ATTACHMENT A:

PURCHASE AND SALE AGREEMENT

REAL ESTATE PURCHASE AND SALE AGREEMENT

THIS REAL ESTATE PURCHASE AND SALE AGREEMENT ("Agreement") is made and entered into by and between KING COUNTY, a political subdivision of the State of Washington (the "Seller") and Harold R. Dunn and Sheila Dunn, a married couple (the "Buyer"). Seller and Buyer are also referred to herein individually as a "Party" or collectively as "Parties." This Agreement shall be effective as of the date it has been executed by both Parties ("Effective Date").

RECITALS

- A. Seller is the owner of that certain real property located at 162XX Block of First Avenue S. King County, State of Washington, the legal description of which is attached hereto as EXHIBIT A (the "Real Property").
- B. The Real Property was the subject of a foreclosure order of the King County Superior Court and the Seller acquired the Real Property in trust for the taxing districts by deed under Recording Number **20130213001255** by virtue of RCW 84.64.200 in tax title status as the result of no qualifying bids being received at a tax foreclosure sale.
- C. Seller holds tax title properties in trust for the taxing districts as provided in RCW 36.35.020.
 - D. Seller is conveying the Real Property to Buyer as provided for in RCW ch. 36.35;

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. Seller shall sell and convey to Buyer on the Closing Date (as hereinafter defined) and Buyer shall buy and accept from Seller on the Closing Date the following assets and properties:
- **1.1.1.** all of Seller's right, title and interest in the Real Property as legally described in **EXHIBIT A**;
- **1.1.2.** all of Seller's right, title and interest in improvements and structures located on the Real Property, if any;
 - 1.1.3. all of Seller's right, title and interest in and to tangible personal property, if

any, owned by Seller and attached, appurtenant to or used in connection with the Real Property ("Personal Property");

1.1.4. all of Seller's easements and other rights that are appurtenant to the Real Property including but not limited to, Seller's right, title, and interest in and to streets, alleys or other public ways adjacent to the Real Property, sewers and service drainage easements, rights of connection to the sewers, rights of ingress and egress, and leases, licenses, government approvals and permits affecting the Real Property.

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

ARTICLE 2. PURCHASE PRICE AND CLOSING

- **2.1.** PURCHASE PRICE AND PAYMENT. In consideration of the conveyance of the Property, Buyer shall, in full payment therefore, pay to Seller on the Closing Date a total purchase price of **Fifteen Thousand Dollars and 00/100** (\$15,000) (the "Purchase Price"). Buyer submitted the full amount of the Purchase Price ("Offer Deposit") with Buyer's Offer to Purchase Tax Title Property. The Offer Deposit will be applied as a credit against the Purchase Price at Closing that will result in full payment of the Purchase Price.
- **2.2. ALLOCATION OF PURCHASE PRICE.** Seller and Buyer agree that the entire Purchase Price is allocable to the Real Property and that the value of the Personal Property, if any, is *de minimis*.

ARTICLE 3. REPRESENTATIONS AND WARRANTIES OF BUYER, CONDITION OF PROPERTY AND TITLE

3.1. REPRESENTATIONS AND WARRANTIES OF BUYER'S AUTHORITY. As of the date hereof and as of the Closing Date, Buyer represents and warrants that Buyer, and any person signing on behalf of Buyer, has full power and authority to execute this Agreement and to perform Buyer's obligations hereunder. Further, this Agreement constitutes the legal, valid and binding obligation of Buyer enforceable against Buyer in accordance with the terms hereof.

3.2. CONDITION OF PROPERTY.

3.2.1. SELLER DISCLOSURE STATEMENT. To the maximum extent permitted by RCW ch. 64.06, Buyer expressly waives its right to receive from Seller a seller disclosure statement ("Seller Disclosure Statement") and to rescind this Agreement, both as provided for in

RCW ch. 64.06. Seller and Buyer acknowledge and agree that Buyer cannot waive its right to receive the section of the Seller Disclosure Statement entitled "Environmental" (which is contained in Section 6 of the form) if the answer to any of the questions in that section would be "yes." Nothing in any Seller Disclosure Statement delivered by Seller creates a representation or warranty by Seller, nor does it create any rights or obligations in the Parties except as set forth in RCW ch. 64.06. Buyer is advised to use its due diligence to inspect the Property as allowed for by this Agreement, and that Seller may not have knowledge of defects that careful inspection might reveal. Buyer specifically acknowledges and agrees that any Seller Disclosure Statement delivered by Seller is not part of this Agreement, and Seller has no duties to Buyer other than those set forth in this Agreement.

- **3.2.2. SELLER DISCLAIMER OF CONDITION OF THE PROPERTY.** Seller has not made, does not make, and specifically negates and disclaims any representations, warranties, promises, covenants, contracts or guarantees of any kind or character whatsoever, whether express or implied, oral or written, past, present or future, of, as to, concerning, or with respect to the value, nature, quality, or condition of the Property (collectively "Condition of the Property"), including, without limitation:
 - (a) The water, soil and geology;
 - (b) The income to be derived from the Property;
- (c) The suitability of the Property for any and all activities and uses that Buyer or anyone else may conduct thereon;
- (d) The compliance or noncompliance of or by the Property or its operation with any laws, rules, ordinances, regulations or decrees of any applicable governmental authority or body or the zoning or land use designation for the Property;
- (e) The habitability, merchantability, marketability, profitability or fitness for a particular purpose of the Property;
- (f) The manner or quality of the construction or materials, if any, incorporated into the Property and the existence, nonexistence or condition of utilities serving the Property;
- (g) The actual, threatened or alleged existence, release, use, storage, generation, manufacture, transport, deposit, leak, seepage, spill, migration, escape, disposal or other handling of any Hazardous Substances in, on, under or emanating from or into the Property, and the compliance or noncompliance of or by the Property or its operation 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 "Environmental Law" shall mean: any federal, state or local statute, regulation, code, rule, ordinance, order, judgment, decree, injunction or common law pertaining in any way to the protection of human health, safety, or the environment, including

without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. § 9602 et. seq. ("CERCLA"); the Resource Conservation and Recovery Act of 1976, 42 U.S.C. § 6901 et seq. ("RCRA"); the Washington State Model Toxics Control Act, RCW ch. 70.105D ("MTCA"); the Washington Hazardous Waste Management Act, RCW ch. 70.105; the Federal Water Pollution Control Act, 33 U.S.C. § 1251 et seq., the Washington Water Pollution Control Act, RCW ch. 90.48, and any laws concerning above ground or underground storage tanks. For the purposes of this Agreement, the term "Hazardous Substance" shall mean: any waste, pollutant, contaminant, or other material that now or in the future becomes regulated or defined under any Environmental Law; or

(h) Any other matter with respect to the Property.

3.2.3. BUYER ACCEPTANCE OF CONDITION OF PROPERTY.

- (a) Buyer acknowledges and accepts Seller's disclaimer of the Condition of the Property in Section 3.2.2 of this Agreement.
- (b) Buyer is relying solely on its own investigation of the Property and is not relying on any information provided or to be provided by Seller. Buyer further acknowledges and agrees that any information provided or to be provided with respect to the Property was obtained from a variety of sources and that Seller has not made any independent investigation or verification of such information and makes no representations as to the accuracy or completeness of such information and no employee or agent of Seller is authorized otherwise. Buyer further acknowledges and agrees that Seller is not liable or bound in any manner by any verbal or written statements, representations, or information pertaining to the Property, or the operation thereof, furnished by any agent, employee, or contractor of Seller, any real estate broker, or any other person.
- (c) Buyer approves and accepts the Condition of the Property and agrees to purchase the Property and accept the Condition of the Property "AS IS, WHERE IS" with all faults and patent or latent defects, including, without limitation, the actual, threatened or alleged existence, release, use, storage, generation, manufacture, transport, deposit, leak, seepage, spill, migration, escape, disposal or other handling of any Hazardous Substances in, on, under or emanating from or into the Property, and the compliance or noncompliance of or by the Property or its operation with applicable federal, state, county and local laws and regulations including, without limitation, Environmental Laws and regulations and seismic/building codes, laws and regulations. Buyer shall have no recourse against Seller for, and waives, releases and discharges forever Seller from, any and all past, present or future claims or demands, and any and all past, present or future damages, losses, injuries, liabilities, causes of actions (including, without limitation, causes of action in tort) costs and expenses (including, without limitation fines, penalties and judgments, and attorneys' fees) of any and every kind or character, known or unknown (collectively, "Losses"), which the Buyer might have asserted or alleged against Seller arising from or in any way related to the Condition of the Property, including, without limitation, the actual, threatened or alleged existence, release, use, storage, generation, manufacture, transport, deposit, leak, seepage, spill, migration, escape, disposal or other handling of any

Hazardous Substances in, on, under or emanating from or into the Property. Losses shall include without limitation (a) the cost of any investigation, removal, remedial or other response action that is required by any Environmental Law, that is required by judicial order or decree or by order of or agreement with any governmental authority, or that is conducted voluntarily, (b) losses for injury or death of any person, and (c) losses arising under any Environmental Law, whether or not enacted after transfer of the Property.

- **3.2.4. INDEMNIFICATION.** From and after the Closing Date, Buyer shall indemnify, defend and hold Seller, its officers, agents and employees harmless from and against any and all losses, liability, claim, agency order or requirement, damage and expense relating to or arising out of, directly or indirectly, the Property, including without limitation those relating to the actual or threatened release, disposal, deposit, seepage, migration or escape of Hazardous Substances at, from, into or underneath 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.
- **3.2.5 INDEMNIFICATION TITLE 51 WAIVER.** The indemnification provisions in Sections 3.2.4 of this Agreement is specifically and expressly intended to constitute a waiver of the Buyer's immunity under Washington's Industrial Insurance Act, RCW Title 51, as respects Seller only, and only to the extent necessary to provide Seller with a full and complete indemnity of claims made by Buyer's employees. The Parties acknowledge that these provisions were specifically negotiated and agreed upon by them.
- 3.3 TITLE. Seller shall convey to Buyer the title to the Property by Tax Title Deed in substantially the form attached hereto as **EXHIBIT B.** In conveying the Property by Tax Title Deed, Seller makes no title warranties whatsoever and Buyer takes subject to all easements, leases, licenses, conditions, encroachments, restrictions, liens, taxes, assessments, fees, charges and other encumbrances (together "Encumbrances") whether such Encumbrances are of record or not. The Parties acknowledge and intend that any property interests in the Property in favor of the County in effect prior to the acquisition of the Property by the County at the tax foreclosure sale pursuant to RCW 84.64.200 did not merge with the County's tax title ownership of the Property and remain in full force and effect.

ARTICLE 4. COUNCIL APPROVAL CONTINGENCY AND CLOSING

4.1 COUNCIL APPROVAL. Seller's performance under this Agreement is contingent on approval by ordinance of the conveyance of the Property by the Metropolitan King County Council ("Council Approval Contingency"). The Council Approval Contingency will be satisfied if an ordinance passed by the Metropolitan King County Council approving the conveyance of the Property becomes effective within one hundred twenty (120) days of the Effective Date ("Council Approval Period"). Seller may extend the Council Approval Period for up to an additional ninety (90) days. If the Council Approval Contingency is not satisfied within the Council Approval Period, this Agreement shall terminate, the Offer Deposit shall be returned

to Buyer and the Parties shall have no further obligations hereunder. If the Council Approval Contingency is satisfied within the Council Approval Period, Seller shall be obligated hereunder without further contingency except in the event of a default hereunder by Buyer.

4.2 CLOSING. The Closing shall occur within fifteen (15) business days of satisfaction of the Council Approval Contingency. At the Closing, Seller shall execute the Tax Title Deed, a Bill of Sale in substantially the form of Exhibit C, and a Certificate of Non-Foreign Status substantially in the form of Exhibit D, shall record the executed Tax Title Deed, and shall have the original Tax Title Deed, Bill of Sale and Certificate of Non-Foreign Status mailed to Buyer at the address provided in Section 5.4 of this Agreement. Seller shall not be responsible for payment of any taxes, assessments, fees or other charges related to the Property. The Offer Deposit shall be applied as a credit against the Purchase Price at the Closing and retained by the County.

ARTICLE 5. MISCELLANEOUS PROVISIONS

5.1. NON-MERGER. Each statement, representation, warranty, indemnity, covenant, agreement and provision in this Agreement shall not merge in, but shall survive the Closing of the transaction contemplated by this Agreement unless a different time period is expressly provided for in this Agreement.

5.2. DEFAULT AND ATTORNEYS' FEES.

- **5.2.1. DEFAULT BY BUYER.** In the event Closing does not occur due to default by Buyer, Seller's sole and exclusive remedy shall be to terminate this Agreement and retain five percent (5%) of the Offer Deposit as liquidated damages. Buyer expressly agrees that the retention of five percent (5%) of the Offer Deposit by Seller represents a reasonable estimation of the damages in the event of Buyer's default, that actual damages may be difficult to ascertain and that this provision does not constitute a penalty. Buyer and Seller acknowledge and agree that these damages have been specifically negotiated and are to compensate Seller for taking the Property off the market and for its costs and expenses associated with this Agreement.
- **5.2.2. DEFAULT BY SELLER.** In the event Closing does not occur due to default of Seller, Buyer's sole and exclusive remedy shall be to terminate this Agreement and receive a refund of the Offer Deposit.
- **5.2.3. ATTORNEY'S FEES.** In any action to enforce this Agreement, each Party shall bear its own attorney's fees and costs.

5.3. TIME.

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

- **5.3.2. COMPUTATION OF TIME.** Any period of time in this Agreement shall mean Pacific Time and shall begin the day after the event starting the period and shall expire at 5:00 p.m. of the last calendar day of the specified period of time, unless the last day is a Saturday, Sunday or legal holiday as defined in RCW 1.16.050, in which case the specified period of time shall expire on the next day that is not a Saturday, Sunday or legal holiday.
- **5.4. 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 a Party may specify by notice to the other Party and given as provided herein:

If to Buyer:

PO BOX 48242

Burien, WA 98148

C/O Harold and Sheila Dunn

If to Seller:

King County

Real Estate Services, ADM-ES-0830 500 Fourth Avenue, Room 830

Seattle, WA 98104-2337

Attn: Steve Rizika

- **5.5. ENTIRE AGREEMENT AND AMENDMENT.** This writing (including the Exhibits attached hereto) constitutes the entire agreement of the Parties with respect to the subject matter hereof and may not be modified or amended except by a written agreement specifically referring to this Agreement and signed by all Parties.
- **5.6. SEVERABILITY.** In the event any portion of this Agreement shall be found to be invalid by any court of competent jurisdiction, then such holding shall not impact or affect the remaining provisions of this Agreement unless that court of competent jurisdiction rules that the principal purpose and intent of this contract should and/or must be defeated, invalidated or voided.
- **5.7. WAIVER.** No waiver of any breach or default hereunder shall be considered valid unless in writing and signed by the Party giving such waiver and no such waiver shall be deemed a waiver of any prior or subsequent breach or default.
- **5.8. BINDING EFFECT.** Subject to Section 5.14 below, this Agreement shall be binding upon and inure to the benefit of each Party, its successors and assigns.

- **5.9. LEGAL RELATIONSHIP.** The Parties to this Agreement execute and implement this Agreement solely as Seller and Buyer. No partnership, joint venture or joint undertaking shall be construed from this Agreement.
- **5.10. CAPTIONS.** The captions of any articles, paragraphs or sections contained herein are for purposes of convenience only and are not intended to define or limit the contents of said articles, paragraphs or sections.
- **5.11.** GOVERNING LAW AND VENUE. This Agreement and all amendments hereto 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 rules or choice of law provisions. In the event that either Party shall bring a lawsuit related to or arising out of this Agreement, the Superior Court of King County, Washington shall have exclusive jurisdiction and venue.
- **5.12. NO THIRD PARTY BENEFICIARIES.** This Agreement is made only to and for the benefit of the Parties, and shall not create any rights in any other person or entity.
- **5.13. ASSIGNMENT.** Buyer shall not assign this Agreement or any rights hereunder without Seller's prior written consent.
- **5.14. NEGOTIATION AND CONSTRUCTION.** This Agreement and each of its terms and provisions are deemed to have been explicitly negotiated between the Parties, and shall not be construed as if it has been prepared by one of the Parties, but rather as if both Parties had jointly prepared it. 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. The 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. Each Party shall be and is separately responsible for payment of any legal services rendered on their behalf regarding legal review of this Agreement.
- **5.15.** Counterparts. To facilitate execution, this Agreement may be executed in as many counterparts as may be convenient or required. It shall not be necessary that the signature of, or on behalf of, each Party, or that the signature of all persons required to bind any Party, appear on each counterpart. All counterparts shall collectively constitute a single instrument. It shall not be necessary in making proof of this Agreement to produce or account for more than a single counterpart containing the respective signatures of, or on behalf of, each Party hereto. Any signature page to any counterpart may be detached from such counterpart without impairing the legal effect of the signatures thereon and thereafter may be attached to another counterpart identical thereto except having attached to it additional signature pages.
- **5.16. EXHIBITS.** The following exhibits described herein and attached hereto are fully incorporated into this Agreement by this reference:

EXHIBIT A

Tax Title Deed Ехнівіт В Bill of Sale and Assignment EXHIBIT C Certificate of Non-Foreign Status **EXHIBIT D** EXECUTED on the dates set forth below. SELLER: **BUYER: HAROLD R. DUNN** By: By: wares now Name: Anthony Wright Date: Title: Director, Facilities Management Division **BUYER: SHEILA DUNN** Date: APPROVED AS TO FORM Date: 10-04-16 Name. John Briggs Title: Senior Deputy Prosecuting Attorney

Legal Description

EXHIBIT A.

LEGAL DESCRIPTION

The south 40 feet of west quarter of the northeast quarter of the northeast quarter of the northeast quarter of section 30, Township 23, North, Range 4, East, W.M., in King County, Washington.

APN: 302304-9308-03

EXHIBIT B.

Tax Title Deed

AFTER RECORDING RETURN TO:

HAROLD AND SHEILA DUNN PO BOX 48242 BURIEN, WA 98148

TAX TITLE DEED

Grantor -- King County, Washington Grantee -- Harold and Sheila Dunn

Legal - - - - S 40 FT OF W 1/4 OF NE 1/4 OF NE 1/4 OF NE 1/4

Tax Acct. - 302304-9308-03

This indenture, made this __ day of _____, .201_, between King County, a political subdivision of the State of Washington, the party of the first part, and **Harold R. Dunn and Sheila Dunn, a married couple**, the party of the second part.

WITNESSETH, that whereas, at a public sale of real property through a sealed bid process, held through acceptance of bids on the 6th Day of September, 2016, and approved by Ordinance of the Metropolitan King County Council, duly made and entered, and after having first given due notice of the time and place and terms of the sale by sealed bid, and, whereas, in pursuance of the Ordinance of the Metropolitan King County Council, and of the laws of the state of Washington, and for and in consideration of the sum of Fifteen Thousand and 00/100 dollars (\$15,000), lawful money of the United States of America, to King County in hand paid, the receipt whereof is hereby acknowledged, King County has this day sold to Harold R. Dunn and Sheila Dunn the following described real property, and which the real property is the property of King County, and which is particularly described as follows, to wit: The south 40 feet of west quarter of the northeast quarter of the northeast quarter of section 30, Township 23, North, Range 4, East, W.M., in King County, Washington.

being the highest and best bidder at the sale, and the sum being the highest and best sum bid at the sale;

NOW, THEREFORE, Know ye that King County, in consideration of the premises and by virtue of the statutes of the state of Washington, in such cases made and provided, do hereby grant and convey unto **Harold R. Dunn and Sheila Dunn** heirs and assigns, forever, the real property hereinbefore described, as fully and completely as the party of the first part can by virtue of the premises convey the same, subject to all easements, leases, licenses, conditions, encroachments, restrictions, liens, taxes, assessments, fees, charges and other encumbrances (together "Encumbrances") whether such Encumbrances are of record or not.

BY: Anthony Wright TITLE: Director, Facilities Management Division	
DATE:	
NOTARY BLOCK FOR KING COUNTY	
STATE OF WASHINGTON)) SS COUNTY OF KING)	
On thisday of, 201_, before me, the a Notary Public in and for the State of Washington, duly commissioned and sworn, person Anthony Wright, to me known to be the Director of the Facilities Management Division County Department of Executive Services, and who executed the foregoing instrument and to me that HE was authorized to execute said instrument on behalf of KING COUNTY for purposes therein mentioned.	nally appeared on of the King lacknowledged
WITNESS my hand and official seal hereto affixed the day and year in this certificate abov	e written.
Notary Public State of Washi	c in and for the

Printed Name

City and State

My appointment expires _____

EXHIBIT C.

BILL OF SALE AND ASSIGNMENT

THIS BILL OF SALE is made as of COUNTY, a political subdivision of the Sta Washington ("Buyer"), with reference to the	ate of Washin	gton ("Seller"),		
NOW, THEREFORE, for good and which is hereby acknowledged, Seller does bargain, sell, transfer, set over, assign, conv Seller's right, title and interest in and to any and other tangible personal property owned connection with the real property legally des	hereby absolutes, release, contains all equipments by Seller that	utely and unconconfirm and deliversely to the confirm and deliversely to the confirmation of the confirmat	ditionally ver to Buy furnishin purtenant	give, grant, ver all of ngs, fixtures
IN WITNESS WHEREOF, Seller ha	as executed th	nis Bill of Sale a	s of the d	ate first above
	SELLER:			
	Name: Anth	nony Wright etor, Facilities M		nt Division

EXHIBIT D.

Seller's Certification of Non-Foreign Status under Foreign Investment in Real Property Tax Act (26 U.S.C. 1445)

Section 1445 of the Internal Revenue Code provides that a transferee of a U.S. real property interest must withhold tax if the transferor is a foreign person. For U.S. tax purposes (including Section 1445), the owner of a disregarded entity (which has legal title to a U.S. real property interest under local law) will be the transferor of the property and not the disregarded entity. To inform the transferee that withholding of tax is not required upon the disposition of a U.S. 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);
- 2. Transferor is not a disregarded entity as defined in Section 1.1445-2(b)(2)(iii);
- 3. Transferor's U.S. employer identification number is 91-6001327;
- 4. Transferor's office address is King County Facilities Management Division, Real Estate Services Section, Room 800 King County Administration Building, 500 Fourth Avenue, Seattle, WA 98104.

Transferor understands that this certification may be disclosed to the Internal Revenue Service by 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 tills day of	, 201
	King County, Transferor:
	By:
	Name: Anthony Wright Title: Director, Facilities Management Division

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