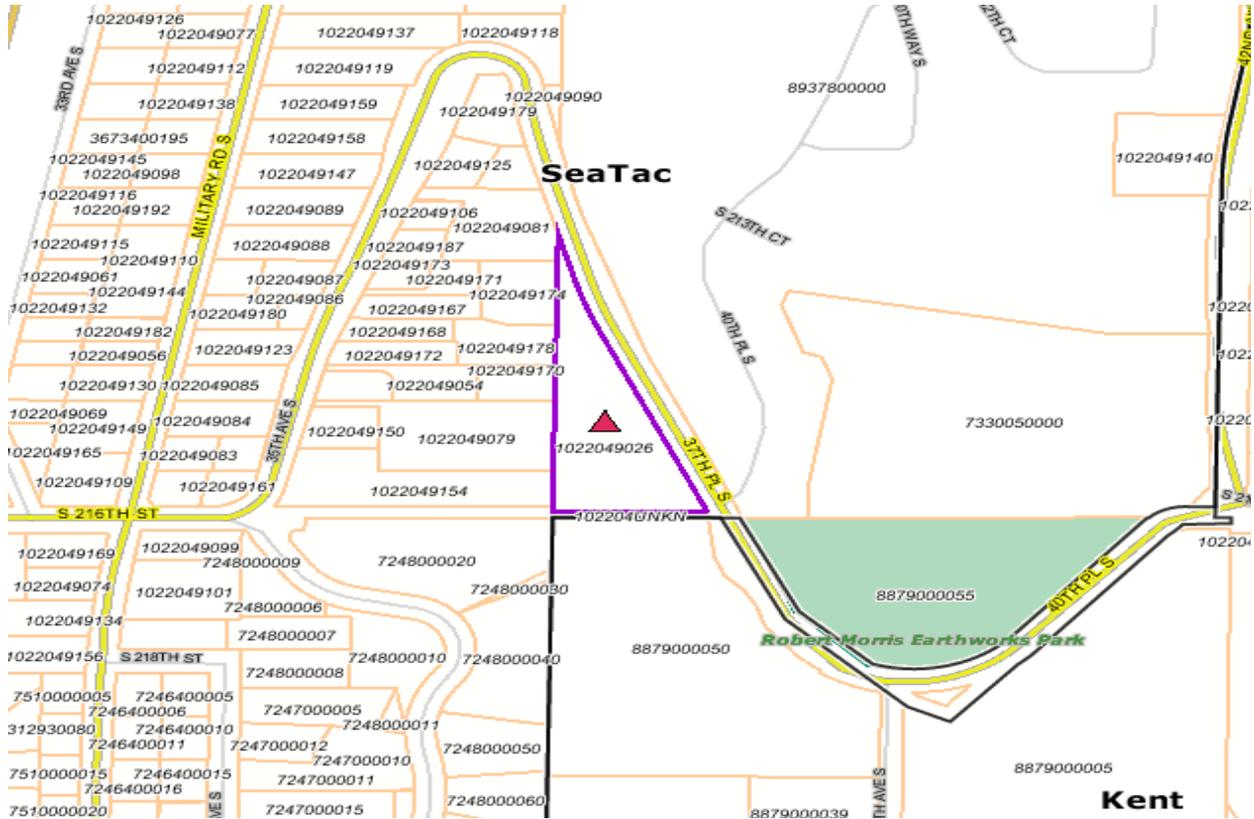
Summary of Land Sales

No.	Address	Grantor Grantee	Date	Price	Land Sq Ft Home Sites	Zoning	Price/ SF Price/Site
1	12810 34th Ave. S. Tukwila	Bank of NY Berkoh	09/28/11	\$15,000	18,468 1	LDR	\$0.81 \$15,000
2	14239 Macadam Rd., S. Tukwila	Olandres Munsod	09/26/11	\$21,000	32,878 1	LDR	\$0.64 \$21,000
3	20xx S 222nd St. Des Moines	JPMorgan Heibe	04/14/11	\$50,500	55,321 1	UL 15000	\$0.91 \$50,500
4	36xx Stevens Ave. NW Renton	Deutsch B Lanz	11/09/10	\$55,000	44,370 2	R-8	\$1.24 \$27,500
Listing 1	204xx Orillia Rd. SeaTac	New Testa N/A	06/08/11 List Date	\$209,000	336,283 4	UL 15000	\$0.62 \$52,250

VICINITY VIEW



PARCEL VIEW



[Blank Page]

FISCAL NOTE A

Ordinance/Motion No. 00-	
Title: Sale of Surplus Property - 13326 -230th Avenue SE, Issaquah Parcel 509040-0020	
Affected Agency and/or Agencies:	Road Services Division - CIP and FMD - Real Estate Services
Note Prepared By:	Anne Lockmiller - Real Estate Services
Note Reviewed By:	Caroline Mock - Real Estate Services & Florencia Donato - Roads Services Division & Sid Bender (PSB)

Impact of the above legislation on the fiscal affairs of King County is estimated to be:

ESTIMATED GROSS SALE	\$230,000
-----------------------------	------------------

Revenue to:

Fund/Agency	Fund Code	Revenue Source	Current Year	1st Year	2nd Year	3rd Year
Road Fund (Roads CIP)	3860	Project 1116640 Org # C86002 Award # 110318 Account # 39512 Task 999	216,200	0	0	0
RES (Selling Broker fee payment and Admin costs)	0010	Sale of Parcel 509040-0020	13,800	0	0	0
TOTAL			230,000	0	0	0

Revenues from sale proceeds will be transferred to Roads CIP fund 3860 via interfund transfer

Expenditures from:

Fund/Agency	Fund	Department	Current Year	1st Year	2nd Year	3rd Year
Road Fund (Roads CIP)	3860	737	13,800			
				0	0	0
TOTAL			13,800	0	0	0

Expenditures by Categories Detail of Reimbursable Costs to be deducted from sale proceeds

	Current Year	1st Year	2nd Year	3rd Year
Sale Fees				
Selling Broker - Keller Williams Realty - 3% of sale price (commission)	6,900	0	0	0
Real Estate Services Section - 3% Sales Administration (Appraisals, Sales listing, marketing, sale contract, closing, legislation, property management)	6,900			
TOTAL	13,800	0	0	0

[Blank Page]

FISCAL NOTE B

Ordinance/Motion No. 00-	
Title: Sale of Surplus Property - 19851 -140th Avenue SE, Renton Area Parcel 815500-0040	
Affected Agency and/or Agencies: Road Services Division - CIP and FMD - Real Estate Services	
Note Prepared By:	Anne Lockmiller - Real Estate Services
Note Reviewed By:	Caroline Mock - Real Estate Services & Florencia Donato - Roads Services Division & Sid Bender (PSB)

Impact of the above legislation on the fiscal affairs of King County is estimated to be:

ESTIMATED GROSS SALES:	110,000
-------------------------------	----------------

Revenue to:

Fund/Agency	Fund Code	Revenue Source	Current Year	1st Year	2nd Year	3rd Year
RES	0010	Sale of Parcel 815500-0040	6,600	0	0	0
Road Fund (Roads CIP)	3860	Project 1116637 Org # C86002 Award # 110318 Account # 39512 Task 999	103,400	0	0	0
TOTAL			110,000		0	0

Revenues from sale proceeds will be transferred to Roads CIP fund 3860 via interfund transfer

Expenditures from:

Fund/Agency	Fund	Department	Current Year	1st Year	2nd Year	3rd Year
Road Fund (Roads CIP)	3860	737	6,600			
				0	0	0
TOTAL			6,600	0	0	0

Expenditures by Categories Detail of Reimbursable Costs to be deducted from sale proceeds

	Current Year	1st Year	2nd Year	3rd Year
Sale Fees				
<u>Selling Broker Commission - Dove Realty - 3% of sale price</u>	3,300	0	0	0
<u>Real Estate Services Section - 3% Sales Administration</u> (Appraisal, Property Management, Sale Listing, Marketing, Sale Contract, Closing, Legislation)	3,300	0	0	0
TOTAL	6,600	0	0	0

[Blank Page]

FISCAL NOTE C

Ordinance/Motion No. 00-
Title: Sale of Surplus Property - 179th Place Lot, Renton Area - vacant land Parcel 342305-9106
Affected Agency and/or Agencies: Road Services Division - CIP and FMD - Real Estate Services
Note Prepared By: Anne Lockmiller - Real Estate Services
Note Reviewed By: Caroline Mock - Real Estate Services & Florencia Donato - Roads Services Division & Sid Bender (PSB)

Impact of the above legislation on the fiscal affairs of King County is estimated to be:

GROSS SALE PRICE:	\$99,950
--------------------------	-----------------

Revenue to:

Fund/Agency	Fund Code	Revenue Source	Current Year	1st Year	2nd Year	3rd Year
RES	0010	Sale of Parcel 342305-9106	5,998	0	0	0
Road Fund (Roads CIP)	3860	Project 1116640 Org # C86002 Award # 110318 Account # 39512 Task 999	93,952	0	0	0
TOTAL			99,950		0	0

Revenues from sale proceeds will be transferred to Roads CIP fund 3860 via interfund transfer

Expenditures from:

Fund/Agency	Fund	Department	Current Year	1st Year	2nd Year	3rd Year
Road Fund (Roads CIP)	3860	737	5,998			
				0	0	0
TOTAL			5,998	0	0	0

Expenditures by Categories Detail of Reimbursable Costs to be deducted from sale proceeds

	Current Year	1st Year	2nd Year	3rd Year
Sale Fees				
Selling Broker - Keller Williams Realty - 3% of sale price (commission)	2,999	0	0	0
Real Estate Services Section - 3% Sales Administration (Appraisal, Property Management, Sale Listing, Marketing, Sale Contract, Closing, Legislation)	2,999			
		0	0	0
TOTAL	5,998	0	0	0

[Blank Page]

FISCAL NOTE D

Ordinance/Motion No. 00-	
Title: Sale of Surplus Property - Kelsey Pit Lot, SeaTac	
Parcel 102204-9026	
Affected Agency and/or Agencies:	Road Services Division - CIP and FMD - Real Estate Services
Note Prepared By:	Anne Lockmiller - Real Estate Services
Note Reviewed By:	Caroline Mock - Real Estate Services & Sid Bender (PSB)

Impact of the above legislation on the fiscal affairs of King County is estimated to be:

Revenue to:

Fund/Agency	Fund Code	Revenue Source	Current Year	1st Year	2nd Year	3rd Year
RES	0010	Sale of Parcel 102204-9026	1,500	0	0	0
Road Fund (Operating)	1030	Project 1114348 Acct 39512	23,500	0	0	0
TOTAL			25,000	0	0	0

Revenues from sale proceeds will be transferred to Roads Operating fund 1030 via interfund transfer

Expenditures from:

Fund/Agency	Fund	Department	Current Year	1st Year	2nd Year	3rd Year
Road Fund (Operating)	1030	730002	1,500	0	0	0
TOTAL			13,459	0	0	0

Expenditures by Categories Detail of Reimbursable Costs to be deducted from sale proceeds

	Current Year	1st Year	2nd Year	3rd Year
Sale Fees				
Selling Broker - SeaReal Team by Keller Williams Realty - 3% of sale p	750	0	0	0
Real Estate Services Section: 3% Sales Administration (Appraisal, Property Management, Sale Listing, Marketing, Sale Contract, Closing, Legislation)	750	0	0	0
TOTAL	1,500	0	0	0