

von Reichbauer moved Amendment 1.  
The motion carried.

1

May 5, 2025

Replace Attachment A

[S. Porter]

Sponsor: Von Reichbauer

Proposed No.: 2025-0039

1 **AMENDMENT TO PROPOSED ORDINANCE 2025-0039, VERSION 1**

2 Strike Attachment A, Purchase and Sale Agreement, undated, and insert Attachment A,  
3 Amended and Restated Real Estate Purchase and Sale Agreement, revision date May 27,  
4 2025.

5  
6 ***EFFECT prepared by S. Porter: Replace transmitted Attachment A Purchase and***  
7 ***Sale Agreement with a new Attachment A, “Amended and Restated Real Estate***  
8 ***Purchase and Sale Agreement” revision date May 27, 2025”. The Amended and***  
9 ***Restated PSA was developed in collaboration with the Department of Public Health,***  
10 ***Healthpoint and their legal counsel. The Amended and Restated PSA consists of all the***  
11 ***legal agreements to effectuate the sale of the Federal Way public health clinic real***  
12 ***property to Healthpoint, and streamlines the sale process, makes clarifying edits to***  
13 ***more accurately reflect the intent of the parties, and eliminates ambiguities thereby***  
14 ***reducing the potential over the 10-year term of Real Estate Agreement of any***  
15 ***confusion regarding the parties’ intent.***

# AMENDED AND RESTATED REAL ESTATE PURCHASE AND SALE AGREEMENT

**THIS AMENDED AND RESTATED REAL ESTATE PURCHASE AND SALE AGREEMENT** (“Agreement” or “PSA”) is made and entered by and between **KING COUNTY**, a political subdivision of the State of Washington (the “Seller”) and **HEALTHPOINT**, a Washington nonprofit public benefit corporation (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”). The Parties executed a Real Estate Purchase Agreement effective November 6, 2024, and, by executing this Agreement, agree to amend and restate this previously executed agreement.

## RECITALS

**A.** Seller is the owner of that certain real property located at 33431 13th Place South, Federal Way, WA, King County Parcel No. 768190-0070, King County, State of Washington, the legal description of which is attached hereto as **EXHIBIT A** (the “Real Property”).

**B.** Seller desires to sell the Real Property and Buyer desires to purchase the Real Property on the terms and conditions set forth below.

**C.** This Agreement is subject to, and must be interpreted, concurrently or otherwise, in accordance with, all related agreements to be entered into by the Parties with respect to the subject matter herein (the “Related Agreements”) including the Memorandum of Real Estate Contract Sale between Buyer and Seller (the “Memorandum”) attached hereto as **EXHIBIT D**; the Real Estate Contract Sale between Buyer and Seller attached hereto as **EXHIBIT E** (“RE Contract”); the Lease Agreement between Buyer and Seller attached hereto as **EXHIBIT F** (the “Lease Agreement”); and the Declaration of Restrictive Covenant attached hereto as **EXHIBIT G** (the “Covenant”), all of which shall be fully executed by the Parties at Closing of this PSA.

## 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.** In accordance with the terms of the RE Contract, Seller shall sell and convey to Buyer, and Buyer shall buy and accept from Seller the following assets and properties:

**1.1.1.** all the 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 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; and

**1.1.4** except as provided in Section 1.2, 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 Real Property ("Personal Property"). The value of the Personal Property is de minimis.

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

**1.2. SELLER'S RETAINED PERSONAL PROPERTY.** Buyer has been in holdover status under a lease agreement between the Parties, dated May 31, 2013, for a portion of the building on the Real Property. Seller operates a public health clinic in the remainder of the building. Subject to the Lease Agreement that the Parties will execute as part of the PSA Closing, the Seller, as Tenant, shall continue to operate the public health clinic in the area of the building it now occupies. Ownership of any personal property located in that leased space shall remain with the Seller and is not part of the sale. ("Seller's Retained Personal Property").

## **ARTICLE 2. PURCHASE PRICE**

**2.1. PURCHASE PRICE AND PAYMENT.** In consideration of the conveyance of the Property, Buyer shall, in full payment therefor, pay to Seller a cash purchase price of Eight Hundred Thousand and No/100 (\$800,000.00) (the "Purchase Price"), subject to the payment terms set forth in the payment schedule attached as Exhibit 1 to the RE Contract.

**2.2. RESERVED.**

**2.3. DEPOSIT.** Buyer delivered to Chicago Title Insurance Company (the "Escrow Agent"), in its capacity as the Parties' closing agent, immediately available cash funds in the amount of Ten Thousand and No/100 Dollars (\$10,000 and No/100) on November 14, 2024 (the "Deposit"). The Deposit shall be invested by the Escrow Agent in a money market account, a federally insured investment or such other investment as may be approved by Seller and Buyer in writing. Accrued interest will be held by the Escrow Agent for Buyer's benefit and shall be added to and become part of the Deposit for all purposes including in the event of any refund of the Deposit under the terms of this Agreement. The Deposit shall be applied as a credit against the Purchase Price at the PSA Closing. The Deposit shall be fully refundable if this Agreement is terminated, or the transaction contemplated herein fails to close for any reason. At PSA Closing, the Deposit shall be credited by the Escrow Agent toward Buyer's closing costs.

**ARTICLE 3.**  
**REPRESENTATIONS AND WARRANTIES OF THE PARTIES AND**  
**CONDITION OF PROPERTY**

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

**3.1.1. ORGANIZATION.** The Seller is a political subdivision of the State of Washington duly organized, validly existing and in good standing under the laws of the State of Washington.

**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 political subdivision of the State of Washington, (ii) subject to the contingency in section 5.2 of this Agreement, has been or will be on or before the PSA Closing, duly authorized by all necessary action of the Seller's legislative authority, and (iii) to Seller's knowledge, will not result in any violation of, or default under, or require any notice or consent other than those related to the contingency in Section 5.2 of this Agreement under, any applicable laws, rules, regulations, or agreements to which Seller is subject. This Agreement constitutes the legal, valid and binding obligation of Seller enforceable against Seller in accordance with the terms herein. The person executing this Agreement on behalf of Seller has authority to do so.

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

**3.1.4. NO LEGAL ACTION.** There is no litigation pending against Seller (or any basis for any claim) that arises out of the ownership of the Property and that might materially and detrimentally affect (i) the use or operation of the Property for its current use, or (ii) the ability of Seller to perform its obligations under this Agreement. Seller has not received any written notice of, and Seller has no actual knowledge of, any pending condemnation or similar proceeding with respect to the Property or any legal action of any kind or nature affecting the Property.

**3.1.5. HAZARDOUS MATERIAL.** Seller has no knowledge of written notice from any governmental authority that there are Hazardous Materials (as defined herein) installed, stored in, or otherwise existing at, on, in or under the Property in violation of any Environmental Law (as defined herein).

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

**3.2.1. ORGANIZATION.** Buyer is a nonprofit public benefit corporation duly organized, validly existing, and in good standing under the laws of the State of Washington. Buyer has all requisite corporate power and authority to carry on its business as it is now being conducted in the places where such businesses are now conducted.

**3.2.2. EXECUTION, DELIVERY AND PERFORMANCE OF AGREEMENT.** The execution, delivery and performance of this Agreement by Buyer (i) is within the powers of Buyer as a Washington nonprofit public benefit corporation, and (ii) has been or will be on or before Closing Date, duly authorized by all necessary action of the Buyer's governing authority. This Agreement constitutes the legal, valid and binding obligation of Buyer enforceable against Buyer in accordance with the terms hereof.

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

### **3.3. CONDITION OF PROPERTY.**

**3.3.1. 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" 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 the 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.

**3.3.2. SELLER DISCLAIMER OF CONDITION OF THE PROPERTY.** Except to the extent of Seller's representations and warranties in Section 3.1. of this Agreement, 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.

### **3.3.3. ENVIRONMENTAL RISKS.**

(a) “Hazardous Materials” means 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, or 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.

(b) Seller represents and warrants that as of the PSA Closing:

(i) Except for use as normal and customary of a health care facility, Seller has no knowledge of the release or presence of any Hazardous Material on, in, from, or onto the Property;

(ii) Except for use as normal and customary of a health care facility, Seller has not generated, manufactured, refined, transported, stored, handled, disposed of or released any Hazardous Materials on the Property, other than in a manner in compliance with Environmental Laws, nor has Seller permitted the foregoing;

(iii) To the best of Seller’s Knowledge, Seller has obtained all approvals and caused all notifications to be made as required by Environmental Laws;

(iv) To the best of Seller’s Knowledge, within the last five (5) years, Seller has not received any notice of any violation of any Environmental Laws;

(v) To the best of Seller’s Knowledge, no action has been commenced or threatened regarding Seller’s compliance with any Environmental Laws;

(vi) To the best of Seller’s Knowledge, no tanks used for the storage of any Hazardous Materials above or below ground are present or were at any time present on or about the Property; and

(vii) No action has been commenced and is currently pending, or to Seller’s Knowledge is threatened, regarding the presence of any Hazardous Materials on or about the Property.

(c) Environmental risks following the PSA Closing shall be allocated as described in the RE Contract.

#### **3.3.4. BUYER ACCEPTANCE OF CONDITION OF PROPERTY.**

(a) Buyer acknowledges and accepts Seller’s disclaimer of the Condition of the Property in Section 3.3.2 of this Agreement.

(b) Buyer acknowledges and agrees that, within the Due Diligence Period as defined in Section 5.1 of this Agreement, Buyer will have conducted a physical inspection and made all investigations that Buyer deems necessary in connection with its purchase of the Property. Buyer further acknowledges and agrees that, having been given the opportunity to inspect the Property, Buyer is relying solely on its own investigation of the Property and 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) Upon waiver or satisfaction by Buyer of its contingencies pursuant to Article 5, Buyer acknowledges and agrees that it will thereby approve and accept the Condition of the Property and accordingly agree 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 acknowledges and agrees that, except to the extent of Seller’s representations and warranties in Section 3.1 of this Agreement and express provisions to the contrary in any of the Related Agreements, Buyer, and any person or entity claiming by or through Buyer, shall have no recourse against the Seller for, and waives, releases and discharges forever the 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 the 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.

**3.3.5. INDEMNIFICATION.** From the Effective Date until the PSA Closing, 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 accruing and arising after the PSA Closing and relating to or arising out of, directly or indirectly, Buyer’s unlawful use of the Property prior to PSA closing and arising out of its rights and obligations under this PSA, 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. After PSA Closing, the indemnification obligations set forth in the RE Contract shall control.

**3.4. RISK OF LOSS.** Until the PSA Closing, 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. Risk of Loss following the PSA Closing shall be allocated as described in the RE Contract.

## **ARTICLE 4. TITLE MATTERS**

**4.1. CONVEYANCE.** Seller shall convey legal title to the Property to Buyer as described in the RE Contract.

**4.2. TITLE COMMITMENT.** On November 15, 2024, Seller obtained a preliminary commitment for an owner’s standard coverage policy of title insurance (the “Title Commitment”) issued by Chicago Title Insurance Company (the “Title Company”), describing the Property, listing Buyer as the prospective named insured and showing Eight Hundred Thousand Dollars (\$800,000.00) as the proposed amount of insurance. Buyer received a copy of the preliminary commitment.

**4.3. REVIEW OF TITLE COMMITMENT.** On December 6, 2024, Buyer notified Seller in writing of the objections Buyer has to matters shown or referred to in the Title Commitment (“Buyer’s Objections”). Any exceptions or other items set forth in the Title Commitment to which Buyer did not include in the Buyer’s Objections shall be deemed to be permitted exceptions (“Permitted Exceptions”). With regard to items to which Buyer did object in the Buyer’s Objections, Seller shall notify Buyer within 20 days of the Effective Date of this PSA of any exceptions to title which Seller will not remove or otherwise resolve (“Seller’s Response”), and Buyer may, at Buyer’s option, either proceed to PSA Closing and thereby waive the Buyer’s Objections not cured, in which case such exceptions to title shall be Permitted Exceptions, or Buyer may terminate this Agreement by notice to Seller within ten (10) business days after receipt of Seller’s Response and, in such event, the Deposit shall be returned to the Buyer. If the Title Company issues a supplement to the Title Commitment that identifies new exceptions, the procedure set forth in this Section 4.3 shall apply to such supplement, except that Buyer will have seven (7) days to make Buyer’s Objections to any new exception, Seller shall have five (5) days to provide Seller’s Response, and the PSA Closing will be extended for the period necessary to allow the procedures set forth herein to be completed with regard to a timely objection.

**4.4. OWNER’S TITLE INSURANCE POLICY.** At the PSA Closing, Buyer shall cause an owner’s policy of title insurance to be issued by the Title Company in the amount of Five Million, Seven Hundred Ninety Thousand Dollars (\$5,790,000.00), insuring Buyer that the fee simple title to the Property is vested in Buyer, subject only to the terms and limitations on title set forth in the RE Contract, the Permitted Exceptions, the lien of current real property taxes,

fees and/or charges not yet due and payable, rights reserved in federal patents or state deeds, building or use restrictions general to the governing jurisdiction, and the matters excluded from coverage by the printed exceptions and exclusions contained in the form of title insurance policy required by the Title Company. The obligation of Buyer to provide the title policy called for herein shall be satisfied if, at the PSA 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. If requested in writing by Seller, Buyer shall provide a copy of such binding commitment to Seller to verify satisfaction of this obligation as a condition to Seller being obligated to close. Buyer shall pay any sum owing to the Title Company for the preparation of the preliminary and binding commitments generated by the Title Company.

## **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 ("Due Diligence Contingency"). If Buyer is not satisfied with the condition of the Property, Buyer may terminate this Agreement by delivering written notice of termination to Seller within seventy-five (75) days of the Effective Date ("Due Diligence Period"). In such event this Agreement shall terminate, the Deposit shall be returned to Buyer and the Parties shall have no further obligations hereunder. If Buyer fails to give such notice to terminate within the Due Diligence Period or affirmatively gives notice that this Due Diligence Contingency is satisfied or waived within the Due Diligence Period, Buyer shall be obligated hereunder without further contingency and the Deposit shall be nonrefundable to Buyer except in the event of a default hereunder by Seller. Seller and Buyer may agree in writing to extend the Due Diligence Period.

**5.1.1. INSPECTIONS.** During the Due Diligence Period, Buyer and its designated representatives or agents shall have the right at its own expense to (a) perform any and all tests, inspections, studies, surveys or appraisals of the Property deemed necessary, on any subject, by the Buyer (subject to the limitations set forth below and Section 5.1.2 Right of Entry); (b) obtain a Phase I or Phase II Environmental Assessment on the Property and perform any and all tests, inspections and studies deemed necessary therewith; (c) examine all due diligence materials related to the Property that Buyer may reasonably request from Seller that are in Seller's possession and about which Seller has knowledge, and that are not protected as attorney work product, by the attorney-client privilege or by other similar confidentiality protections; (d) determine to its satisfaction whether approvals, permits and variances can be obtained under applicable land use and zoning codes for Buyer's proposed development of the property; and (e) determine whether Buyer'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 and conduct tests, investigations and studies set forth in this Article 5 upon three (3) days' advance 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. Invasive tests of the Property, such as drilling or excavation, shall be subject to Seller's prior written approval. If invasive tests are performed by Buyer, Seller may elect to obtain split samples of any sampling that is obtained and reimburse the Buyer for the costs thereof. The Buyer will not be permitted to undertake activities that damage the Property. In connection with any such inspections and tests, 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 ("Claims") caused by or arising out of any act, error or omission of Buyer, its officers, agents, contractors, subcontractors or employees in entering the Property for the above purposes, except to the extent the Claims are caused by or arise out of any act, error or omission of Seller, its officers, agents, contractors, subcontractors or employees.

**5.1.3 RIGHT OF ENTRY INSURANCE.** Prior to the entry of Buyer or its contractors for invasive testing of the Property such as drilling or excavation, the entering party(ies) shall submit evidence of (1) Commercial General Liability coverage in the amount of \$1,000,000 per occurrence and \$2,000,000 in the aggregate; (2) Automobile liability insurance in the amount of \$1,000,000; (3) Contractor's Pollution insurance in the amount of \$1,000,000 per claim and in the aggregate; and (4) Stop Gap/Employers Liability coverage in the amount of \$1,000,000. King County, its officers, officials, agents and employees shall be named as additional insureds.

**5.2. METROPOLITAN KING COUNTY COUNCIL APPROVAL CONTINGENCY.** 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 on or before August 1, 2025 ("Council Approval Period"). If the Council Approval Contingency is not satisfied within the Council Approval Period, this Agreement shall terminate, the 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.

## **ARTICLE 6.**

### **COVENANTS OF SELLER PENDING PSA CLOSING**

**6.1. CONDUCT, NOTICE OF CHANGE.** Seller covenants that between the Effective Date and the PSA Closing, 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 PSA Closing (except such representations, warranties and matters which relate solely to an earlier date), all covenants of Seller set forth in this Agreement which are required to be performed by it at or prior to the PSA Closing shall have been performed at or prior to the PSA Closing as provided for in this Agreement, and that the Property is maintained such that the condition of the Property is substantially the same as it was on the date of the satisfaction or waiver of the Due Diligence Contingency. 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 PSA Closing.

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

**7.1. CONDUCT, NOTICE OF CHANGE.** Buyer covenants that between the Effective Date and the PSA 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 PSA 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 PSA Closing shall have been performed at or prior to the PSA 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 occurs prior to the PSA Closing.

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

All obligations of Buyer to close on the PSA are subject to the fulfillment of each of the following conditions at or prior to the PSA 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 or Escrow Agent at or prior to the PSA Closing all fully executed Related Agreements required to be executed by Seller, and all other documents required by the terms of this Agreement to be delivered to Buyer.

**8.2. OBLIGATIONS.** All obligations required by the terms of this PSA to be performed by Seller at or before the PSA Closing shall have been properly performed in all material respects. All of Seller's representations and warranties contained in or made under this PSA shall be true and correct when made and as of the PSA Closing, and there are no material adverse changes to the Property, or liens, easements, or other conditions affecting any portion of the Property arising or created after the end of the Due Diligence Period.

**8.3. TITLE.** Seller shall have cured any exceptions to title to which Buyer objected within the Review Period in Section 4.3 and to which Seller agreed to remove or resolve under Section 4.3 unless Seller's obligation to remove or resolve has been waived by Buyer.

**8.4. BOARD APPROVAL.** Closing of the PSA shall have been approved by Buyer's Board of Directors.

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

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

**9.1. DELIVERY OF DOCUMENTS.** Buyer shall have delivered to Seller or Escrow Agent at or prior to PSA Closing all fully executed Related Agreements required to be executed by Buyer and all other documents required by the terms of this Agreement to be delivered to Seller.

**9.2. OBLIGATIONS.** All obligations required by the terms of this PSA to be performed by Buyer at or before the PSA Closing shall have been properly performed in all material respects. All of Buyer's representations and warranties contained in or made under this Agreement shall be true and correct when made and as of the PSA Closing.

**9.3. TITLE.** The Title Company shall be irrevocably committed to issue an owner's policy of title insurance for the assessed value of the Property set forth in the Statement of Fair Market Value described in Section 5 of the RE Contract, effective as of the PSA Closing, containing no exceptions other than the Permitted Exceptions and the other exceptions allowed for under Section 4.4 of this PSA.

**9.4. BOARD APPROVAL.** Closing of the PSA shall have been approved by Buyer's Board of Directors.

## **ARTICLE 10. CLOSING**

**10.1. CLOSING/CLOSING DATE.** The PSA Closing shall consist of the exchange of fully executed Related Agreements to take place within fifteen (15) days following the removal of all the contingencies in Article 5 of this Agreement or such other date as may be mutually agreed upon by the Parties (the "PSA Closing"). It is the intent of the Parties that upon a successful PSA Closing, the Buyer shall have an equitable title right in the Property and that interest shall survive this PSA Closing. On or before the Effective Date, the Parties shall set up an escrow account with the Escrow Agent. The Escrow Agent shall serve as closing agent for the transaction contemplated herein.

**10.2. PRORATIONS.** Real property taxes and assessments shall be prorated as of the PSA Closing. 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, the cost of the preliminary title, the premium for standard coverage owner's title policy, and its own attorneys' fees. Buyer shall pay one-half (½) of the escrow fee charged by the Escrow Agent, the premium for extended title insurance, the recording fees for the covenant, fulfillment deed, and memorandum of real estate sale contract, and its own attorneys' fees. Except as otherwise provided in this Section 10.2, all other expenses hereunder shall be paid by the Party incurring such expenses.

**10.3. SELLER'S DELIVERY OF DOCUMENTS AT PSA CLOSING.** At the PSA Closing, Seller will deliver to the Escrow Agent the following duly executed original documents. All but the fulfillment deed and bill of sale, which the Escrow Agent shall hold in accordance with the terms of the RE Contract, shall be delivered to Buyer at the PSA Closing:

**10.3.1.** A fulfillment deed conveying legal title to the Property substantially in the

form of **EXHIBIT B** attached hereto;

**10.3.2. RESERVED;**

**10.3.3.** A duly executed and completed Real Estate Excise Tax Affidavit;

**10.3.4.** Duly executed originals of each of the Related Agreements; and

**10.3.5.** A seller's certificate of non-foreign status substantially in the form of **EXHIBIT C**, attached hereto.

**10.4. BUYER'S DELIVERY OF PURCHASE PRICE AT CLOSING.** At the PSA Closing, Buyer will deliver to Seller via escrow with the Escrow Agent cash or immediately available funds in the amount of the first payment of the Purchase Price as required by the payment schedule referenced in Schedule 1 to the RE Contract, less funds remaining, if any, after Buyer's closing costs are funded by the Deposit made under Section 2.3. of this Agreement.

**10.5 BUYER'S DELIVERY OF DOCUMENTS AT CLOSING.** At the PSA Closing, Buyer will deliver to Seller via escrow with the Escrow Agent originals of each of the Related Agreements duly executed by Buyer, together with any other customary closing documents as may be agreed upon by the Parties.

## **ARTICLE 11. MISCELLANEOUS PROVISIONS**

**11.1. SURVIVAL.** All representations, warranties, covenants, and indemnities made by either Party in consideration for and related to performance under this PSA survive the PSA Closing.

**11.2. ATTORNEY'S FEES.** In any action to enforce this Agreement, each Party shall bear its own attorney's fees and costs.

**11.3. TIME.**

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

**11.3.2. COMPUTATION OF TIME.** Any reference to "day" in this Agreement shall refer to a calendar day, which is every day of the year. Any reference to "business day" in this Agreement shall mean any calendar day that is not a "Legal Holiday." A Legal Holiday under this Agreement is a Saturday, Sunday or legal holiday as defined in RCW 1.16.050. Any period of time in this Agreement shall mean Pacific Time and shall begin the calendar day or business day, as the case may be, after the event starting the period and shall expire at 5:00 p.m. of the last calendar day or business day, as the case may be, of the specified period of time, unless with regard to calendar days the last day is a Legal Holiday, in which case the specified period of time shall expire on the next day that is not a Legal Holiday.

**11.4. 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, when receipt of notice by e-mail is acknowledged by the recipient, when 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:** HealthPoint  
955 Powell Ave SW  
Renton, WA 98057  
Attn: Chief Executive Officer

With a copy to: Ogden Murphy Wallace, PLLC  
701 Fifth Avenue, Suite 5600  
Seattle, WA 98104  
Attn: Steve Burgon

**If to Seller:** King County  
King County Facility Management Division  
Chinook Building  
401 5th Avenue, Suite 930  
Seattle, WA 98104  
Attn: Steven Tease

With a copy to: King County Prosecuting Attorney's Office  
Civil Division  
King County Courthouse  
701 Fifth Avenue, Suite 600  
Seattle, WA 98104  
Attn: Ryan Ridings

**11.5. 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.

**11.6. 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.

**11.7. 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.

**11.8. BINDING EFFECT.** Subject to Section 11.14 below, this Agreement shall be binding upon and inure to the benefit of each Party, its successors and assigns.

**11.9. 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.

**11.10. 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.

**11.11. COOPERATION.** Prior to and after the PSA 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.

**11.12. 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.

**11.13. 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.

**11.14. ASSIGNMENT.** Buyer shall not assign this Agreement or any rights hereunder without Seller's prior written consent.

**11.15. 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.

**11.16. SELLER'S KNOWLEDGE.** Any and all representations or warranties or other provisions in this Agreement that are conditioned on terms such as "to Seller's knowledge" or "about which Seller has knowledge" are made to and limited by the present, actual knowledge of Steve Rizika, who is an employee of King County, and is the Brokerage Services Supervisor of the Real Estate Services Section of the Facilities Management Division of the Department of Executive Services. Steve Rizika has made no inquiries or investigations with respect to Seller's



representations or warranties or other provisions prior to the making thereof and has no duty to undertake the same.

**11.17. INDEMNIFICATION TITLE 51 WAIVER.** The indemnification provisions in Sections 3.3.5 and 5.1.2 of this Agreement are specifically and expressly intended to constitute a waiver of the Buyer's immunity under Washington's Industrial Insurance Act, RCW Title 51, as respects the Seller only, and only to the extent necessary to provide the Seller with a full and complete indemnity of claims made by the Buyer's employees. The Parties acknowledge that these provisions were specifically negotiated and agreed upon by them.

**11.18. 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.

**11.19. EXHIBITS.** The following exhibits described herein and attached hereto are fully incorporated into this Agreement by this reference:

EXHIBIT A	Legal Description
EXHIBIT B	Fulfillment Deed
EXHIBIT C	Certificate of Non-Foreign Status
EXHIBIT D	Memorandum of Real Estate Contract Sale
EXHIBIT E	Real Estate Contract
EXHIBIT F	Lease Agreement
EXHIBIT G	Covenant

[SIGNATURES ON THE NEXT PAGE]

EXECUTED on the dates set forth below.

**SELLER: KING COUNTY**

**BUYER: HEALTHPOINT**

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

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

Name: Drew Zimmerman

Name: Lisa Yohalem

Title: Director, Facilities Management Division

Title: President and Chief Executive Officer

Date: \_\_\_\_\_

Date: \_\_\_\_\_

APPROVED AS TO FORM:

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

Senior Deputy Prosecuting Attorney

## **EXHIBIT A TO ARREPSA**

### **LEGAL DESCRIPTION**

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF KING, STATE OF WA, AND IS DESCRIBED AS FOLLOWS:

LOTS 7 AND 8 OF SECOMA BUSINESS PARK, ACCORDING TO PLAT RECORDED IN [VOLUME 113 OF PLATS AT PAGES 37 THROUGH 40](#), INCLUSIVE, IN KING COUNTY, WASHINGTON.

(ALSO KNOWN AS BOUNDARY LINE ADJUSTMENT NUMBER BLA-91-0010 RECORDED ON JUNE 11, 1992 AS RECORDING NUMBER [9206119002](#), IN THE OFFICIAL RECORDS OF KING COUNTY, WASHINGTON.)

**EXHIBIT B TO ARREPSA**

**FULLFILLMENT DEED  
(starts on next page)**

RECORDING REQUESTED BY  
AND WHEN RECORDED RETURN TO:

King County  
401 Fifth Avenue, Suite 930  
Seattle, WA 98104  
Attn.: Steve Rizika

### **FULFILLMENT DEED**

**Grantor -- King County, Washington**

**Grantee -- HealthPoint, a Washington nonprofit public benefit corporation**

**Legal --- LOTS 7 & 8, SECOMA BUSINESS PARK, VOL. 113, P. 37-40, KING COUNTY**

**Tax Acct. -- 768190007007**

### **FULFILLMENT DEED**

THE GRANTOR, KING COUNTY, a political subdivision of the state of Washington, for and in consideration of Ten Dollars and other good and valuable consideration in hand paid, conveys and quitclaims to HEALTHPOINT, a Washington nonprofit public benefit corporation, the following-described real property located in King County, Washington:

See legal description on Exhibit A attached hereto and incorporated herein by reference.

This deed is given in fulfillment of the terms of the Real Estate Contract, dated \_\_\_\_\_, between KING COUNTY, as seller, and HEALTHPOINT, as buyer.

Real Estate Sales Tax was paid on this sale, Recording No. \_\_\_\_\_.

**Signatures on next page**

**GRANTOR  
KING COUNTY**

BY: \_\_\_\_\_

Name: Drew Zimmerman

Title: Director, Facilities Management Division

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

Approved as to Form:

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

**GRANTEE  
HEALTHPOINT**

BY: \_\_\_\_\_

Name: Lisa Yohalem

Title: President and Chief Executive Officer

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

**NOTARY BLOCKS APPEAR ON NEXT PAGE**

**NOTARY BLOCK FOR KING COUNTY**

---

STATE OF WASHINGTON)

) SS

COUNTY OF KING )

On this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Drew Zimmerman, to me known to be the Director of the Facilities Management Division of the King County Department of Executive Services, and who executed the foregoing instrument and acknowledged to me that S/HE was authorized to execute said instrument on behalf of KING COUNTY for the uses and purposes therein mentioned.

WITNESS my hand and official seal hereto affixed the day and year in this certificate above written.

Notary Public in and for the  
State of Washington, residing

at \_\_\_\_\_

City and State

My appointment expires \_\_\_\_\_

**NOTARY BLOCK FOR HEALTHPOINT**

---

STATE OF WASHINGTON)

) SS

COUNTY OF KING )

On this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared \_\_\_\_\_, to me known to be the \_\_\_\_\_, who executed the foregoing instrument and acknowledged to me that SHE or HE was authorized to execute said instrument on behalf of the \_\_\_\_\_ for the uses and purposes therein mentioned.

WITNESS my hand and official seal hereto affixed the day and year in this certificate above written.

Notary Public in and for the  
State of Washington, residing

at \_\_\_\_\_

City and State

My appointment expires \_\_\_\_\_

## **EXHIBIT A TO FULFILLMENT DEED**

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF KING, STATE OF WA, AND IS DESCRIBED AS FOLLOWS:

LOTS 7 AND 8 OF SECOMA BUSINESS PARK, ACCORDING TO PLAT RECORDED IN VOLUME 113 OF PLATS AT PAGES 37 THROUGH 40, INCLUSIVE, IN KING COUNTY, WASHINGTON.

(ALSO KNOWN AS BOUNDARY LINE ADJUSTMENT NUMBER BLA-91-0010 RECORDED ON JUNE 11, 1992 AS RECORDING NUMBER 9206119002, IN THE OFFICIAL RECORDS OF KING COUNTY, WASHINGTON.)

### **EXCEPTIONS TO TITLE**

SUBJECT TO: [permitted exceptions will be determined in accordance with the process identified in Article 4 of the Agreement and inserted in the final deed].



**EXHIBIT C TO ARREPSA**  
**CERTIFICATE OF NON-FOREIGN STATUS**  
**(starts on next page)**

**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 930 Chinook Building, 401 Fifth 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 this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_.

Transferor  
KING COUNTY

By: \_\_\_\_\_  
Name: Drew Zimmerman  
Title: Director, Facilities Management Division

**EXHIBIT D TO ARREPSA**

**MEMORANDUM OF REAL ESTATE CONTRACT SALE**  
**(starts on next page)**

RECORDING REQUESTED BY  
AND WHEN RECORDED RETURN TO:  
King County  
401 Fifth Avenue, Suite 930  
Seattle, WA 98104  
Attn.: Steve Rizika

#### MEMORANDUM OF REAL ESTATE CONTRACT SALE

Buyer: HealthPoint

Seller: King County

Abbrev. Legal Description: SECOMA BUSINESS PARK LOTS 7 & 8 AKA BLA-91-0010  
REC #9206119002

Full legal description on Exhibit A

Assessor's Parcel No.: 768190-0070

Documents Referenced: Declaration of Restrictive Covenant in favor of King County, KC  
Rec. No. \_\_\_\_\_.

This Memorandum is of a real estate contract sale agreement ("Memorandum") by and between KING COUNTY, a political subdivision of the State of Washington ("**Seller**"), and HEALTHPOINT, a Washington nonprofit public benefit corporation ("**Buyer**") and is effective on the last date it is fully executed by both the Parties.

1. This Memorandum concerns that certain Real Estate Contract Sale Agreement with the Effective Date of \_\_\_\_\_ by and between Buyer and Seller (the "RE Contract") pursuant to which Seller has agreed to convey to Buyer the real property located at 33431 13<sup>TH</sup> Place South, Federal Way, WA, King County Parcel No. 768190-

0070, and legally described on the attached Exhibit A to this Memorandum (the “Property”).

2. This Memorandum incorporates all the terms and provisions of the RE Contract as though fully set forth herein. This Memorandum is solely for recording purposes and shall not alter, modify, amend or supplement the RE Contract in any way.
3. This Memorandum may be executed in counterparts, all of which shall constitute one and the same instrument.

WITNESS WHEREOF, this Memorandum has been executed by each of the Parties as of the dates set forth below.

**SELLER**  
**KING COUNTY**

**BUYER**  
**HEALTHPOINT**

BY: \_\_\_\_\_

BY: \_\_\_\_\_

Name: Drew Zimmerman

Name: Lisa Yohalem

Title: Director, Facilities Management Division

Title: President and Chief Executive Officer

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

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

Approved as to Form:

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

**NOTARY BLOCKS APPEAR ON NEXT PAGE**

**NOTARY BLOCK FOR KING COUNTY**

---

STATE OF WASHINGTON)

COUNTY OF KING ) SS  
)

On this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Drew Zimmerman, to me known to be the Director of the Facilities Management Division of the King County Department of Executive Services, and who executed the foregoing instrument and acknowledged to me that S/HE was authorized to execute said instrument on behalf of KING COUNTY for the uses and purposes therein mentioned.

WITNESS my hand and official seal hereto affixed the day and year in this certificate above written.

Notary Public in and for the  
State of Washington, residing  
at \_\_\_\_\_  
City and State  
My appointment expires \_\_\_\_\_

**NOTARY BLOCK FOR HEALTHPOINT**

---

STATE OF WASHINGTON)

COUNTY OF KING ) SS  
)

On this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared \_\_\_\_\_, to me known to be the \_\_\_\_\_, who executed the foregoing instrument and acknowledged to me that SHE or HE was authorized to execute said instrument on behalf of the \_\_\_\_\_ for the uses and purposes therein mentioned.

WITNESS my hand and official seal hereto affixed the day and year in this certificate above written.

Notary Public in and for the  
State of Washington, residing  
at \_\_\_\_\_  
City and State  
My appointment expires \_\_\_\_\_

**EXHIBIT A TO MEMORANDUM OF REAL ESTATE CONTRACT SALE**

**LEGAL DESCRIPTION OF PROPERTY**

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF KING,  
STATE OF WA, AND IS DESCRIBED AS FOLLOWS:

LOTS 7 AND 8 OF SECOMA BUSINESS PARK, ACCORDING TO PLAT RECORDED IN  
VOLUME 113 OF PLATS AT PAGES 37 THROUGH 40, INCLUSIVE, IN KING COUNTY,  
WASHINGTON.

(ALSO KNOWN AS BOUNDARY LINE ADJUSTMENT NUMBER BLA-91-0010  
RECORDED ON JUNE 11, 1992 AS RECORDING NUMBER 9206119002, IN THE  
OFFICIAL RECORDS OF KING COUNTY, WASHINGTON.)

**EXHIBIT E TO ARREPSA  
REAL ESTATE SALE CONTRACT**



## **REAL ESTATE CONTRACT SALE AGREEMENT**

THIS REAL ESTATE CONTRACT SALE AGREEMENT (this “**RE Contract**”) is made and entered into by and between KING COUNTY, a political subdivision of the State of Washington (“**Seller**”), and HEALTHPOINT, a Washington nonprofit public benefit corporation (“**Buyer**”). Seller and Buyer are sometimes hereinafter each singularly referred to as a “**Party**” and collectively referred to as the “**Parties**.” This RE Contract is effective on the last date it is fully executed by both the Parties (“**Effective Date**”).

WHEREAS, Seller, through King County Public Health, serves poor and underserved populations through the provision of medical and related care and health services;

WHEREAS, Buyer, a public benefit nonprofit corporation, is a community-based, community-supported, and community-governed network of non-profit health centers dedicated to providing high quality care to all who need it, regardless of circumstances, and which qualifies as a Federally Qualified Health Center, as that term is defined, as of the Effective Date, in 42 USC § 1395x(aa)(4);

WHEREAS, currently each Party provides to their respective patients and clientele a range of health services, which will collectively be referred to as “**Health Services**” in this RE Contract, and which are more fully listed in Section 4;

WHEREAS, the Parties have entered into an Amended and Restated Real Estate Purchase and Sale Agreement, dated \_\_\_\_\_ (the “**PSA**”), for certain real property consisting of land and improvements located at 33431 13<sup>TH</sup> Place South, Federal Way, WA, King County Parcel No. 768190-0070, and legally described on the attached Exhibit 1 (the “**Property**”);

WHEREAS, since 1993, King County Public Health and HealthPoint have been co-located at the Property and have been able to coordinate in making cross-referrals but have not been able to offer integrated services out of the location because the layout of the building lends itself to co-location but not integration;

WHEREAS, the Property needs substantial repairs in order for it to be able to continue to deliver Health Services. The Parties envision that by making strategic renovations to the Property, in addition to the necessary repairs, an integrated center for health and wellness will be developed in south King County that could result in an increased capacity for services to the community for decades to come in a renovated facility that is modern and welcoming;

WHEREAS, the Parties desire to execute this RE Contract to set forth the obligations of each Party, and to record a memorandum hereof to serve as notice to the public of the sale of the Property.

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

1. **RECITALS.** The foregoing recitals are true and correct and are hereby incorporated into this RE Contract.

2. **RELATED AGREEMENTS; RE CONTRACT CLOSING.**

a. **RELATED AGREEMENTS.** This RE Contract is subject to, and must be interpreted and executed, concurrently or otherwise, in accordance with all related agreements entered into by the Parties with respect to the Property (the “**Related Agreements**”). The Related Agreements are: the PSA, the Lease Agreement between Buyer and Seller dated [date of Lease] pursuant to which Buyer will lease certain premises on the Property to Seller (the “**Lease Agreement**”), the joint Escrow Instructions dated [date of Escrow Instructions], and the Declaration of Restrictive Covenant made by Buyer for the benefit of Seller dated [date of Covenant] and to be recorded as part of the PSA Closing (the “**Covenant**”). In the event of any conflict between the terms of this RE Contract and the terms of the Lease Agreement, the terms of this RE Contract shall control. In the event of any conflict between the terms of this RE Contract and the terms of the PSA, the terms of this RE Contract shall control. In the event of any conflict between the terms of this RE Contract and the terms of the joint Escrow Instructions, the terms of this RE Contract shall control. In the event of any conflict between the terms of this RE Contract and the terms of the Covenant, the terms of the Covenant shall control.

b. **RE CONTRACT CLOSING.** In accordance with Section 22, by a fulfillment deed, legal title shall pass to Buyer upon payment of Purchase Price in accordance with this Section 3 and upon completion of the additional consideration conditions set forth in Section 4 (“**RE Contract Closing**”).

3. **CASH CONSIDERATION.** The Buyer’s cash contribution obligations are:

a. **CASH CONSIDERATION.** The Purchase Price is EIGHT HUNDRED THOUSAND DOLLARS AND NO CENTS (\$800,000.00). At the PSA Closing, Buyer shall pay the first installment set out on the Purchase Price Payment Schedule, attached hereto as Exhibit 2, less the amount of the remaining balance of the Deposit, if any. Buyer shall pay the remaining balance of the Purchase Price in annual installments in accordance with Exhibit 2 and Section 22.

b. **PREPAYMENT OF CASH CONSIDERATION.** Notwithstanding anything in this RE Contract to the contrary, Buyer shall have the option, at any time, to pre-pay the entire amount of the unpaid Purchase Price. To exercise this option, Buyer must notify the Seller in writing of its intention to pre-pay the balance owing and must thereafter pay the full outstanding Purchase Price amount, along with any other amounts due to Seller under this RE Contract, within one hundred and eighty (180) days of such notice. The prepayment amount will be the amount of the unpaid balance of all the Purchase Price payments remaining pursuant to Schedule 1 on the date the prepayment is paid to Seller. Payment of the full

Purchase Price is only one of the conditions to RE Contract Closing; therefore, pre-payment of the Purchase Price shall not accelerate the anticipated RE Contract Closing date unless all the conditions set forth in subsection a. though e. of Section 4 are also satisfied.

4. **ADDITIONAL CONSIDERATION.** In addition to the Purchase Price, the Parties have agreed to additional consideration in the form of Buyer's (i) obligations under the terms of a Lease Agreement between the Parties; (ii) commitment to invest in the redevelopment of the Property ("**Project**") and the delivery of public health services in accordance with this Section 4; and (iii) execution and the recordation of a restrictive covenant on the Property limiting the use of the Property to the purposes described therein.

- a. **PROJECT DEVELOPMENT. Project Scope and Buyer's Project Development Obligations.** The Parties acknowledge that the scope of the Project will be defined through the process described below, but for the purposes of this RE Contract shall consist, at the minimum, of the repair and renovation of the space the Seller currently operates as a public health clinic on the Property ("Phase 1") and to invest in the repair, improvement, and/or redevelopment of other portions of the Property for use in connection with the development of the Integrated Health and Wellness Center as defined in Section 4.e. ("Phase 2"). Completion of the requirements described in this Section 4.a. shall be collectively referred to as Buyer's "**Project Development Obligations.**" Buyer may, subject to Seller's prior written approval, which shall not be unreasonably withheld, defer to Phase 2 any Phase 1 work that would be duplicative of work to be done under Phase 2. Similarly, Buyer may, at its sole discretion, sequence Phase 2 contemporaneously with related Phase 1 work to avoid duplication of work or otherwise more efficiently manage the Project. Based on these mutual understandings, to satisfy its Project Development Obligations, the Buyer shall:
- i. Complete the Project milestones described in Section 4.b. on the timelines described herein or as modified by mutual signed agreement of the Parties subsequent to the execution of this RE Contract; and
  - ii. Spend not less than Eight Million Dollars (\$8,000,000.00) on the Project, as evidenced by periodic reports in a form approved by King County prepared by Buyer and delivered to King County.
  - iii. Achieved a level of development of the Integrated Health and Wellness Center model as described in Section 4.e.i. to Seller's satisfaction. Such satisfaction shall not be unreasonably withheld.
- b. **PROJECT MILESTONES.** All timeframes identified below are calculated from the Effective Date of this RE Contract. All deadlines are subject to change by mutual written agreement of the Parties.
- i. **Phase 1 Design.** Within \_\_\_\_\_ ( ) months[to be agreed upon and completed prior to execution], Buyer shall develop and secure all reasonable and necessary approvals from the City of Federal Way of a comprehensive set of plans and specifications for redevelopment of Phase 1 space. Redevelopment expected to include redesign and construction of the space the Seller currently

operates as a public health clinic and Shared Space (as necessary for operation of patient-facing services, such as waiting room and reception). Such redevelopment is expected to maximize efficient use of such space, especially for patient-facing services, and include updating the flooring, painting, molding, electrical, HVAC, and plumbing. Buyer shall provide Seller with a complete set of city-approved plans, as well as the set of specifications within ten (10) business days of city approval.

ii. **Phase 1 Project Budget and Funding.** Within \_\_\_\_\_ ( ) [to be agreed upon and completed prior to execution], Buyer will provide Seller with its Phase 1 budget demonstrating completion values based on the plans and specifications for Phase 1 and confirm with County that it has the necessary funds to complete the improvements to the Phase 1 space as approved through the process described above.

iii. **Phase 1 Project Bond.** Within \_\_\_\_\_ ( ) months [to be agreed upon and completed prior to execution], Buyer will provide a performance and payment bond for Phase 1 of the Project.

iv. **Phase 1 Construction.** Within \_\_\_\_\_ ( ) months [to be agreed upon and completed prior to execution], Buyer will have commenced construction on Phase 1, as evidenced by the delivery of a copy to King County of a duly authorized notice to proceed issued by Buyer to its general contractor.

v. **Phase 1 Substantial Completion.** Within 36 months of the Effective Date, Buyer shall have substantially completed Phase 1 to the reasonable satisfaction of the Seller and as evidenced by any necessary permit approvals required by the city of Federal Way to occupy and operate in the space.

vi. **Phase 2.** The Parties expect that as part of Phase 2 that, to the extent required to achieve an integrated facility in design form and function, Buyer will be repairing or replacing the Building's roof, windows, and doors; performing evaluations of the building systems (HVAC, electrical, plumbing) for major maintenance or replacement; redesigning and construction of the interior spaces to expand the number of treatment rooms and integrate with Phase 1 redevelopment; and landscape and hardscape improvements. Buyer may, at its election, design, finance, and construct Phase 2 contemporaneously with Phase 1 or at any time after Phase 1 work has begun. Buyer shall achieve substantial completion of Phase 2 no later than ten (10) years from the Effective Date.

c. **PRE-CONSTRUCTION, CONSTRUCTION PERIODS, AND POST-PROJECT FACILITY OPERATIONS:**

i. **Pre-Construction:** On the Closing Date of the PSA, Buyer will obtain equitable interest in the Property and assume responsibility for costs associated with the Property limited only by any lessee costs assumed by the County under the Lease Agreement. Seller will support Buyer's management and operation of the Property during a transition period of not more than one (1) year by providing access to staff familiar with the Property, making introductions as appropriate to vendors providing services to the Property, and other information to assist Buyer's transition to ownership and management of the Property. The Parties will continue to provide Health Services on the Property consistent with

past practice except as modified by the terms of the Lease Agreement. The Parties will also cooperate in the planning for the Integrated Health and Wellness Center at the Property and initiate any preliminary changes that can reasonably and successfully be implemented prior to the completion of Phase 2.

ii. **Construction Periods:** To minimize the impact of the construction on the delivery of Health Services to the community and to continue the implementation of the strategies for creating the Integrated Health and Wellness Center on the Property, the Parties will cooperate in their development and approval of the phased Project construction activities, consistent with this RE Contract and the Lease Agreement. The Parties agree to use best efforts to coordinate space use during construction to allow each Party to continue to provide services out of the Property during the construction periods of Phase 1 and Phase 2 when possible and to mutually cooperate if temporary relocation of either Party becomes necessary from time to time. The Parties agree to hold standing meetings on not less than a semi monthly basis during all active periods of Project planning and construction. The meetings shall include, when appropriate, the Project architect and/or general contractor (or authorized decision-making designee thereof). Either at such meetings or in written communication, the Seller may state any concerns related to the design or construction of the Project as it relates to its operation of the Public Health Clinic and patient experience. Buyer agrees to promptly respond to those concerns either verbally or in writing and to work diligently with Seller to identify reasonable and practical ways to address the stated concerns. It is the intent of the Parties that Seller, through King County Public Health, shall be reasonably able to maintain during construction the same or substantially the same level of Health Services it provides as of the Effective Date including: (a) substantially equivalent examination room space; (b) sufficient and appropriate space to continue to provide equivalent WIC services; (c) sufficient office and appropriate spaces to continue to be able to provide First Steps services; and (d) sufficient and appropriate space for a navigator to provide enrollment services. In furtherance of Phase 1 and Phase 2 and in meeting the objectives set forth in this subsection (ii), Buyer may identify temporary space for one or both Parties to use in the delivery of Health Services during the periods of construction. Such temporary space may be on-site or off-site. Buyer agrees to pay for all costs incurred to provide such temporary space for Seller's use including but not limited moving expenses; set up of Seller's IT and network requirements; providing appropriate examination rooms, furniture, fixtures, and equipment that are ordinary and typical in the delivery of the Seller's Health Services, which shall be commercially reasonable in availability and cost and acceptable to Seller.

iii. **Post-Project:** The Parties will implement those strategies for creating the Integrated Health and Wellness Center on the Property and other integrated community services offerings that required redevelopment of the Property.

d. **ADDITIONAL PROJECT REQUIREMENTS**

i. **Payment and Performance Bond.** Buyer expressly agrees that prior to starting any construction of the Project, where such work exceeds one hundred thousand dollars (\$100,000.00), Buyer shall cause its general contractor or construction manager to provide a performance and payment bond covering the total construction contract cost, and for subcontractors performing any work on the Project when the subcontract amount exceeds \$100,000.00 to provide performance and payment bonds for the value of the subcontract.

ii. **Insurance.** At all times during the Project, Buyer will cause its general contractor(s) and subcontractors of any tier to procure and maintain insurance limits as set forth in Section 12.e.

iii. **Indemnity.** At all times during the Project, Buyer shall require its general contractor(s) and subcontractors of any tier to indemnify and hold King County harmless as set forth in Section 13.

iv. **Public Works.** In the event that Buyer determines or Buyer is required to treat any portion of the Project as “Public Work,” then such affected portion or portions of the Project shall be subject to public works procurement requirements including those specific requirements set forth in Chapters 39.04 RCW (general public works requirements), 39.12 RCW (prevailing wage), 36.32 RCW (County-specific requirements), together with any King County Code or other relevant policies, Buyer will, as appropriate, follow a competitive, responsive and responsible based contractor selection process, pay prevailing wages, and adhere to bonding and workforce requirements. Nothing contained in this RE Contract or any of the Related Agreements shall be interpreted to require compliance with the requirements set forth in this Section 4.d.iv., when compliance with such requirements would not otherwise be required.

v. **Good faith and cooperation.** At all times under this RE Contract, Buyer will communicate with King County all material issues and concerns related to the Project, cooperate with King County toward the delivery of the Integrated Health and Wellness Center as defined in Section 4.e. The Parties mutually agree to act fairly and in good faith in accordance with this RE Contract and the Related Agreements.

e. **DELIVERY OF HEALTH SERVICES.**

i. **Integrated Health and Wellness Center Model.** The Parties’ shared vision for the Property is to create an “**Integrated Health and Wellness Center**,” which is defined for purposes of this RE Contract as a model that: (a) expands the Parties’ historical relationship to increase capacity for Health Services to the community in a renovated facility that is modernized and welcoming; (b) continues and advances the shared goals to better serve individuals and families in the Federal Way community with an integrated model that provides all King County Public Health Center clients with full access to the services offered by Buyer at the Property and Buyer’s patients and clients with full access to the services that King County Public Health provides in the Federal Way community; (c) serves as a vehicle for implementing programs and services

in response to periodic community health needs assessments conducted by the Parties from time to time; (d) serves as a vehicle for partnerships with other organizations that provide services needed by Federal Way residents, including services that address social determinants of health; and (e) provides services to marginalized, underserved communities to address persistent health disparities. Buyer commits to working diligently with the County toward their shared vision of the Integrated Health and Wellness Center throughout the term of this RE Contract.

ii. **Use of the Property for Health Services Delivery and Achieving Delivery Goals.** For the period set forth in the Covenant, Buyer shall operate a community health center program on the Property and shall either provide or contract to provide, at a minimum, Health Services within the scope of a federally qualified health center grant awarded pursuant to Section 330 of the Public Health Service Act as such grant program was in effect on January 1, 2025. For purposes of this RE Contract, “Health Services” shall include primary health care services, dental services, behavioral health services, maternity and early child health services, and reproductive health services whenever such services are provided by Buyer at any other of its health clinic locations. Buyer shall provide Seller at least six (6) months prior written notice of its ceasing to provide one of the required Health Services. Nothing in this Section 4.e.ii. shall limit the Buyer or Seller from providing other services permitted by the Covenant. Buyer will also further ensure that the Property is operated in furtherance of public health delivery goals, including culturally responsive, integrated services with King County Public Health, whole person healthcare, and community outreach.

iii. **Acceleration of Closing Date.** If Buyer seeks to accelerate the RE Contract Closing date, it shall request Seller’s written concurrence that Seller agrees Buyer has achieved a satisfactory level of development of the Integrated Health and Wellness Center model as described in Section 4.e.i. and such concurrence will not be unreasonable withheld. In the case of Seller withholding concurrence, it shall by written response to Buyer’s request, identify the reasons for its withholding concurrence, and be subject to the dispute resolution procedures described herein.

5. **FAIR MARKET VALUE.** The Parties agree that the basis for establishing the fair market value for the Property is the April 2024 appraisal performed by McKee Appraisal, a copy of which each Party has received. The Parties agree that the Fair Market Value of the Property at PSA Closing is Five Million, Seven Hundred Ninety Thousand Dollars (\$5,790,000.00) (“**Statement of Fair Market Value**”).

- a. In the event that the Property, under the terms of this RE Contract, shall be sold, forfeited, condemned, or property interests divided between the Parties, whether as a result of an uncured default under Section 18, a statutory forfeiture action under Chapter 61.30 RCW, a public sale of the Property ordered by a court of competent jurisdiction, a non-judicial foreclosure proceeding, or under any other circumstance when allocation of the Parties’ respective financial interests in the Property is expressly contemplated (any such above event being referred to herein

as an “**Allocation Event**”), the Statement of Fair Market Value shall serve as the baseline value for any calculation and allocation of the Buyer and Seller’s respective financial interests in the Property. Upon the occurrence of an Allocation Event, the Seller’s financial interest in the Property at the time of an Allocation Event, calculated in the manner described in Section 5.b., shall be considered a lien against Buyer’s equitable interest in the Property, senior to all Buyer debt except for Project Debt described in Section 7, and shall be allocated and/or paid to Seller prior to all Buyer’s junior debts.

- b. Seller’s financial interest in the Property upon such Allocation Event shall be determined as of the date of an Allocation Event, i.e., the date after which equitable title and legal title to the Property shall no longer be divided among Buyer and Seller as set forth herein (the “**Allocation Date**”), and shall be calculated as follows: the Statement of Fair Market Value, which shall be increased at a rate of 3% per annum up to the Allocation Date, calculated by reference to the number of months elapsed between the Effective Date and the Allocation Date, with the appreciated fair market value amount then reduced by: (i) Buyer’s actual costs incurred and paid or outstanding as of the Allocation Date for the completion of Phases 1 and 2, provided such costs are bona fide and bear a clear and commercially reasonable relationship to Buyer’s obligations to complete Phases 1 and 2 and regardless of whether such costs are funded by grants or other contributions secured by Buyer for the Project; and (ii) the sum of all payments made by Buyer toward the Purchase Price prior to the Allocation Date.
- c. Upon satisfaction of Seller’s lien against the Property created by this Section 5, Buyer shall be allocated, paid, or entitled to retain the balance of any proceeds from the Allocation Event as well as any rights to title of the Property, if any, held by the Parties following the Allocation Event. The provisions of this Section 5 shall survive termination of this RE Contract to the extent necessary to effectuate its intent.

6. **USE.** During the Term of this RE Contract, use of the Property shall be restricted as set forth in the Covenant.

7. **BUYER’S PROJECT BORROWING; SUBORDINATION; LIENS.** Buyer will secure public and/or private funding, such funding in the form of bridge loans, grants, construction loans, and/or other financing transactions in an amount determined, in Buyer’s sole discretion, to be reasonably necessary to fully fund construction costs and other improvements to the Property during the term of this RE Contract (“**Project Debt**”). Project Debt shall fulfill and include, but not be limited to, funding used in satisfaction of Buyer’s Project Development Obligations described in Section 4. Except as provided in this Section, Seller agrees to subordinate its interest in the Property, whether arising at law, by the terms of this RE Contract, or by the terms of any of the Related Agreements, but only as reasonably necessary for Buyer to secure Project Debt. Buyer shall give the Seller at least thirty (30) days written notice of its request, a description of how this proposed debt will be used to fulfill Buyer’s Project Development Obligations described in Section 4, and copies of the proposed subordination



documents, including but not limited drafts of the priority and subordination agreement and any loan documents relevant to the requested subordination (“Buyer’s Request”). Seller acknowledges that time is of the essence in responding to any such subordination request because of the potential impact of denying the request on Buyer’s ability to finance its Project Development Obligations within the required timeframes. Therefore, unless Seller notifies the Buyer in writing within thirty (30) days of Buyer’s Request that Seller is not willing to subordinate its interests and the reasons for withholding of Seller’s subordination, it shall be presumed that Seller is satisfied with Buyer’s Request and will execute subordination documents substantially in the same form as the proposed subordination documents provided as part of Buyer’s Request. Notwithstanding the foregoing or anything to contrary, the Covenant shall not be subordinated, and the Covenant shall survive foreclosure of any lien on the Property. Except for the Project Debt, this RE Contract shall not be subordinate to any lien, mortgage or deed of trust held by any creditor or lender, now or hereafter in force against the premises, the building, or the Property, or any part thereof, and to all advances made or to be made upon the security thereof.

8. **TERM.** Upon the Effective Date, this RE Contract shall govern the terms of conveyance of legal title to the Property. This RE Contract shall remain in effect from the Effective Date until RE Contract Closing, the occurrence of an Allocation Date, or until otherwise terminated by the mutual agreement of the Parties evidenced by a duly executed signed writing (the “**Term**”).

9. **TITLE OF SELLER.** Seller covenants that Seller has full power, right and authority to convey the Property to Buyer and that Seller has good and marketable title to the Property, free and clear of all liens, encumbrances, and defects, except those described or as provided in this RE Contract.

10. **HAZARDOUS SUBSTANCES AND ENVIRONMENT.** Buyer shall not cause, permit, or allow any hazardous substance to be brought upon, kept, or used in, on or about the Property by Buyer, or by Buyer’s agents, employees, contractors, licensees, invitees or lessees, except for such hazardous substances as may be necessary for Buyer’s occupation, use and possession of the Property in a lawful manner and for the construction of the improvements thereon for Buyer’s intended use. Any hazardous substances which by the foregoing provision are permitted to be brought upon, kept or used in, on or about the Property and all containers therefore, shall be used, kept, stored and disposed of in a manner that complies in all respects with all federal, state and local laws or regulations applicable to hazardous substances, including but not limited to the Comprehensive Environmental Response, Compensation and Liability Act (“CERCLA”) 42 U.S.C. § 9601, et seq.; the Super Fund Amendments and Reauthorization Act of 1986; the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act (“RCRA”) 42 U.S.C. § 6901 et seq.; the Clean Water Act, 33 U.S.C. § 1317, § 1321; the Hazardous Materials Transportation Act, 49 U.S.C. § 1801, et seq.; the Clean Air Act, 42 U.S.C. § 7412; the Toxic Substances Control Act, 15 U.S.C. § 2606; the Washington Model Toxics Control Act (“MTCA”), RCW Ch. 70A.305, et seq.; State Environmental Policy Act (“SEPA”), RCW Ch. 43.21C; and Hazardous Waste Management Act, RCW Ch. 70A.300, including all amendments and recodifications thereof, all regulations promulgated thereunder and all other laws and regulations enacted by any governmental authority respecting hazardous substances.

The term “hazardous substance(s)” as used in this Contract means any “hazardous waste” as defined by RCRA and the Hazardous Waste Management Act, as amended from time to time and regulations promulgated thereunder; any “hazardous substance” as defined by CERCLA, the Hazardous Waste Management Act and SEPA, as amended from time to time and any regulations promulgated thereunder; “hazardous waste,” “solid waste,” “pollutant,” “irritant,” or “contaminant” as described or defined in any of the foregoing statutes or regulations; any oil or petroleum or an constituent or fraction thereof; and any material substance or waste that is or becomes regulated by any federal, state or local government authority.

11. **MAINTENANCE OF PROPERTY.** At all times during the Term, Buyer shall be responsible to keep and maintain the condition of the Property, including without limitation, roof and structure of the building, landscaping, sewer lines (free flow up to the main sewer line), plumbing, electrical systems, storm water drains and pipes, parking areas, light standards and wiring and driveways in a neat, clean and sanitary condition.

12. **INSURANCE.** Buyer shall maintain the following minimum insurance coverage and limits during the Term. Upon request of Seller, and within five (5) business days, Buyer shall provide a certificate of insurance and additional insured endorsements evidencing such required insurance.

- a. **COMMERCIAL GENERAL LIABILITY.** \$4,000,000 per occurrence and \$6,000,000 in the aggregate for bodily injury, personal and advertising injury, and property damage. Coverage shall be at least as broad as that afforded under ISO form number CG 00 01 current edition, or its substantive equivalent. Such insurance shall include coverage for, but not limited to, premises liability, products and completed operations, ongoing operations, and contractual liability. Limits may be satisfied by a single primary policy or by a combination of separate primary and umbrella liability policies, provided that coverage under the latter shall be at least as broad as that afforded under the primary policy and satisfy all other requirements applicable to liability insurance. Buyer shall include Seller as additional insured, for full coverage and policy limits.
- b. **ALL-RISK PROPERTY INSURANCE.** Buyer shall maintain “All Risk” property insurance in an amount equal to the actual cash value of the building, its improvements on the Property, and its business personal property. Coverage shall include the perils of earthquake and flood. Seller will not carry insurance on Buyer’s property or business personal property. Buyer must include a waiver of subrogation in favor of the Seller. The policy shall be endorsed to cover the interests, as they may appear, of King County with King County listed as a loss payee.
- c. **PROFESSIONAL LIABILITY (ERRORS AND OMISSIONS).** Seller acknowledges that Buyer will provide professional services on the Property as a federally qualified health center deemed by the Health Resources and Services Administration to be covered by the Federal Tort Claims Act (FTCA) pursuant to 28 U.S.C. 1346(b), 2401(b), and 2679-81 (a “Deemed Entity”), and that, so long

as Buyer's professional activities on the Premises qualify as activities of a Deemed Entity, Buyer and its staff will be deemed to be agents of the federal government such that the United States will consent to be sued in place of the Buyer and the Buyer's staff for any damages to property or for personal injury or death caused by the professional negligence or wrongful act or omission of the Buyer's employees acting within the scope of their employment. *See* 28 U.S.C. Sections 2671-2680. Seller agrees that Buyer shall be in compliance with its professional liability insurance coverage requirements herein to the extent that it is providing professional medical, dental, or other services within the scope of the FTCA on the Premises and shall not be required to acquire insurance for its professional negligence that is covered by the FTCA.

- d. **WAIVER OF SUBROGATION.** Buyer waives all rights of subrogation against the Seller for damages caused by fire or other perils to the extent such damage is covered by property insurance or is required to be covered under this RE Contract. This release and waiver shall be binding upon Buyer whether or not insurance coverage is in force at the time of the loss or destruction of property.
- e. **CONTRACTOR INSURANCE REQUIREMENT.** Buyer must require each of its contractors/subcontractors to procure and maintain appropriate and reasonable insurance coverage and minimum insurance limits to cover each of the contractor's/subcontractors' liabilities given the scope of work and the services being provided. All liability insurance policies (except Professional Liability, Cyber Liability, and Workers Compensation policies) provided by the contractor(s)/subcontractor(s) must include the County, its officials, agents, and employees as additional insured or loss payee for full coverage and policy limits. The Buyer is obligated to require and verify that all contractors/subcontractors maintain insurance and ensure that the County is included as additional insured or loss payee. Upon request by the County, and within five (5) business days, the Buyer must provide evidence of contractor/subcontractor insurance coverage, including endorsements.

13. **INDEMNIFICATION.** Buyer agrees to indemnify and hold Seller harmless to the maximum extent possible under law as provided in this Section 13. Buyer agrees for itself, its successors, and assigns, to defend, indemnify, and hold harmless Seller, its appointed and elected officials, employees, agents, consultants, successors and assigns (collectively "**Seller Parties**") from and against liability for all damages, claims, demands, suits, causes of action, agency orders, requirements or enforcement actions, other costs and expenses (including, without limitation, fines, penalties, judgments or attorneys' fees incurred with or without litigation or on appeal), and judgments of any kind or character, including but not limited to any claim for injury to persons, death, or property damage, including costs of defense thereof ("**Claims**") which are caused by, arise out of, or are incidental to Buyer's or Buyer's employees, agents, consultants, contractors of any grade, invitees, or permittees' exercise of rights and privileges granted by this RE Contract. The Buyer's obligations under this Section 13 shall include:

- a. The duty to promptly accept tender of defense and provide defense to Seller at Buyer's own expense and with counsel of Buyer's selection, which shall be subject to Seller's reasonable approval;
- b. Indemnification of Claims made by the Buyer's own employees or agents against Seller within the scope of the indemnification provided to Buyer herein; and
- c. Waiver of Buyer's immunity under the industrial insurance provisions of Title 51 RCW but solely to the extent required to enforce the indemnification described in this Section 13; provided, however, the foregoing waiver shall not in any way preclude Buyer from raising such immunity as a defense against any claim brought against Buyer by any of its employees. This waiver has been mutually negotiated by the Parties. In the event it is necessary for Seller to incur attorney's fees, legal expenses or other costs to enforce the provisions of this Section 13, all such fees, expenses and costs shall be recoverable from Buyer, its contractors and subcontractors.

Buyer shall not be required to indemnify, defend, or save harmless Seller if the claim, suit, or action for injuries, death, or damages is caused by the sole negligence of Seller or the Seller Parties, or if such claim, suit, or action for injuries, death, or damages arises under Seller's status as a lessee under the Lease Agreement, which in that case, the provisions of the Lease Agreement shall control. In the event any such liability arises from the concurrent negligence of Buyer and Seller, the indemnity obligation of this Section 13 shall apply only to the extent of the negligence of Buyer and its employees, agents, consultants, contractors, successors and assigns.

Buyer shall require its construction contractors and subcontractors of any tier to indemnify, defend and hold Seller harmless from and against liability for all Claims arising out of or in connection with the design, development and construction of any improvements or alterations of the Property, except to the extent of Seller's sole negligence. In furtherance of this requirement, Buyer shall include in its Project construction contracts indemnification and hold harmless obligations running from its contractors and subcontractors to Seller as least as broad as that set forth in this Section 13.

In the event it is determined that RCW. 4.24.115 applies to this or any other agreement between Buyer and Seller during the Term, the Buyer agrees to defend, hold harmless, and indemnify Seller to the maximum extent permitted thereunder, and specifically for its negligence concurrent with that of Seller to the full extent of Buyer's negligence.

14. **EXPRESS PROCLAMATION OF REAL ESTATE CONTRACT SALE.** Buyer, by execution of this RE Contract, expressly acknowledges and agrees that it is the manifest intent of the Parties to enter into a "real estate contract" sale, as that phrase is defined in RCW 61.30.010, for the Property, whereby legal title to the Property shall be retained by Seller as security for payment of the Purchase Price and the fulfillment of the additional consideration set forth in this RE Contract. Notwithstanding the foregoing, due to Buyer's substantial investment in development of the Property during the Term, it is the Parties' express intent is to allocate the Parties' respective financial interests in the Property as described in Section 5, even

if Seller were to utilize the forfeiture procedures of Chapter 61.30 RCW or any other foreclosure procedure allowed by law for the Seller under a real estate contract. Seller therefore waives, to the fullest extent permitted by law, its forfeiture rights under Chapter 61.30 RCW and, to the extent such rights are not subject to waiver, agrees to substitute the terms and conditions of this RE Contract for the provisions of RCW 61.30.100.

15. **ASSIGNMENT OF INTERESTS.** Neither this RE Contract nor Buyer's equitable interest in the Property or any portion thereof shall be assignable or transferable by operation of law, or by any process or proceeding of any court or otherwise without the prior written consent of Seller, which consent shall be at Seller's sole and absolute discretion.

16. **NO IMPROPER ASSIGNMENT.** Neither Party may assign this RE Contract except that Buyer may assign this RE Contract, with Seller's prior written approval, which shall not be unreasonably withheld, to (i) to a wholly-owned single-purpose affiliate entity or (ii) as may be required by a lender or other funding source providing Project Debt.

17. **REAL ESTATE TAXES.** Seller is exempt by law from the payment of real and personal property taxes, LIDs and assessments on the Property. Buyer will be liable for the payment of such taxes, if any, upon the PSA Closing date. Buyer shall have the right, if exercised in good faith, at the sole cost and expense of Buyer and in Buyer's name, to contest or review in the manner required by law, any taxes or assessment, including penalties or interest thereon, respecting the Property, providing that any such contest or review operates to suspend collection and prevents sale of the Property to satisfy any such taxes or assessment. Pending any such contest or review and until such tax or assessment shall become final, Buyer shall not be in any uncured Default as set forth in Section 18.

18. **DEFAULT.** Buyer shall be in default of this RE Contract if Buyer (a) fails to timely and fully observe or perform any term, covenant, condition herein set forth and, except as otherwise provided herein, fails to cure any such default within one hundred eighty (180) days after notice thereof from Seller; (b) fails to make a Purchase Price payment when due hereunder and as provided in Schedule 1 hereto, as such payment due date may have been extended as provided herein but in no case longer than one hundred eighty (180) days; (c) permits the Property or any part thereof or Buyer's interest therein to be attached, seized or in any manner restrained or impounded by process of any court, and fails to obtain the release of the Property within one hundred eighty (180) days of such attachment, seizure, restraint or impoundment; or (d) becomes or is declared insolvent or makes an assignment for the benefit of creditors, or files any debtor's petition or any petition is filed against Buyer under any bankruptcy, wage earners, reorganization or similar act. Notwithstanding anything to the contrary herein, except as to (a) of this Section 18, Buyer may cure any default hereunder by paying the outstanding balance of principal under this RE Contract to Seller on or before the date due hereunder.

19. **SELLER'S REMEDIES; ENFORCEMENT.** In the event Buyer is in default beyond the opportunity to cure periods set forth in Section 18 (a), (b) and (c), Seller may, at Seller's election, exercise the following remedies:

a. **SUIT FOR DELINQUENCIES.** Seller may institute suit for any sums then due

and payable under this RE Contract as of the date of the judgment and any sums which have been advanced by Seller pursuant to the provisions of this RE Contract.

- b. SPECIFIC PERFORMANCE. Seller may institute suit to specifically enforce any of Buyer's covenants hereunder by injunction.
- c. SUIT FOR JUDICIAL FORECLOSURE. Seller may institute a suit for judicial foreclosure to specifically enforce all rights as a lienholder to the extent of the lien created pursuant to Section 5 of this RE Contract and holder of legal title hereunder and subject to all of the terms and conditions for the allocation of financial interests between the Parties described in Section 5.

All the foregoing remedies are cumulative and are not mutually exclusive and may be exercised in conjunction with each other to the extent permitted by law or in equity and shall be in addition to other rights or remedies granted by law or in equity for breach of this RE Contract not otherwise waived herein; provided however, in the event Seller elects to pursue any of the remedies described in subsections a., b., or c. of this Section 19, Seller shall not have the right to accelerate the remaining purchase price balance. In the event that legal proceedings are commenced to enforce any provision of this RE Contract, the prevailing Party in such action shall be entitled to an award of reasonable legal costs and attorneys' fees in addition to any other relief. Nothing contained herein shall be deemed to limit or restrict the rights of Seller under any other agreement or contract. No third parties have any rights to enforce this RE Contract.

20. **NOTICE**. Any and all notices or other communications required or permitted to be given under any of the provisions of this RE Contract shall be in writing and shall be deemed to have been duly given upon receipt when personally delivered, when receipt of notice by e-mail is acknowledged by the recipient, when 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: HealthPoint  
955 Powell Avenue SW  
Renton, Washington 98057  
Attention: Chief Executive Officer

With a copy to: Ogden Murphy Wallace PLLC  
701 Fifth Avenue, Suite 5600  
Seattle, WA 98104  
Attention: Steve Burgon

If to Seller: King County  
Chinook Building  
401 5th Ave. Suite 930  
Seattle, WA 98104

Attention: Steve Rizika

With a copy to: King County Prosecuting Attorney's Office  
701 Fifth Avenue, Suite 600  
Seattle, Washington 98104  
Attention: Ryan W. Ridings

21. **INVALIDITY.** In the event any portion of this RE Contract should be held to be invalid by any court of competent jurisdiction, such holding shall not affect the remaining provisions hereof so long as the remainder of the RE Contract can be enforced in a manner consistent with the overall intent of the Parties at the time they entered into this RE Contract and at the time of any subsequent amendments hereto.

22. **ESCROW AGENT; DELIVERY OF DEED.** Seller and Buyer designate Chicago Title Insurance Company as their Escrow Agent and will execute Escrow Instructions in form satisfactory to Escrow Agent and subject to the conditions set forth in this Section 22. The Escrow Agent to hold the Bill of Sale and Fulfillment Deed ("Deed") in escrow until Buyer has notified Escrow Agent and Seller that Buyer has met all the conditions listed in the Escrow Instructions as conditions for releasing the Deed to Buyer (the "Buyer's Notice"). The Escrow Instructions shall list the conditions for releasing the Deed to Buyer as: (a) payment of the Purchase Price in full; (b) satisfaction of the conditions of Section 4; and (c) Buyer's certification of compliance with the requirements of this RE Contract as of the date of the Buyer's Notice in the form of an affidavit executed by a duly authorized officer of Buyer attesting to the Buyer's compliance with all such requirements. The Escrow Instructions shall further require the Escrow Agent to deliver the Deed and Bill of Sale to Buyer upon receiving (a) Buyer's Notice and (b) a confirming notice from Seller that the above conditions have been satisfied or the passage of five (5) business days from the delivery of Buyer's Notice to Escrow Agent and Seller.

23. **FULFILLMENT DEED.** Seller will, contemporaneous with the execution of this RE Contract, deposit with the Escrow Agent a fully executed Fulfillment Deed, conveying legal title to the Property to Buyer, to be held in escrow in accordance with the Escrow Instructions. Buyer has seen and reviewed the Fulfillment Deed deposited in escrow and approved its form and content as sufficient to convey legal title to the Property as warranted by Seller.

24. **DAMAGE AND DESTRUCTION.** For the duration of the Term, the risk of loss relating to the Property shall rest with the Buyer. 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, fire, earthquakes, tremors, wind, rain or other natural occurrences ("**Casualty**").

- a. **REPAIR OR RECONSTRUCTION.** In the event of a Casualty that does not result in the destruction or material damage to the Property, Buyer shall commence repair or reconstruction of the Property or improvements thereon to the same condition or better as existed prior to such Casualty upon receipt of the proceeds of such insurance required under Section 12.b., provided such repair or reconstruction shall be made in accordance with the then existing laws,

ordinances or land use regulations applicable.

- b. **DESTRUCTION OR MATERIAL DAMAGE TO THE PROPERTY.** If the Property is destroyed or materially damaged by Casualty and Buyer does not elect to rebuild or otherwise reconstruct the Property, either upon notice from the Buyer or upon twenty-four (24) months from the event of Casualty, Seller may proceed with all claims and right to proceeds as a loss payee insured under the All-Risk Property Insurance Policy in Section 12.b. (except any use and occupancy insurance, rent loss and business interruption insurance, and any similar insurance for the benefit of Buyer's ordinary business operations, as distinguished from any insurance for the benefit of the Property) that may be payable to Buyer on account of any such Casualty, to the extent such proceeds have not been previously expended or are otherwise required to reimburse for actual expenditures of restoration.

25. **NONDISCRIMINATION.** Buyer, for themselves, their successors, and assigns as a part of the consideration hereof, do hereby covenant and agree to comply with all civil rights and nondiscrimination requirements of federal, state and local laws applicable to the Property, including, without limitation, Chapter 49.60 RCW. Buyer shall not discriminate on the basis of sex, race, color, marital status, national origin, religious affiliation, disability, sexual orientation, gender identity or expression, status as a family caregiver, military status or status as a veteran who was honorably discharged or who was discharged solely as a result of the person's sexual orientation or gender identity or expression, or age except by minimum age and retirement provisions, unless based upon a bona fide occupational qualification, in the employment or application for employment or in the administration or delivery of services or any other benefits under King County Code Chapter 12.16, as now codified and as hereafter amended. Buyer shall comply fully with all applicable federal, state and local laws, ordinances, executive orders and regulations that prohibit such discrimination. These laws include, but are not limited to, King County Charter Section 840, Chapter 49.60 RCW, and Titles VI and VII of the Civil Rights Act of 1964. Any violation of this provision shall be considered a default of this Agreement and shall be grounds for cancellation, termination, or suspension, in whole or in part, of this Agreement and may result in ineligibility for further agreements between the Parties. Any violation of this Section 25 shall be considered a default of this RE Contract and shall be grounds for cancellation, termination, or suspension, in whole or in part, of the RE Contract and may result in ineligibility for further agreements with Seller.

26. **FORCE MAJEURE.** Neither Party shall be liable to the other or deemed in default under this RE Contract if and to the extent that such Party's timely performance of this RE Contract is prevented by reason of Force Majeure. "Force Majeure" shall be defined as an occurrence that is beyond the control of the Party affected and could not have been avoided by exercising reasonable diligence. Force Majeure includes strikes; lockouts; labor disputes; Acts of God; inability to procure labor, materials, or reasonable substitutes therefor; delay by reason of the diminution of power or power failure(s); restrictive governmental laws or controls; judicial orders; enemy or hostile action; civil commotion; fire or other casualty. "Acts of God" mean naturally occurring events that cannot be avoided, such as earthquake, tornado, flood or global health crises such as an epidemic or pandemic as determined by the relevant governmental



authorities having jurisdiction over the Property. Notwithstanding anything to the contrary contained herein, Buyer shall NOT be relieved of its obligations to make timely payments of the Purchase Price or to make payment of any other sums to Seller owing under this RE Contract throughout the pendency of any Force Majeure, and Buyer's failure to make timely payments or other sums owing throughout the pendency of such Force Majeure shall be subject to the Default provisions of Section 18.

27. **DISPUTE RESOLUTION.** The Parties agree to negotiate in good faith to resolve any disputes arising under this RE Contract so that the purposes of this RE Contract are not frustrated, and before seeking to resolve disputes in a court of law or any other forum. Neither Party may seek relief in a court of law until and unless the dispute resolution process set forth in this Section 27 has been completed in good faith.

a. **DESIGNATED REPRESENTATIVES.** The Parties shall designate representatives for purposes of managing this RE Contract and the dispute resolution process under this Section 27. The Parties' initial Designated Representatives shall be the Chief Administrative Officer for Public Health for the County and the Chief Financial Officer for HealthPoint, or such other persons as the Parties may designate in writing from time to time by giving notice. The Parties' Designated Representatives shall communicate regularly to discuss the status of the tasks and services to be performed and to prevent disputes from arising.

b. **INFORMAL DISPUTE RESOLUTION PROCESS.** If a dispute arises, then:

Step One: The Parties' Designated Representatives shall confer and attempt to resolve the dispute within ten (10) business days of written notification by either Party.

Step Two: If the Parties' Designated Representatives are unable to resolve the dispute within ten (10) business days, either Party may refer the dispute to HealthPoint's Chief Executive Officer and the County's Division Director for Administrative Services or their designees. HealthPoint's Chief Executive Officer and the County's Division Director for Administrative Services shall confer and attempt to resolve the dispute within ten (10) business days of receiving the referral. The conference may be in person or by other means, such as telephone conference, videoconference, etc.

c. **NON-BINDING MEDIATION.** If the Parties cannot resolve the dispute utilizing the process in Section 27.b, the Parties may, by agreement, submit the matter to non-binding mediation. The Parties shall split the mediator's fees, costs and expenses on an equal basis. Each Party shall pay its own costs to prepare for the mediation, including any attorney fees or costs.

d. **CONTINUED DILIGENCE.** During the course of conflict or dispute resolution efforts, the Parties agree to continue to diligently perform their respective

responsibilities under this RE Contract.

28. **LEGAL RELATIONSHIPS.** No partnership, joint venture or joint undertaking shall be construed from this RE Contract and, except as herein specifically provided, neither Party shall have the right to make any representation for, act on behalf of, or be liable for the debts of the other. Unless otherwise specifically provided herein, no third party is intended to be benefited by this RE Contract.

29. **GOVERNMENTAL AUTHORITY.** Buyer shall fully and timely comply with and not be in violation of all statutes, rules, ordinances and regulations of Federal Way, King County, the State of Washington, United States Government, including all amendments and recodifications thereof and all regulations, guidelines, standards, or policies promulgated thereunder and all the respective agencies and any other authority with jurisdiction as may be required or imposed by any such authorities on the Property, or Buyer's use, occupancy, or control thereof. Buyer shall comply in every respect, in a full and timely manner, with any direction pursuant to law of any public official or officer who shall impose any duties upon Buyer with respect to the Property or the use, occupancy or control thereof, and the conduct of business thereon.

30. **NON-WAIVER.** No action or failure to act by Buyer or Seller shall constitute a waiver of any right or duty afforded it under this RE Contract.

31. **CAPTIONS/SECTIONS.** The captions in this RE Contract are for convenience only and do not in any way limit or amplify the provisions set forth herein. Unless otherwise indicated, the use of the term "Section" shall refer to a section in this RE Contract.

32. **DEFINITIONS.** Capitalized terms not defined in this RE Contract shall have the meaning given to them under the Related Agreements.

33. **COUNTERPARTS.** This RE Contract may be executed in several counterparts, which shall be treated as originals for all purposes, and all counterparts so executed shall constitute one agreement, binding on all the parties hereto, notwithstanding that all the parties are not signatory to the original or to the same counterpart. Any such counterpart shall be admissible into evidence as an original hereof against the person who executed it.

34. **APPLICABLE LAW; JURISDICTION AND VENUE.** This RE Contract and all amendments hereto shall be governed by and construed in accordance with the laws of the State of Washington applicable to contracts made 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 RE Contract, the Superior Court of King County, Washington shall have exclusive jurisdiction and venue.

35. **MEMORANDUM.** A memorandum of this RE Contract shall provide record notice of the real estate contract sale by and between the Parties subject to the terms set forth herein, a fully executed copy of such memorandum which shall be indexed against the Property and recorded in the King County Recorder's Office.

IN WITNESS WHEREOF, this RE Contract has been executed by each of the Parties as of the dates set forth below.

**SELLER  
KING COUNTY**

**BUYER  
HEALTHPOINT**

BY: \_\_\_\_\_

BY: \_\_\_\_\_

Name: Drew Zimmerman

Name: Lisa Yohalem

Title: Director, Facilities Management Division

Title: President and Chief Executive Officer

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

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

Approved as to Form:

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

**NOTARY BLOCKS APPEAR ON NEXT PAGE**

**NOTARY BLOCK FOR KING COUNTY**

---

STATE OF WASHINGTON)

) SS

COUNTY OF KING )

On this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Drew Zimmerman, to me known to be the Director of the Facilities Management Division of the King County Department of Executive Services, and who executed the foregoing instrument and acknowledged to me that S/HE was authorized to execute said instrument on behalf of KING COUNTY for the uses and purposes therein mentioned.

WITNESS my hand and official seal hereto affixed the day and year in this certificate above written.

Notary Public in and for the  
State of Washington, residing

at \_\_\_\_\_

City and State

My appointment expires \_\_\_\_\_

**NOTARY BLOCK FOR HEALTHPOINT**

---

STATE OF WASHINGTON)

) SS

COUNTY OF KING )

On this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared \_\_\_\_\_, to me known to be the \_\_\_\_\_, who executed the foregoing instrument and acknowledged to me that SHE or HE was authorized to execute said instrument on behalf of the \_\_\_\_\_ for the uses and purposes therein mentioned.

WITNESS my hand and official seal hereto affixed the day and year in this certificate above written.

Notary Public in and for the  
State of Washington, residing

at \_\_\_\_\_

City and State

My appointment expires \_\_\_\_\_

**EXHIBIT 1 TO REAL ESTATE SALE CONTRACT**

**LEGAL DESCRIPTION OF PROPERTY**

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF KING, STATE OF WA, AND IS DESCRIBED AS FOLLOWS:

LOTS 7 AND 8 OF SECOMA BUSINESS PARK, ACCORDING TO PLAT RECORDED IN VOLUME 113 OF PLATS AT PAGES 37 THROUGH 40, INCLUSIVE, IN KING COUNTY, WASHINGTON.

(ALSO KNOWN AS BOUNDARY LINE ADJUSTMENT NUMBER BLA-91-0010 RECORDED ON JUNE 11, 1992 AS RECORDING NUMBER 9206119002, IN THE OFFICIAL RECORDS OF KING COUNTY, WASHINGTON.)

**EXHIBIT 2 TO REAL ESTATE SALE CONTRACT**

**PURCHASE PRICE PAYMENT SCHEDULE**

The Purchase Price payments shall be made in advance of each year. Payment number 1 shall be due at the PSA Closing. Payments number 2 through 10 shall be due on the first day of \_\_\_\_\_ [insert the calendar month that follows the anniversary date of the PSA Closing] each year until paid in full. Buyer shall transmit each payment when due to Seller.

<b>Payment Number</b>	<b>Year of Payment</b>	<b>Amount of Payment</b>
<b>1</b>	<b>2025</b>	<b>\$80,000</b>
<b>2</b>	<b>2026</b>	<b>\$84,000</b>
<b>3</b>	<b>2027</b>	<b>\$88,200</b>
<b>4</b>	<b>2028</b>	<b>\$92,610</b>
<b>5</b>	<b>2029</b>	<b>\$97,241</b>
<b>6</b>	<b>2030</b>	<b>\$102,103</b>
<b>7</b>	<b>2031</b>	<b>\$107,208</b>
<b>8</b>	<b>2032</b>	<b>\$112,568</b>
<b>9</b>	<b>2033</b>	<b>\$118,196</b>
<b>10</b>	<b>2034</b>	<b>\$124,106</b>
	<b>Total amt. paid:</b>	<b>\$1,006,231</b>

**EXHIBIT F TO ARREPSA**

**LEASE AGREEMENT  
(starts on next page )**

**LEASE AGREEMENT**

**BY AND BETWEEN**

**KING COUNTY, A POLITICAL SUBDIVISION OF THE STATE OF WASHINGTON**

**AND**

**HEALTHPOINT, A WASHINGTON NONPROFIT PUBLIC BENEFIT CORPORATION**



### **BASIC LEASE PROVISIONS**

The words and figures set forth in Paragraphs A to O shall have the following meanings throughout the Lease except as expressly modified elsewhere in the Lease. To the extent that paragraphs A through O conflict with the Lease Agreement, the Lease Agreement shall control.

- A. Landlord: HealthPoint
- B. Tenant: King County
- C. Property Address: 33431 13th Place South, Federal Way, Washington
- D. Premises: Upon Commencement Date approximately 12,700 square feet of dedicated space and 1,557 square feet of shared space with HealthPoint. Upon completion of the Project, approximately 7,500 square feet of dedicated space and approximately 2,690 square feet of shared space with HealthPoint
- E. Permitted Use: Primary medical and dental care; other health and human services and other public health services being provided by King County on the Premises as of the Commencement Date; other services compatible with the restrictive covenant against the property.
- F. Term: An initial term of one hundred twenty (120) months beginning on the Commencement Date and terminating on the last day of the month of the day in which the 120-month period expires.
- G. Optional Renewal Terms: two (2) consecutive five (5) year tenant options to extend.
- H. Commencement Date: PSA Closing date of \_\_\_\_\_, 2025
- I. Monthly Base Rent for Initial Term: zero dollars (\$0.00)
- J. Additional Rent for Initial Term: n/a
- K. Security Deposit: none
- L. Prepaid Rent: none
- M. Renewal Option Notice Date(s): [\_\_\_\_\_, 2034 and \_\_\_\_\_, 2039]  
(twelve months before the end of term)
- N. Landlord's Address for Notices:  
  
HealthPoint  
955 Powell Avenue SW  
Renton, Washington 98057  
Attention: Chief Executive Officer

- O. Tenant's Address for Notices:  
King County Real Estate Services Section  
401 5th Avenue, Suite 930  
Seattle, WA 98101

## **LEASE AGREEMENT**

This Lease Agreement (“Lease”) is made by and between HEALTHPOINT, a Washington nonprofit public benefit corporation (“Landlord”), and KING COUNTY, a political subdivision of the State of Washington (“Tenant”) and is effective as of the Commencement Date. Landlord and Tenant are each generically referred to herein as a “Party” and collectively as the “Parties.”

### **RECITALS**

- A. Landlord, a public benefit nonprofit corporation, is a community-based, community-supported, and community-governed network of non-profit health centers dedicated to providing high quality care to all who need it, regardless of circumstances; and provides access to medical care to poor and underserved populations in King County. As of the Commencement Date, Landlord meets the definition of a Federally Qualified Health Center, as defined in 42 USC § 1395x(aa)(4)(A)(i) as in effect on January 1, 2025, and operates a community health center clinic subject to the terms of a federally qualified health center grant on the Property.
- B. Tenant, through King County Department of Public Health, serves low income, marginalized, and underserved populations through the provision of medical and related care and health services in King County. As of the Commencement Date, Tenant provides such services out of offices on the Property.
- C. The Parties have entered into an Amended and Restated Purchase and Sale Agreement (the “PSA”) and upon the PSA Closing date, the Landlord, as Buyer, shall obtain an equitable title interest in the Property.
- D. Pursuant to the Real Estate Contract between Tenant, as Seller, and Landlord, as Buyer, (the “RE Contract”), Landlord shall be the owner of the real property located at 33431 13th Place South in Federal Way, King County, State of Washington, and legally described on Exhibit A (the “Property”) and the Tenant, as Seller, shall retain legal title to the Property as security for Landlord, as Buyer, to satisfy all its obligations under the RE Contract. A memorandum of the RE Contract will be recorded against the Property.
- E. Pursuant to the RE Contract, the Project includes the Landlord (i) substantially completing Phase 1 of the Project (“Phase 1”) and Phase 2 of the Project (“Phase 2”) as those terms are defined in the RE Contract; and (ii) after completion of the Project, concurrence of the Tenant as Seller that Landlord as Buyer is operating an integrated health and wellness center on the Property, consistent with Declaration of Restrictive Covenant made by Landlord, as Buyer, for the benefit of Tenant, as Seller of the Property.
- F. The costs of completing the Project are a portion of the consideration provided by Landlord as Buyer to Tenant as Seller of the Property.

- G. The Project contains certain demised premises (the “Premises”, as set forth and defined herein) within the Property for the exclusive use and control by King County Public Health, and certain shared spaces (“Shared Space”, as set forth and defined herein) within the Property to be used jointly by Tenant and Landlord in the provision of Health Services.
- H. Tenant’s leasehold in the Premises and the Shared Space is an additional part of the consideration provided by Landlord, as Buyer, to Tenant, as Seller, for the sale of the Property.

## **AGREEMENT**

For and in consideration of the recitals, mutual promises, covenants, and conditions herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

### **1. PREMISES; USE.**

- 1.1. Premises and Shared Space. The location of the Premises shall initially be the current location of the Public Health Clinic and current shared space with HealthPoint, subject to adjustment upon on the completion of Phase 1 of the Project. The Parties acknowledge that after the completion of Project, as described in the RE Contract, the exact square footage of Tenant’s dedicated space as well as the Shared Space may change. For purposes of calculating Rent and until this Lease is amended with revised square footages, the Parties agree that the Landlord leases to Tenant, and Tenant leases from Landlord, 7,500 square feet of (the “Premises”) within the building located on the Property (the “Building”). . In addition, Tenant shall have the right to use, on a non-exclusive basis in collaboration with Landlord, shared space of approximately 2,690 square feet (the “Shared Space”). Tenant’s Rent for the Shared Space shall be calculated based on the ratio of 7,500 square feet of Tenant’s Premises to the Building’s estimated 23,790 leasable square footage, or 848 square feet. For the purposes of calculating Rent, the Tenant’s total leased area is 8,348 square feet. For the purposes of this Lease, the Parties agree that the total leased square feet means a rental area as determined by ANSI/BOMA Standard of Measurement.
- 1.2. Provision of the Premises and Shared Space. Upon commencement of the Term of this Lease, and subject to Landlord’s ongoing maintenance and repair obligations set forth in this Lease, except to complete the Project pursuant to the terms of the RE Contract Landlord is not otherwise obligated to perform any alterations or improvements to the Premises, the Shared Space, or elsewhere. Upon completion of Phase 1, as set forth in the RE Contract, Landlord shall provide and maintain Building-wide standard furniture (including, without limitation, desks, chairs, book cases, and file cabinets but specifically excluding art decorations, computers, telephones, copy machines, IT systems or other equipment specific to Tenant) for the Premises and the Shared Space (defined below) as set forth on the Schedule of Furniture, Fixtures and Equipment attached hereto as Exhibit C (collectively, the “Initial Furniture”). Tenant shall have meaningful opportunity to review the Initial Furniture and to set forth certain ergonomic requirements.

1.3.Use. Tenant may use the Premises for the purpose of public health services, including primary medical and dental care, and to provide other health services and wrap-around human services that are complementary to those services provided by a community health center serving persons of lower incomes and other underserved populations with more limited access to quality health care in King County. Permitted uses shall also include all reasonably related office and administrative uses and any other legally permissible use consistent with the Restrictive Covenant recorded against the Property.

1.4.Project Delivery. Landlord and Tenant acknowledge and agree that they are committed to integrated service delivery within the Project and agree that one (1) or more representative(s) appointed by Landlord and one (1) or more representatives appointed by Tenant shall participate in a committee intended to establish policies and procedures for the shared provision of Health Services, including without limitation the use of the Shared Space.

## 2. TERM.

2.1.Initial Term. The Term of this Lease shall be for one hundred twenty (120) full calendar months ( “Term” ), commencing on the PSA Closing date, when this Lease Agreement will be fully effective (the “Commencement Date” ), and terminating on the last day of the 120<sup>th</sup> full calendar month thereafter.

2.2.Renewal Terms. Provided that Tenant is not in default under the terms of this Lease, Tenant shall have two (2) options to extend the Term of this Lease for an additional five (5) years each (each, an “Extended Term” ), subject to providing Landlord no less than twelve (12) months prior written notice of Tenant’s intent to exercise said option(s). Tenant’s extension rights shall apply to all of the Premises then leased by Tenant under this Lease. From and after the commencement of the Extended Term, all of the terms, covenants, and conditions of the Lease shall continue in full force and effect as written, except that the monthly Rent for the Extended Term shall be at Fair Market Rent. The term “Fair Market Rent” for the purposes of this Lease shall mean the annual amount per rentable square foot that a willing, comparable, non-expansion, non-renewal, non-equity tenant would pay, and a willing, comparable landlord of a comparable building in the Federal Way market would accept under the transaction as further defined above, for new leases of similar space, considering, size, use type, and creditworthiness of tenant on or about the date on which the Fair Market Rent is being determined hereunder. The Fair Market Rent rentable square foot rate determined above shall be determined by Landlord for the respective market values for the Premises and Shared Space, as described in Section 1.1, above. Landlord’s determination is an issue that may be disputed pursuant to Section 11.

## 3. RENT.

3.1.Initial Term Rent. Tenant shall not pay base rent or operating expenses during the Initial Term of this Lease but shall pay rent during any Extended Term as described in Section 2.2.

- 3.2.Extended Term Rent. During any Extended Term, the Parties anticipate that this Lease shall convert to a triple net agreement in accordance with prevailing market terms at such time.
- 3.3.Improved Premises as Consideration. It is the shared understanding and intent of the Parties that the Tenant shall enjoy Premises and Shared Space that are renovated upon Landlord's completion of Phase 1 as set forth in the RE Contract. In any event where Landlord has not substantially completed Phase 1 prior to the end of the thirty-sixth (36<sup>th</sup>) month from the Effective Date of the RE Contract, then Tenant shall be entitled, at the Tenant's option, to either (i) a one-time rent payment credit, to be credited to Tenant upon commencement of the first Renewal Term, of not less than Twenty Dollars and No/100 (\$20) per square foot multiplied by the number of days until substantial completion of Phase 1 of the Project is achieved; or (ii) a day for day extension of the initial Term at the Initial Term Rent for that number of days until substantial completion of Phase 1 of the Project is achieved.
4. UTILITIES AND SERVICES: So long as Tenant is not in default under this Lease, Landlord shall provide gas, steam, electricity, heat, ventilation, air-conditioning, water, elevator service, trash removal, snow and ice removal, medical facility janitorial services, sewer and storm water, and other customary services or utilities without interruption. Landlord shall pay all real estate and ad valorem taxes, as may be applicable. All other costs necessary for Tenant to do business in the Premises will be paid directly by Tenant, including expressly telephone and internet connection. Landlord agrees to provide third-party security at the Building for the benefit of both Landlord and Tenant's operations, and shall maintain electronic security measures, including but not limited to access controls, cameras and intrusion systems. The minimum requirements for security are described on Exhibit B attached hereto.
5. COMMON AREAS. Landlord also grants Tenant a nonexclusive license to use, in common with Landlord, other lessees (if any), and their respective guests and invitees, those portions of the Building and the Property incident to and necessary for Tenant's use of the Premises and Shared Space, including but not limited to any utility rooms, cable and communication closets, or other spaces containing operational infrastructure, and which shall be accessible to Tenant at all times (the "Common Areas").
6. REPAIRS AND MAINTENANCE: Landlord shall keep the Premises, Shared Space, and the Common Areas of the Building in operating condition and repair at least as good as the condition of the Building on the Commencement Date, the completion of Phase 1 or the completion of Phase 2, as the case may be, including but not limited to walks, landscaping, service areas, mechanical rooms, loading areas, and the roof and the exterior of the Building, reasonable use and wear and tear and damage by fire and other casualty excepted, Landlord shall promptly repair malfunctioning fixtures, plumbing, HVAC and electrical systems in the Premises, Shared Space and public and common areas. Landlord shall further maintain in condition and operating order at least as good as the condition of the Building on the Commencement Date and reasonably keep in repair consistent with plans for renovation of the

Building (a) the structural portions of the Building, including the foundation, floor/ceiling slabs, roof, curtain wall, exterior glass and mullions, columns, beams, shafts (including elevator shafts), base Building stairs and stairwells, Landlord's art work, Building mechanical, electrical and telecom closets (collectively, the "Building Structure"), (b) the base building mechanical, electrical, life safety, plumbing, sprinkler and HVAC systems of the Building (collectively, the "Building Systems"), and (c) the common areas and signage. In the event that such repairs are required as a result, in whole or in part, of the act or neglect of any duty by Tenant its agents, servants, employees, or invitees, then Tenant shall pay to Landlord the reasonable and actual cost of such maintenance and repairs. Landlord shall provide janitorial service for the Premises. Tenant shall, at its own expense and at all times, keep the Premises neat, clean and in a sanitary condition. Tenant shall permit no waste, damage or injury to the Premises. Tenant shall promptly provide Landlord with written notice of the need for any repairs or maintenance to the Premises or the Building. Landlord shall be responsible for the maintenance and repairs to the Premises, the Building, Building systems, and common areas which shall include but not limited to interior lighting (including replacement of light bulbs, ballasts and starters as required); electrical, plumbing, heating, ventilating and air-conditioning systems (including replacement of filters as recommended in equipment service manual); floor coverings; window coverings; inside and outside walls (including windows and entrance and exit doors); all structural portions of the Building (including the roof and the watertight integrity of same); restrooms, common area hallways, porches, stairways; sidewalks; exterior lighting; parking lot (including snow removal, cleaning and restriping as required); wheel bumpers; drainage; landscaping and continuous satisfaction of all governmental requirements (example: fire, building energy codes, indoor air quality and requirements to provide architecturally barrier-free premises for persons with disabilities, etc.).

7. ALTERATIONS. Tenant shall be entitled to perform alterations and/or improvements to the Premises (including, without limitation, the installation of fixtures and signs) subject to Landlord's consent, which shall not be unreasonably withheld, conditioned or delayed. Upon Tenant's request, Landlord agrees to perform such alterations or improvements on Tenant's behalf, subject to reimbursement from Tenant for Landlord's actual and reasonable costs. Tenant may from time to time remove any fixtures, alterations or improvements installed by Tenant in or to the Premises; provided that Tenant agrees to repair any damage caused by such removal. Notwithstanding the foregoing, Tenant may perform alterations and/or improvements to the Premises without obtaining Landlord's prior consent so long as such alterations and/or improvements: (i) do not exceed \$25,000 per project, (ii) are not visible from the exterior of the Building or from the Shared Space or Common Areas, (iii) do not adversely affect any Building system or the structural strength of the Building, and (iv) do not require penetrations into the roof of the Building. As an alternative, upon mutual agreement, Tenant may request work to be completed by Landlord, and Tenant shall be billed at the pre-approved, mutually agreed upon amount. In such instance(s), Tenant shall have the right to approve in advance the scope and estimated costs of such work to be completed.
8. CONDEMNATION OR DAMAGE TO THE PROPERTY. In the event a substantial part of the Premises is taken by the right of eminent domain, or purchased by the condemnor, in lieu thereof, or damaged by casualty, so as to render the remaining Premises economically untenable as a result of any of the foregoing, then this Lease shall be canceled as of the time

of taking at the option of either party. The Parties shall refer to the RE Contract for the allocation of rights in the property if any such event occurs prior to Landlord's satisfaction of the terms and conditions of the RE Contract.

9. PARKING. Tenant shall have an exclusive right to eight (8) stalls which shall be marked for public health vehicles only. In addition, Tenant shall have the non-exclusive right, during the Term of the Lease, to use the remainder of the parking spaces on the Property.
10. LIENS AND INSOLVENCY. Tenant shall keep the Premises free from any liens arising out of any work performed for, materials furnished to, or obligations incurred by Tenant and shall hold Landlord harmless against the same. In the event Tenant becomes insolvent, bankrupt, or if a receiver, assignee or other liquidating officer is appointed for the business of Tenant, Landlord may cancel this Lease at its option.
11. DISPUTE RESOLUTION. The Parties agree to negotiate in good faith to resolve any disputes arising under this Agreement so that the purposes of this Agreement are not frustrated, and before seeking to resolve disputes in a court of law or any other forum. Neither Party may seek relief in a court of law until and unless the dispute resolution process set forth in this Section 11 has been completed in good faith.
  - 11.1. Designated Representatives. The Parties shall designate representatives for purposes of managing this Agreement and the dispute resolution process under this Section 11. The Parties' initial Designated Representatives shall be the Chief Administrative Officer for Public Health for the County and the Chief Financial Officer for HealthPoint, or such other persons as the Parties may designate in writing from time to time by giving notice. The Parties' Designated Representatives shall communicate regularly to discuss the status of the tasks and services to be performed and to prevent disputes from arising.
  - 11.2. Informal Dispute Resolution Process. If a dispute arises, then:
    - Step One: The Parties' Designated Representatives shall confer and attempt to resolve the dispute within ten (10) business days of written notification by either Party.
    - Step Two: If the Parties' Designated Representatives are unable to resolve the dispute within ten (10) business days, either Party may refer the dispute to HealthPoint's Chief Executive Officer and the County's Division Director for Administrative Services or their designees. HealthPoint's Chief Executive Officer and the County's Division Director for Administrative Services shall confer and attempt to resolve the dispute within ten (10) business days of receiving the referral. The conference may be in person or by other means, such as telephone conference, videoconference, etc.



11.3. Non-Binding Mediation. If the Parties cannot resolve the dispute utilizing the process in Section 11.2, the Parties may, by agreement, submit the matter to non-binding mediation. The Parties shall split the mediator's fees, costs and expenses on an equal basis. Each Party shall pay its own costs to prepare for the mediation, including any attorney fees or costs.

11.4. Continued Diligence. During the course of conflict or dispute resolution efforts, the Parties agree to continue to diligently perform their respective responsibilities under this Agreement.

12. SUBLETTING OR ASSIGNMENT. Only after providing the Landlord at least 180 days prior written notice, may Tenant assign this Lease in whole or in part or sublet all or any portion of the Premises to a King County agency providing the same services as provided by the Tenant as of the Commencement Date or other compatible health or human services for its clientele. In addition, Tenant shall have the right to assign this Lease in whole or in part or sublet all or any portion of the Premises to unrelated entities with the prior written consent of Landlord, which may be withheld or conditioned as set forth in this Section. Landlord will agree to the sublease and assignment provided that the following conditions are met: (a) the use of the Premises by the unrelated entity is be similar to Tenant's use and consistent with the Permitted Uses described herein, (b) such unrelated entity and its clientele are not, in Landlord's reasonable determination, incompatible with Landlord's market space or business practices, and (c) the unrelated entity as the subtenant or assignee will not use the Premises in any way that will create a nuisance to Landlord or any other tenants of the Building. Landlord shall not have the right to recapture any sublease or assignment space without Tenant's express written consent. Landlord's determination is an issue that may be disputed pursuant to Section 11.

13. ACCESS. Landlord shall have the right to enter the Premises at all reasonable times for the purpose of inspection or of making repairs, additions, or alterations upon not less than ten (10) business days' notice to Tenant.

14. INDEMNIFICATION; INSURANCE.

14.1. County Self-Insurance. Landlord acknowledges that Tenant, a Charter County Government under the Constitution of the State of Washington, maintains a fully funded self-insurance program as defined in King County Code 2.21 for the protection and handling of the Tenant's liabilities, including injuries to persons and damage to property. Tenant shall, at its own expense, maintain, through its self-funded program, coverage sufficient for all of its liability exposures for this Lease. Tenant shall provide Landlord with at least thirty (30) days prior written notice of any material change in Tenant's self-funded program and shall provide Landlord with a certificate of self-insurance as proof of coverage. Landlord further acknowledges that Tenant does not maintain a commercial General Liability Insurance policy and is a self-insured government entity; therefore, Tenant does not have the ability to add Landlord as an additional insured to such policy. Should Tenant cease self-insuring its liability exposure and purchase a Commercial General Liability Insurance Policy, Tenant shall add Landlord as an additional insured to such policy. Tenant shall at all times maintain its self-funded program or a Commercial

General Liability Insurance Policy, each in an amount sufficient to cover its liability exposure under this Lease.

14.2. Landlord Insurance: Landlord shall maintain throughout the Term insurance as set forth in the RE Contract.

14.3. Indemnification. Each Party shall defend, indemnify and hold the other harmless from and against any claims, suits, causes of action, judgments, damage, loss or liability for injuries to persons or property (excluding consequential damages such as lost profits) (collectively, "Claims") to the extent caused by the negligent acts or omissions of their respective agents, officers and employees, arising out of or incidental to the exercise of rights and obligations under this Lease. Where such Claims result from the concurrent negligence of the Parties, the indemnity provisions provided herein shall be valid and enforceable only to the extent of each Party's negligence. Each of the Parties agrees that its obligations under this Section 14 extend to any claim, demand, cause of action and judgment brought by, or on behalf of, any of its employees or agents. For this purpose, each of the Parties, by mutual negotiation, hereby waives, with respect to each of the other Party's only, any immunity that would otherwise be available against such claims under the industrial insurance provisions of Title 51 RCW. In the event that any of the Parties incurs any judgment, award, and/or cost arising therefrom, including attorney fees, expenses, and costs shall be recoverable from the responsible Party to the extent of that Party's negligence.

15. COST AND ATTORNEY'S FEES. If, by reason of any default or breach on the part of either party in the performance of any of the provisions of this Lease, a legal action is instituted, the prevailing party shall recover its reasonable costs and attorney's fees in connection therewith. It is agreed that the venue of any legal action brought under the terms of this Lease shall be in King County Superior Court.

16. LIENS. Landlord and Tenant shall keep the Premises and the Building free from any liens arising out of any work performed, materials furnished, or obligations incurred by Tenant or Landlord, and each shall indemnify and hold harmless the other from and against all liabilities, losses, damages and costs (including reasonable attorney fees and costs) incurred in connection with any such lien. Landlord or Tenant may contest the validity or amount of any such lien or encumbrance in good faith provided that, within forty-five (45) days after the filing of such lien or encumbrance, Landlord or Tenant discharges the same by providing and recording a bond which complies with the requirements of RCW 60.04.161 eliminating said lien and/or encumbrance.

17. HAZARDOUS MATERIALS.

17.1. Definitions. For purposes of this Lease, 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. § 9601

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. 70A.305 (“MTCA”); the Washington Hazardous Waste Management Act, RCW ch. 70A.300; 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 Lease, the term “Hazardous Material” shall mean: any waste, pollutant, contaminant, or other material that now or in the future becomes regulated or defined under any Environmental Law.

- 17.2. Landlord Representations and Warranties. Landlord represents and warrants to Tenant that there is no Hazardous Material on, in, or under the Premises or the Real Property as of the Commencement Date. If there is any Hazardous Material on, in, or under the Premises or the Real Property which has been or thereafter becomes released, then Landlord (i) shall be solely responsible, at its sole cost, for promptly remediating the same to the extent required by Environmental Law and (ii) shall indemnify, defend and hold Tenant harmless from any and all claims, judgments, damages, penalties, fines, costs, liabilities or losses including without limitation sums paid in settlement of claims, attorneys’ fees, consultant fees and expert fees, incurred either during or after the Lease term as the result of such release.
- 17.3. Hazardous Waste Restrictions. Tenant shall not cause or permit any Hazardous Material to be brought upon, kept, or used in or about, or disposed of on the Premises or the Property by Tenant, its employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees, except in strict compliance with all applicable federal, state and local laws, regulations, codes and ordinances. If Tenant breaches the obligations stated in the preceding sentence, then Tenant shall indemnify, defend and hold Landlord harmless from any and all claims, judgments, damages, penalties, fines, costs, liabilities or losses including without limitation sums paid in settlement of claims, attorneys’ fees, consultant fees and expert fees, incurred either during or after the Lease term (“Claims”) to the extent that said Claims are a result of said breach. Tenant shall promptly notify Landlord of any inquiry, investigation or notice that Tenant may receive from any third Party regarding the actual or suspected presence of Hazardous Material on the Premises or the Property.
- 17.4. Tenant Remediation. Without limiting the foregoing, if the presence of any Hazardous Material brought upon, kept or used in or about the Premises or the Property by Tenant, its employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees, results in any release of any Hazardous Material on the Premises or the Real Property, Tenant shall be solely responsible, at its sole cost, for promptly remediating the same to the extent required by Environmental Law. Landlord’s approval of such remediation shall first be obtained, which approval shall not be unreasonably withheld, conditioned or delayed, provided, however, that Tenant shall be entitled to respond immediately to an emergency without prior approval from Landlord, including but not limited to taking actions necessary to prevent the release from migrating, leaching or otherwise spreading, and actions

necessary to respond to any immediate obligations imposed on Tenant by Environmental Law. To the extent such Hazardous Material becomes comingled with Hazardous Material released by Landlord or other Parties, nothing in this Lease shall prevent Tenant from seeking to recover costs, expenses or any other damages incurred as a result of the presence of such Hazardous Material that was released by Landlord or other Parties.

- 17.5. Landlord Remediation. Landlord shall remediate any Hazardous Material discovered in the course of carrying out Landlord's Work at Landlord's sole cost and expense.
- 17.6. Title 51 Waiver. Each of the Parties agrees that its obligations under this Section 17 extend to any claim, demand, cause of action and judgment brought by, or on behalf of, any of its employees or agents. For this purpose, each of the Parties, by mutual negotiation, hereby waives, with respect to each of the other Party's only, any immunity that would otherwise be available against such claims under the industrial insurance provisions of Title 51 RCW.
- 17.7. Survival. The provisions of this Section 17 shall survive expiration or earlier termination of this Lease.
- 17.8. Indemnification. All claims, judgments, damages, penalties, fines, costs, liabilities and losses involving the release or presence of Hazardous Material shall be subject to this Section 17, and not the indemnity and liability provisions of Section 14.
18. NO WAIVER OF COVENANTS. Any waiver by either party of any breach hereof by the other shall not be considered a waiver of any future similar breach. This Lease contains all the agreements between the parties with respect to the Lease except to the extent other agreements between the Parties are expressly referenced herein; and there shall be no modification of the agreements contained herein except by written instrument.
19. SURRENDER OF PREMISES. Subject to Section 2.2, Tenant agrees, upon expiration of the Term or other termination of this Lease, to peacefully quit and surrender the Premises without notice, remove all of Tenant's personal property, leave the Premises neat and clean and to deliver all keys to the Premises to Landlord.
20. HOLDING OVER. If Tenant, with the implied or express consent of Landlord, shall hold over after the expiration of the term of this Lease, Tenant shall remain bound by all the covenants and agreements herein, except that the tenancy shall be from month to month and Monthly Rent shall be at rate established under any "Extended Term" above.
21. BINDING ON HEIRS, SUCCESSORS AND ASSIGNS. The covenants and agreements of this Lease shall be binding upon the heirs, executors, administrators, successors and assigns of both parties hereto, except as hereinabove provided.
22. NOTICE. All notices hereunder shall be in writing and shall be delivered personally or by recognized overnight courier addressed as follows:

To Tenant:  
King County Real Estate Services Section  
Chinook Building  
401 5th Ave. Suite 930  
Seattle, WA 98104

Copy to:  
King County Prosecuting Attorney's Office  
701 Fifth Avenue, Suite 600  
Seattle, WA 98104  
Attention: Ryan Ridings

To Landlord:  
HealthPoint  
955 Powell Avenue SW  
Renton, Washington 98057  
Attention: Chief Executive Officer

Copy to:  
Ogden Murphy Wallace PLLC  
701 Fifth Avenue, Suite 5600  
Seattle, WA 98104  
Attention: Steve Burgon

or to such other respective addresses as either Party hereto may hereafter from time to time designate in writing. Notices shall be deemed delivered (i) when personally delivered; or (ii) on the first business day after deposit with a recognized overnight courier if deposited in time to permit overnight delivery by such courier as determined by its posted cutoff times for receipt of items for overnight delivery to the recipient. Payments may be made in the manner provided for notice or may be delivered by regular mail (postage prepaid); provided, payments made by regular mail (postage prepaid) shall be deemed delivered when actually received by Landlord.

23. **BROKERS.** Landlord and Tenant each warrant to the other that it has had no discussions, negotiations and/or other dealings with any real estate broker or agent in connection with the negotiation of this Lease, and that it knows of no other real estate broker or agent who is or may be entitled to any commission or finder's fee in connection with this Lease. Landlord and Tenant each agree to indemnify and hold the other harmless from and against any and all claims, demands, losses, liabilities, lawsuits, judgments, costs and expenses (including without limitation, attorneys' fees and costs) with respect to any leasing commission or equivalent compensation alleged to be owing on account of such party's discussions, negotiations and/or dealings with any real estate broker or agent. This Section is not intended to benefit any third parties and shall not be deemed to give any rights to brokers or finders. No commission(s) or finder's fee(s) shall be paid to Tenant, employee(s) of Tenant or any unlicensed representative of Tenant.

24. CONSENT. Whenever Landlord's or Tenant's prior consent or approval is required by this Lease, the same shall not be unreasonably withheld, conditioned or delayed, unless otherwise specifically provided by this Lease. All requests for Tenant consents or approvals required under this Lease shall be submitted to the Facilities Management Director or his or her functional successor. Whenever the consent of Tenant to any act to be performed under this Lease, Landlord must obtain the consent or approval expressly for purposes of this Lease, regardless of whether a consent or approval shall have been granted by Tenant in its regulatory, public utility, or other capacity. No permission, consent, or approval of Tenant contained herein or given pursuant to this Lease is, or shall be construed as, a representation or assurance that the matter consented to or approved complies with applicable laws, regulations, ordinances or codes, nor shall any such consent or approval be construed to authorize any failure to comply with any of the foregoing.
25. RELATIONSHIP TO LANDLORD AND TENANT. Nothing contained herein shall be deemed or construed as creating the relationship of principal and agent, partnership, or joint venture partners, and no provision contained in this Lease, nor any acts of Landlord or Tenant shall be deemed to create any relationship other than that of Landlord and Tenant.
26. TIME. Time is of the essence of each and every one of each Party's obligations, responsibilities and covenants under this Lease.
27. NONDISCRIMINATION. Landlord shall not discriminate on the basis of race, color, marital status, national origin, religious affiliation, disability, sexual orientation, gender identity or expression, sex, status as a family caregiver, military status or status as a veteran who was honorably discharged or who was discharged solely as a result of the person's sexual orientation or gender identity or expression, or age except by minimum age and retirement provisions, unless based upon a bona fide occupational qualification, in the employment or application for employment or in the administration or delivery of services or any other benefits under King County Code Ch. 12.16. Landlord shall comply fully with all applicable federal, state, and local laws, ordinances, executive orders, and regulations that prohibit such discrimination. These laws include, but are not limited to, King County Charter Section 840, chapter 49.60 RCW, and Titles VI and VII of the Civil Rights Act of 1964. Any violation of this provision shall be considered a default of this Lease and shall be grounds for cancellation, termination, or suspension, in whole or in part, of the Lease and may result in ineligibility for further agreements with King County. Notwithstanding anything to the contrary, Tenant shall be entitled to terminate this Lease effective upon written notice to Landlord in the event that Landlord violates the requirements of this Section 27.
28. DEFAULTS/REMEDIES.
- 28.1. Termination. Should an Event of Default exist, as defined in Section 28.2, Landlord may, unless otherwise provided in this Lease, terminate the Lease. Notwithstanding anything to the contrary contained in this Lease, if Landlord elects to terminate this Lease in accordance with this Section 28.1, Tenant shall have no liability for any obligations under this Lease which arise from and after the date of termination of this Lease.

28.2. Breach and Default by Tenant. Each of the following events shall be an “Event of Default” by Tenant and a “breach” of this lease:

- (a) Failure to perform any term, condition, covenant, or requirement of this Lease;
- (b) The appointment of a receiver to take possession of the Premises or of Tenant’s interest in, to, and under this Lease, the leasehold estate or of Tenant’s operations on the Premises for any reason, including, without limitation, assignment for benefit of creditors or voluntary or involuntary bankruptcy proceedings, when not released within ninety (90) days; and
- (c) The subjection of any right or interest of Tenant to or under this Lease to attachment, execution, or other levy, or to seizure under legal process when the claim against Tenant is not released within ninety (90) days.

28.3. Notice as a Precondition to Landlord’s Remedies. As a precondition to pursuing any remedy for an Event of Default by Tenant, Landlord shall, before pursuing any remedy, (a) where the alleged default is a failure to pay any installment of Rent or other sum when due pursuant to this Lease, give Tenant a thirty (30) day written notice of default and opportunity to cure, specifying in reasonable detail the amount of money not paid and the nature and calculation of each such payment, or (b) where the alleged default is the failure to perform or observe any covenant, condition, or agreement to be performed by Tenant under this Lease, other than a failure to pay rent or any other sum when due, give Tenant a sixty (60) day written notice of default, providing details of the default, and provide Tenant a reasonable opportunity to cure. Where such default other than the failure to pay any installment of Rent or other sum cannot, with reasonable diligence, be cured within such sixty (60) day period, Landlord shall not pursue any remedy provided curative action is commenced within such sixty (60) day period and thereafter pursued with due diligence to completion.

28.4. Waiver of Breach. The waiver by Landlord of any breach by Tenant of any of the provisions of this Lease shall not constitute a continuing waiver or a waiver of any subsequent breach by Tenant of either the same or a different provision of this Lease.

28.5. Landlord’s Default. Landlord shall be in default under this Lease if Landlord fails to cure any breach of its obligations under this Lease within sixty (60) days after receipt of written notice from Tenant specifying in reasonable detail the nature of Landlord’s breach; provided, however, that if the nature of Landlord’s breach is such that more than sixty (60) days are required for performance, then Landlord shall not be in default if Landlord commences the cure of such breach within sixty (60) days of the receipt of such notice from Tenant. If any Landlord breach is not cured within any required time period under such notice, Tenant may terminate this Lease and have no further obligations hereunder by providing written notice as required herein.

29. SEVERABILITY. Any provision of this Lease which shall prove to be invalid, void, or illegal shall in no way affect, impair, or invalidate any other provision of this Lease.

30. DAMAGE OR DESTRUCTION.

30.1. During the Initial Term, all provisions for damage or destruction of the Premises, Shared Space or the Building shall be set forth in the RE Contract.

30.2. During any Extended Term, in the event the Premises, or Building are destroyed or damaged by fire, earthquake or other casualty so as to render the Premises or Building, in Tenant's sole judgment, unfit for occupancy or Tenant's intended purpose, and the Landlord neglects or refuses to restore the Premises to its former condition within ninety (90) days of such damage or destruction, Tenant may terminate this Lease upon thirty (30) days written notice to Landlord. In the event of such termination, Landlord and Tenant shall have no further obligations hereunder, except those obligations that expressly survive the expiration or earlier termination of the Lease. In the event the Premises are damaged by any of the aforesaid events, the Rent shall be abated in proportion to the percentage of untenable space in the Premises as relates to the total square footage of the Premises until such time that Landlord restores the Premises to its pre-casualty condition. If, in the sole discretion of Tenant, the untenable portion of the Premises or the Building renders the Premises unusable for the Permitted Use, Tenant may unilaterally terminate this Lease upon thirty (30) days written notice to Landlord.

31. FORCE MAJEURE. Time periods for either Party's performance under any provision of this Lease shall be extended for periods of time during which the Party's performance is prevented due to circumstances beyond such Party's control, including without limitation, fires, floods, earthquakes, lockouts, pandemic, strikes, embargoes, governmental regulations, acts of God, public enemy, war, or other strife.

32. GOVERNING LAW. This Lease shall be governed by and construed in accordance with the laws of the State of Washington without giving effect to its conflicts of law rules or choice of law provisions.

33. COUNTERPARTS. This Lease may be executed in counterparts, each of which shall constitute an original and all of which constitute but one original. Execution copies of this Lease may be delivered by email, and the Parties hereto agree to accept and be bound by scanned signatures transmitted via email hereto, which signatures shall be considered as original signatures with the transmitted Lease having the binding effect as an original signature on an original document. Neither Party may raise the use of a scanned document or the fact that any signature was transmitted through the use of email as a defense to the enforcement of this Lease.

34. CAPTIONS/SECTIONS. The captions in this Lease Agreement are for convenience only and do not in any way limit or amplify the provisions set forth herein. Unless otherwise indicated, the use of the term "Section" shall refer to a section in this Lease Agreement.

[SIGNATURES ON THE NEXT PAGE]



IN WITNESS WHEREOF, this Lease has been executed.

**LANDLORD:**

HealthPoint,  
a Washington nonprofit corporation

**TENANT:**

King County,  
a political subdivision of the State of  
Washington

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

Name: Lisa Yohalem

Title: President and Chief Executive Officer

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

Name: Drew Zimmerman

Title: Director, Facilities Management Division

Date: \_\_\_\_\_

Date: \_\_\_\_\_

APPROVED AS TO FORM:

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

Name: Ryan W. Ridings

Title: Senior Deputy Prosecuting Attorney

APPROVED BY CUSTODIAL AGENCY:

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

Name: Michael Gedeon

Title: Chief Administrative Officer,  
Department of Public Health

**NOTARY BLOCKS APPEAR ON NEXT PAGE**

**NOTARY BLOCK FOR KING COUNTY**

---

STATE OF WASHINGTON)

) SS

COUNTY OF KING )

On this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Drew Zimmerman, to me known to be the Director of the Facilities Management Division of the King County Department of Executive Services, and who executed the foregoing instrument and acknowledged to me that S/HE was authorized to execute said instrument on behalf of KING COUNTY for the uses and purposes therein mentioned.

WITNESS my hand and official seal hereto affixed the day and year in this certificate above written.

Notary Public in and for the  
State of Washington, residing

at \_\_\_\_\_

City and State

My appointment expires \_\_\_\_\_

**NOTARY BLOCK FOR HEALTHPOINT**

---

STATE OF WASHINGTON)

) SS

COUNTY OF KING )

On this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared \_\_\_\_\_, to me known to be the \_\_\_\_\_, who executed the foregoing instrument and acknowledged to me that SHE or HE was authorized to execute said instrument on behalf of the \_\_\_\_\_ for the uses and purposes therein mentioned.

WITNESS my hand and official seal hereto affixed the day and year in this certificate above written.

Notary Public in and for the  
State of Washington, residing

at \_\_\_\_\_

City and State

My appointment expires \_\_\_\_\_

Exhibit A to Lease Agreement  
Legal Description

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF KING,  
STATE OF WA, AND IS DESCRIBED AS FOLLOWS:

LOTS 7 AND 8 OF SECOMA BUSINESS PARK, ACCORDING TO PLAT RECORDED IN  
VOLUME 113 OF PLATS AT PAGES 37 THROUGH 40, INCLUSIVE, IN KING COUNTY,  
WASHINGTON.

(ALSO KNOWN AS BOUNDARY LINE ADJUSTMENT NUMBER BLA-91-0010  
RECORDED ON JUNE 11, 1992 AS RECORDING NUMBER 9206119002, IN THE  
OFFICIAL RECORDS OF KING COUNTY, WASHINGTON.)

Exhibit B to Lease Agreement  
Property Security Requirements

Building infrastructure

- Access control system for doors
- Duress Buttons at agreed upon public facing customer service desks and service delivery rooms.
- Intrusion alarm to include door contacts and motion sensors.
- Any interior security camera locations shall be approved in advance by King County to ensure patient privacy and County Compliance standards.
- County shall have the opportunity to review and approve security plans, upgrades and future changes to security systems/operations that affect their leased space or common area.

As required by the Lease at Section 4, Landlord will provide contracted security services during building operational hours, hours to be agreed upon by Landlord and Tenant, and subject to change by mutual agreement. Third-party security officers shall pass criminal background checks and have completed de-escalation training. Tenant shall be provided the opportunity to participate in the officer selection process and provide regular feedback on officers' performance. The Parties shall agree to the location or posting of the security officers

Exhibit C to Lease Agreement  
Schedule of Furniture Fixtures and Equipment

DPH - Fed Way PHC Furniture Standards			
Room	Qty	Furniture Standard	Notes
Service Delivery Rooms - Sexual and Reproductive Health	5	Medical stool, exam table, computer/monitor arm/desk for EHR in room, 2 side chairs	Assumption - Locking casework with upper and lower storage and sink in rooms
Office/Exam Room - KC Sexual Assault	1	30"x60" electric sit stand desk, double monitor arm, side return table, 2 drawer pedestal, 2 drawer lateral file, task chair, two side chairs	
Service Delivery Rooms - PCH	6	24"x60" electric sit stand desk, double monitor arm, 2 drawer pedestal, task chair, two side chairs	Assumption - Locking casework with upper and lower storage and sink in rooms, casework will have countertop for WIC scales
Team Room/Staff Workstations	38	Electric sit stand desk (dimensions TBD by final design), task chair, double monitor arms, 2 drawer pedestal, over head storage cabinet	
Phone/Telehealth/Privacy Rooms - Small	6	24"x48" electric sit stand desk, double monitor arm, 2 drawer pedestal, task chair	
Check-In / Front Desk	1	Electric sit stand desk (dimensions TBD), task chair, double monitor arms, 2 drawer pedestal	
Patient Toilet (M/F/U)	2		Assumption- will include diaper changing stations
Staff Toilet (M/F/U)	3		
Storage Room	1	Shelving if not built in casework	Assumption- built-in locking casework with upper and lower storage
Work, Copy	1	Allocate work tables if no built in casework	Assumption- built-in locking casework with upper and lower storage and countertop
Records Room	1	Height adjustable desk (dimensions TBD by final design) , records sorting/printer table	PH will continue to use current Medical Records shelving
Soiled Utility	1		Assumption- built-in locking casework with sink, countertop and upper and lower storage
Clean Utility	1		Assumption- built-in locking casework with sink, countertop and upper and lower storage
Lab	1		Assumption- built-in locking casework with sink, countertop and upper and lower storage
Dispensary	1		Assumption- built-in locking casework with sink, countertop and upper and lower storage
Eligibility/Access and Outreach	1	30"x60" electric sit stand desk, double monitor arm, side return table, 2 drawer pedestal, 2 drawer lateral file, task chair, two side chairs	
Privacy Room (patient)	1	Comfortable chair for client use	Assumption- built-in sink and diaper changing area
Network Room	1	Network racks	Assumption- room dimensions meet KCIT standards for size and wiring, relocate existing network equipment to include WAP's
Management Offices	4	30"x60" electric sit stand desk, double monitor arm, side return table, 2 drawer pedestal, 2 drawer lateral file, task chair, two side chairs	
Note: Room counts reflect revised PH request included in the test fit. Dimensions and quantities may change based on final design. Add 10% contingency.			

**EXHIBIT G TO ARREPSA**

**COVENANT**  
**(starts on next page)**

Please Return To:  
King County Real Estate Services  
Chinook Building  
401 5th Ave. Suite 930  
Seattle, WA 98104  
Attn: Steven Tease

**WASHINGTON STATE COUNTY AUDITOR/RECORDER INDEXING FORM**

**Document Title(s)** *(or transactions contained therein):*

**DECLARATION OF RESTRICTIVE COVENANT**

**Reference Number(s) of Documents assigned or released:**

Additional reference numbers on page \_\_\_\_ of document

**Grantor(s):** *(Last name first, then first name and initials)*

1. **HEALTHPOINT**

**Grantee(s):** *(Last name first, then first name and initials)*

1. **KING COUNTY**

**Legal Description:** *(abbreviated form i.e. lot, block, plat name, section-township-range)*

**SECOMA BUSINESS PARK LOTS 7 & 8 AKA BLA-91-0010 REC #9206119002**

Additional legal is on Exhibit A of document

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

**768190-0070**

**Documents Referenced**\_\_\_\_\_

## **DECLARATION OF RESTRICTIVE COVENANT**

**THIS DECLARATION OF RESTRICTIVE COVENANT** (“Covenant”) is made, established, and executed as of the date below by HealthPoint, a Washington nonprofit public benefit corporation (“HealthPoint”).

### **RECITALS**

A. HealthPoint is a Washington nonprofit public benefit corporation recognized by the Internal Revenue Service as a public charity described in Section 501(c)(3) of the Internal Revenue Code and operates a system of community health centers recognized by the Health Resources and Services Administration as operating a federally qualified health center program as described in Section 330 of the Public Health Service Act.

B. HealthPoint acquired an interest in real property in Federal Way, King County, Washington (the “Federal Way Property”) from King County, a political subdivision of the State of Washington, historically occupied by Public Health of Seattle-King County for the purpose of providing health care services for the benefit of the general public. The Federal Way Property is legally described on Exhibit A attached to this Covenant and incorporated herein by this reference as if set forth in full.

C. Pursuant to a Real Estate Contract Sale executed between HealthPoint and King County (the “RE Contract”), HealthPoint is acquiring the Federal Way Property in a transaction pursuant to which a portion of the consideration is HealthPoint’s commitment to maintain its operation of a federally qualified health center program on the Federal Way Property on the terms and conditions of this Covenant.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, HealthPoint hereby declares as follows:

1. Operation of a Community Health Center Program on the Federal Way Property. Except as otherwise expressly authorized under Section 3 of this Covenant, at all times during the term of this Covenant, HealthPoint shall operate or contract to operate a community health center program at the Federal Way Property providing services within the scope of a federally qualified health center grant awarded pursuant to Section 330 of the Public Health Service Act as such grant program was in effect on January 1, 2025 (“FQHC”). The specific services to be provided at the Federal Way Property shall include one or more of the services within the scope of services funded by Section 330 of the Public Health Service Act as of the date of this Covenant and more particularly set out in the January 1, 2024, edition of the Washington Care Authority FQHC Billing Guide, including primary care services, dental services, and/or behavioral health services.



2. Additional Restrictions on Use of the Federal Way Property. So long as a community health center program is operated by HealthPoint or its contractor at the Property in compliance with Section 1, above, the Federal Way Property may also be used by property owners, affiliates, and lessees to deliver health services and related services complementary to the operation of a community health center and intended to benefit public health and related community health needs. This Covenant restricts the use of the Federal Way property for any use not described in Section 1 or this Section 2.

3. Exceptions to Covenant. This Covenant does not require that the Federal Way Property be used continually for such purposes so long as any lapses in providing the services referenced herein are limited to periods of construction on the Federal Way Property defined in the RE Contract, and incorporated by this reference into this Covenant and any other period during which health care services cannot be delivered onsite due to casualty, pandemic, or other acts of God.

4. Term. This Covenant shall burden the Federal Way Property until the date fifteen (15) years from the date of this Covenant is first executed.

5. Binding Effect. This Covenant shall run with the land including any future transfer, conveyance, division, or partition of the Federal Way Property, and shall be binding on the owner of, and all parties having any right, title, or interest in, the Federal Way Property, their respective successors or assigns, and shall inure to the benefit of King County, its successors and assigns, agents, invitees, tenants and lessees.

6. Waiver. The failure of King County at any time to require strict performance of any provision of this Covenant shall not in any way limit its right to enforce such provision at any time. Any waiver of any breach of this Covenant shall not be a waiver of any succeeding breach of this Covenant.

7. Modifications. King County is an expressly intended beneficiary of this Covenant. Any modifications of the terms and conditions contained herein may only be modified, changed, waived, discharged, or terminated by a written amendment executed by both HealthPoint and King County, or their successors or assigns and recorded.

8. Severability. Each provision of this Covenant shall be treated as a separate and independent clause. If any provision of this Covenant is unenforceable for any reason, such provision shall be deemed severed from this Covenant and shall not invalidate or impair the enforceability of any other provision contained herein.

9. Governing Law; Venue. This Covenant shall be construed and governed by the laws of the State of Washington. In any suit related to or arising out of this Covenant, the Superior Court of King County shall have exclusive jurisdiction and venue.

10. Entire Agreement. This Covenant contains the entire declaration of HealthPoint with respect to the entire subject matter hereof, and there are no other representations, inducements, promises, or agreements, written or oral, express or implied. This Covenant supersedes any and all prior discussions, negotiations, commitments, and understandings related to the subject matter hereof. There are no conditions to the effectiveness of this Covenant except as expressly stated herein.

IN WITNESS WHEREOF, this Declaration of Restrictive Covenant has been duly executed by the HealthPoint effective as of the date of signature below.

**HealthPoint**, a Washington nonprofit public benefit corporation

By: \_\_\_\_\_  
Lisa Yohalem  
President and Chief Executive Officer  
Dated: \_\_\_\_\_

STATE OF WASHINGTON)

COUNTY OF KING ) :ss  
)

I certify that I know or have satisfactory evidence that Lisa Yohalem is the person who appeared before me, and said person acknowledged that said person signed this instrument, on oath stated that said person was authorized to execute the instrument and acknowledged it as the Chief Executive Officer of HealthPoint, a Washington nonprofit public benefit corporation, to be the free and voluntary act of such entity for the uses and purposes mentioned in the instrument.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2025.

\_\_\_\_\_  
PRINT NAME:  
NOTARY PUBLIC in and for  
the State of Washington,  
residing at:

My commission expires:

## **EXHIBIT A TO COVENANT**

### **LEGAL DESCRIPTION OF PROPERTY**

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF KING, STATE OF WA, AND IS DESCRIBED AS FOLLOWS:

LOTS 7 AND 8 OF SECOMA BUSINESS PARK, ACCORDING TO PLAT RECORDED IN VOLUME 113 OF PLATS AT PAGES 37 THROUGH 40, INCLUSIVE, IN KING COUNTY, WASHINGTON.

(ALSO KNOWN AS BOUNDARY LINE ADJUSTMENT NUMBER BLA-91-0010 RECORDED ON JUNE 11, 1992 AS RECORDING NUMBER 9206119002, IN THE OFFICIAL RECORDS OF KING COUNTY, WASHINGTON.)