

16508

Attachment B

ORIGINAL AGREEMENT

between

King County

&

City of Bothell

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT ("Agreement") is made and entered into as of July 29, 2008, by and between KING COUNTY, a political subdivision of the State of Washington ("Seller") and City of Bothell, Washington, a municipal corporation ("Purchaser").

RECITALS

A. Seller is the owner of that certain real property that comprises the publicly accessed Sammamish River Trail park property within the City of Bothell ("Property"). The Property is more particularly described in EXHIBIT A (Legal Description) attached hereto and incorporated herein by this reference.

B. The Property was declared surplus by Seller in accordance with King County Code 4.56.100.

C. On _____, the King County Council passed Ordinance No. _____, Enactment # _____, which authorized the King County Executive to execute the necessary documents to sell the Property.

D. Seller wishes to transfer its right, title and interest in the Property to Purchaser, and Purchaser wishes to acquire said interest upon the terms and conditions contained herein.

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 hereto covenant and agree as follows:

ARTICLE 1.

PURCHASE AND TRANSFER OF ASSETS

1.1. **PROPERTY TO BE SOLD.** Subject to and upon the terms and conditions set forth in this Agreement, Seller shall sell, convey, assign, transfer and deliver to Purchaser on the Closing Date (as hereinafter defined) and Purchaser shall buy, assume and accept from Seller on the Closing Date the following assets and properties:

(a) all the Seller's right, title and interest in and to the Property described in EXHIBIT A;

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

Hereinafter, the foregoing are collectively referred to as the "Purchased Assets."

**ARTICLE 2.
PURCHASE PRICE**

2.1. PURCHASE PRICE AND PAYMENT. In consideration of the sale, transfer, conveyance, assignment and delivery of the Purchased Assets, Purchaser shall, in full payment therefore, pay to Seller on the Closing Date a total purchase price of Three Hundred Twenty-One Thousand Dollars [\$321,000] ("Purchase Price") at Closing in cash or immediately available funds.

2.2. SPECIAL ASSESSMENTS. Any special assessments, L.I.D. assessments and R.I.D. assessments which are levied against the Property at the time of closing shall be paid in full by the Seller.

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

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

3.1.1. Organization of Seller. The Seller is a political subdivision of the State of Washington.

3.1.2. Execution, Delivery and Performance of Agreement, Authority. The execution, delivery and performance of this Agreement by the Seller (i) is within the municipal powers of the Seller, (ii) has been duly authorized by all necessary municipal action, and (iii) does not and will not violate any provision of any law, rule, regulation, order, writ, judgment, decree or award to which the Seller is a party or which is presently in effect and applicable to Seller or the authorizing legislation of Seller.

3.1.3. Litigation. To the best of Seller's knowledge, there is no material claim or threatened lawsuit against or relating to Seller with respect to the Property which shall impede or materially affect Seller's ability to perform the terms of this Agreement.

3.1.4. Full Disclosure. No representation or warranty by Seller in this Agreement or in any instrument, certificate or statement furnished to Purchaser pursuant hereto, or in connection with the transactions contemplated hereby, contains or will contain any untrue statement of a material fact.

3.1.5. Contracts. There are no contracts or other obligations outstanding for the sale, exchange, transfer, management or operation of the Property or any portion thereof.

3.1.6. Future Agreements. From and after the date hereof unless this Agreement is terminated in accordance with its terms, Seller shall not, without the prior written consent of Purchaser, which consent may be withheld by Purchaser in its discretion:

(i) enter into any agreement, contract, commitment, lease or other transaction that affects the Property in any way; provided, that Seller may enter into any service or maintenance contracts with the terms expiring on or prior to Closing; or

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

3.1.7. Maintenance of the Property. Seller shall continue to maintain the Property and pay all costs of the Property with respect to the period prior to Closing.

3.1.8. Warranties and Representations. Except for the warranties and representations contained in this Agreement, Seller does not make and specifically disclaims any warranties, express or implied, including any warranty of merchantability or fitness for a particular purpose, with respect to the purchased assets and no employee or agent of Seller is authorized otherwise.

3.1.9. Condition of the Property. Seller has not intentionally withheld any material information concerning environmental matters with respect to the Property. To the knowledge of Seller (i) there has been no generation, treatment, storage, transfer, disposal or release of Hazardous Substances on the Property at any time during Seller's ownership or use thereof; (ii) there are no underground storage tanks on the Property nor have underground storage tanks been removed from the Property; and (iii) Seller is not aware of any facts which would lead it to believe that there are any Hazardous Substances on the Property. For purposes of this Agreement, the term Hazardous Substances shall mean: "hazardous substance" as defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended ("CERCLA"); "hazardous waste" as defined by the Resource Conservation and Recovery Act of 1976 ("RCRA") as amended; hazardous wastes, hazardous materials, hazardous substances, toxic waste, toxic materials, or toxic substances as defined in state or federal statutes or regulations; asbestos-containing materials, polychlorinated biphenyls; radioactive materials, chemicals known to cause cancer or reproductive toxicity; petroleum products, distillates or fractions; any substance the presence of which is prohibited by statute or regulation; and any substance for which any statute or

regulation requires a permit or special handling in its use, collection, storage, treatment or disposal.

3.2. REPRESENTATIONS AND WARRANTIES OF PURCHASER. PURCHASER REPRESENTS AND WARRANTS AS FOLLOWS:

3.2.1. Execution, Delivery and Performance of Agreement,

Authority. The execution, delivery and performance of this Agreement by Purchaser (i) is within the authority of the Purchaser, (ii) has been duly authorized by all necessary action, and (iii) to the extent specifically applicable to the Property, does not and will not violate any provision of any law, rule, regulation, order, writ, judgment, decree or award to which the Purchaser is a party or which is presently in effect and applicable to Purchaser or the authorizing legislation of Purchaser.

3.2.2. Litigation. To the best of Purchaser's knowledge, there is no claim or threatened lawsuit against or relating to Purchaser which shall impede or materially affect Purchaser's ability to perform the terms of this Agreement.

3.2.3. Full Disclosure. No representation or warranty by Purchaser in this Agreement or in any instrument, document, certificate or statement furnished to Seller pursuant hereto, or in connection with the transactions contemplated hereby, contains or will contain any untrue statement of a material fact.

**ARTICLE 4.
TITLE MATTERS**

4.1. TITLE. Seller shall deliver to Purchaser title to the Property by Warranty Deed, in the recordable forms attached hereto as Exhibit B. Said Title shall be good and marketable title, free and clear of all liens, defects and encumbrances except the Permitted Exceptions, as defined herein.

Rights reserved in federal patents or state deeds, building or use restrictions general to the district, existing easements not inconsistent with Purchaser's intended use, and building or zoning regulations or provisions shall not be deemed encumbrances or defects.

4.2. TITLE COMMITMENT. Purchaser shall be responsible for ordering and paying for all title reports to the Property.

Purchaser shall have twenty (20) days after mutual execution of this Agreement within which to notify Seller, in writing, of Purchaser's disapproval of any exceptions shown on the title reports. If Purchaser does not object, in writing, within said twenty (20) day period, then Purchaser shall be deemed to have approved of the exceptions noted in the Preliminary Commitment; provided, however, that monetary

encumbrances and liens indicated therein, if any (other than real estate taxes and assessments which are to be prorated) shall be discharged by Seller on or before Closing.

In the event of disapproval by Purchaser of any exceptions or defects as set forth in the title reports, Seller shall have ten (10) days from delivery of Purchaser's notice to notify Purchaser, in writing, that Seller will cause the disapproved exceptions to be removed from the policy of title insurance to be issued in favor of Purchaser on or before Closing.

If Seller does not notify Purchaser, in writing, that Seller will cause the disapproved exceptions to be eliminated on or before Closing, then this Agreement shall terminate, and neither Purchaser nor Seller shall have any further rights, duties, or obligations hereunder, unless within three (3) business days of the earlier of (i) the expiration of said ten (10) day period, or (ii) the date that Seller notifies Purchaser that Seller will not eliminate the disapproved exceptions, Purchaser waives its prior disapproval and elects to proceed with Closing subject to the disapproved exceptions. The title exceptions approved as provided herein are referred to as the "Permitted Exceptions."

4.3. TITLE INSURANCE. Purchaser shall order and be responsible for all costs associated with title insurance, and Seller shall bear no responsibility for such title insurance.

ARTICLE 5 INSPECTION CONTINGENCIES

5.1. DUE DILIGENCE PERIOD. The obligations of Purchaser under this Agreement are subject to the satisfaction of the contingencies set forth in Section 2.3 and this Article 5. Purchaser shall have thirty (30) days following the date of mutual execution of this Agreement ("Due Diligence Period") in which to inspect the Property and the Property Information (as defined below) to determine whether the condition of the Property is acceptable to Purchaser, in Purchaser's sole discretion. If for any reason Purchaser is not satisfied with its inspection, Purchaser may terminate this Agreement upon written notice to Seller on or before the expiration of the Due Diligence Period, and neither party shall have any further rights or obligations to the other hereunder. Purchaser shall be the sole judge as to whether the contingencies shall have been satisfied.

5.2. INSPECTIONS. The condition of the Property for Purchaser's contemplated use shall meet the approval of Purchaser, in Purchaser's sole discretion, to be determined by Purchaser and approved or rejected within the Due Diligence Period. **Within ten (10) business days** following the mutual execution of this Agreement, Seller shall deliver to Purchaser copies of the following information and documentation

in Seller's possession or control and relating to the Property, if any: (i) an existing ALTA survey, if available; (ii) copies of soils and related reports; (iii) copies of tax assessments, LIDs, etc.; (iv) all environmental reports, including but not limited to asbestos, Phase I or Phase II reports, soils, wetlands, and hazardous substances, tests, and reports; (v) all engineering and related studies in connection with the development of improvements to the Property; (vi) as-built plans and specifications; and (vii) any other relevant reports, studies or information in its possession. The documents and information required to be delivered by Seller as specified above are referred to herein as the "Property Information".

During the Due Diligence Period, Purchaser, its designated representatives or agents shall have the right at Purchaser's expense to (i) perform any and all tests, inspections, surveys or appraisals of the Property deemed necessary by Purchaser (subject to the limitations set forth below); (ii) examine all Property Information delivered to Purchaser by Seller; and (iii) determine to its satisfaction whether approvals, permits and variances for the Project can be obtained for Purchaser's proposed development of the Project on the Property.

Upon waiver or satisfaction by Purchaser of its contingencies pursuant to this Article 5, Purchaser will be deemed to have approved the physical condition of the Purchased Assets and agrees to accept and purchase the same "AS IS, WHERE IS", including, without limitation, the existence or non-existence of any pollutants, contaminants, hazardous waste, dangerous waste, toxic waste, underground storage tanks or contaminated soil, or the actual or threatened release, deposit seepage, migration or escape of such substances at, from or into the Purchased Assets, and the compliance or noncompliance of the Purchased Assets with applicable federal, state, county and local laws and regulations including, without limitation, environmental laws and regulations. Purchaser acknowledges and agrees that Seller shall have no liability for, and that Purchaser shall have no recourse against the Seller for, any defect or deficiency of any kind whatsoever in the Purchased Assets

5.3. RIGHT OF ENTRY. Purchaser and Purchaser's designated representatives or agents shall have the right, upon reasonable notice to Seller and during reasonable hours, to enter the Property and conduct the tests, investigations and studies set forth in this Article 5. Notwithstanding anything to the contrary herein, invasive tests of the Property such as drilling or excavation shall be subject to Seller's prior written approval, which shall not be unreasonably denied.

ARTICLE 6
COVENANTS OF SELLER PENDING CLOSING

6.1. **CONDUCT, NOTICE OF CHANGE.** Seller covenants that between the date hereof and the Closing, Seller shall take all such actions as may be necessary to assure that the representations and warranties set forth in Article 3.1 hereof will be true and complete as of the Closing Date (except such representations, warranties and matters which relate solely to an earlier date), and all covenants of Seller set forth in this Agreement which are required to be performed by it at or prior to the Closing shall have been performed at or prior to the Closing as provided for in this Agreement. Seller shall give Purchaser prompt written notice of any material change in any of the information contained in the representations and warranties made in Article 3.1 or elsewhere in this Agreement which occurs prior to the Closing Date.

ARTICLE 7
COVENANTS OF PURCHASER PENDING CLOSING

7.1. **CONDUCT, NOTICE OF CHANGE.** Purchaser covenants that between the date hereof and the Closing, Purchaser shall take all such actions as may be necessary to assure that the representations and warranties set forth in Article 3.2 hereof will be true and complete as of the Closing Date (except such representations, warranties and matters which relate solely to an earlier date), and that all covenants of Purchaser set forth in this Agreement which are required to be performed by it at or prior to the Closing shall have been performed at or prior to the Closing as provided in this Agreement. Purchaser shall give Seller prompt written notice of any material change in any of the information contained in the representations and warranties made in Article 3.2 or elsewhere in this Agreement which occurs prior to the Closing Date.

ARTICLE 8.
CONDITIONS PRECEDENT TO PURCHASER'S OBLIGATIONS

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

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

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

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

8.4. TITLE. Any and all matters shown or referred to in the title report to which Purchaser has objected within the time specified in Section 4.2, shall have been cured by Seller, unless such objections have been waived by Purchaser. The Title Company is irrevocably committed to issue an owner's coverage policy of title insurance containing no exceptions other than the Permitted Exceptions.

ARTICLE 9. CONDITIONS PRECEDENT TO SELLER'S OBLIGATIONS

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

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

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

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

ARTICLE 10. CLOSING

10.1. Closing/closing Date. The closing of this purchase and sale (the "Closing") shall take place at the offices of First American Title Insurance Company, 2101 Fourth Avenue, Suite 800, Seattle, Washington 98121, Attn: Chantale Stiller-Anderson, (206) 728-0400 ("Escrow Agent"). The sale shall close no sooner than

eleven (11) days following King County Council's approval of Ordinance No. _____
_____ ("Closing Date"). Title, right and interest to the
Purchased Assets shall pass to Purchaser at the Closing and risk of loss thereof shall be
the responsibility of Purchaser as of the Closing.

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

10.2.1. Closing Costs. Purchaser shall pay all escrow and recording
fees and other customary closing costs for both Purchaser and Seller. The title
insurance premium for the Title Policy shall be paid by Purchaser at Closing. Except as
otherwise provided in this Section 10.2, all expenses hereunder shall be paid by the
party incurring such expenses.

10.2.2. Taxes. Seller is exempt by law from the payment of real
property ad valorem taxes, LIDs and assessments ("Taxes") on the Property. From and
after Closing, Purchaser acknowledges that, to the extent that it is not exempt from the
payment of such Taxes, as a municipal corporation, it shall be liable for the payment of
such Taxes, if applicable, and will take such steps as are reasonably necessary to cause
the applicable taxes to be levied and promptly paid.

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

- (a) Duly executed **Warranty Deed** conveying the Property in the
form of **Exhibit B** attached hereto.
- (b) **Seller's Certificate of Non-Foreign Status** substantially in the
form of **EXHIBIT C**, attached hereto.
- (c) Such other documents that may reasonably be required to
effectuate the Closing of the transaction.

**10.4. PURCHASER'S DELIVERY OF DOCUMENTS AND PURCHASE PRICE AT
CLOSING.** At the Closing, Purchaser will deliver to the Escrow Agent, at such address
or bank location by for electronic wire as provided to Purchaser, the Purchase Price as
follows:

- (a) Cash or electronically wired funds in the amount of the Purchase
Price.

**ARTICLE 11.
TERMINATION**

11.1. TERMINATION BY EITHER PARTY. Either party may terminate this Agreement if a condition to its obligation to consummate the transactions contemplated by this Agreement as set forth in this Agreement has not been satisfied as set forth herein. In that event, if neither party is in default under this Agreement, the parties shall have no further obligations or liabilities to one another.

**ARTICLE 12.
MISCELLANEOUS PROVISIONS**

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

12.2. DEFAULT; REMEDIES. In the event of default by either party to this Agreement, the non-defaulting party shall have the right to bring an action for damages and any other remedies available to such party at law or in equity. In the event of any litigation hereunder, the Superior Court of King County, Washington shall have the exclusive jurisdiction and venue. In the event either party brings an action to enforce this Agreement, the prevailing party of such action shall be entitled to recover from the other party all costs incurred in connection therewith, including reasonable attorneys' fees.

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

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

If to Purchaser: Robert Stowe, City Manager

City of Bothell
18305 101st Avenue NE
Bothell, Washington 98011

If to Seller: King County Facilities Management Division
Attn: Wayne Richardson, Manager
Real Estate Services Section
King County Administration Building
500 Fourth Avenue, Room 500
Seattle, Washington 98104

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

12.6. WAIVER. No waiver of any breach or default hereunder shall be considered valid unless in writing and signed by the party giving such waiver, and no such waiver shall be deemed a waiver of any prior or subsequent breach or default.

12.7. INDEMNITY. Seller shall indemnify, and hold Purchaser harmless from and against any costs, expenses and liabilities, including without limitation reasonable attorneys' fees, which Purchaser may suffer or incur in connection with (i) any misrepresentation in or omission of any material documents, items or information to be submitted by Seller to Purchaser relating to the Property or its operations known by Seller; or (ii) failure of Seller to perform any of its obligations hereunder.

12.8. BINDING EFFECT. Subject to Section 12.12 below, this Agreement shall be binding upon and inure to the benefit of each party hereto, its successors and assigns.

12.9. CAPTIONS. The captions of any articles, paragraphs or Sections contained herein are for purposes of convenience only and are not intended to define or limit the contents of said articles, paragraphs or Sections.

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

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

12.12. **NON-MERGER.** The terms and provisions of this Agreement will not merge in, but will survive, the closing of the transaction contemplated under this Agreement.

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

12.14. **NEGOTIATION AND CONSTRUCTION.** This Agreement and each of its terms and provisions are deemed to have been explicitly negotiated between the parties, and the language in all parts of this Agreement will, in all cases, be construed according to its fair meaning and not strictly for or against either party.

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

EXHIBIT A	Legal Description of the Property
EXHIBIT B	Warranty Deed for Property
EXHIBIT B	Seller's Certificate of Non-Foreign Status

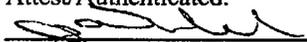
EXECUTED as of the date and year first above written:

PURCHASER:

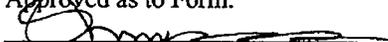
CITY OF BOTHELL,
A municipal corporation

By: 
Title: City Manager
Date: 7/31/2008

Attest/Authenticated:


JoAnne Trudel, City Clerk

Approved as to Form:


Interim City Attorney

SELLER:

KING COUNTY
A political subdivision of the State
of Washington

By: 
Title: Manager, Real Estate Services
Date: 7/4/08

STATE OF WASHINGTON)
) SS
COUNTY OF KING)

On this 11th day of JULY, 2008, before me personally appeared Wayne Richardson, to me known to be Manager of the Real Estate Services Section of the corporation that executed the foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation for the uses and purposes therein mentioned, and on oath stated that he is authorized to execute said instrument.

Given under my hand and official seal the day and year last above written.



Anne E. Lockmiller
Anne E. Lockmiller

NOTARY PUBLIC in and for the State of Washington,
Residing at Seattle, Washington
My appointment expires November 9, 2008

EXHIBIT A

LEGAL DESCRIPTION FOR PORTION OF 072605-9280

That portion of the hereinafter described parcel "A", lying westerly of the following described line;

Beginning at the intersection of the east margin of County Road (Old Bothell Hwy) and the north line of said parcel "A", said point being 30 feet easterly, when measured at right angles from the right of way centerline;

Thence southerly along said margin on a curve to the right whose center bears north $88^{\circ}32'57''$ west, 316.48 feet, an arc distance of 4.11 feet;

Thence southerly on a curve to the right whose center bears south $44^{\circ}05'45''$ west 174.50 feet, an arc distance of 244.34 feet;

Thence southwesterly on a curve to the right whose center bears north $55^{\circ}40'37''$ west, 118.50 feet, an arc distance of 40.96 feet;

Thence south $54^{\circ}07'31''$ west, 93.89 feet;

Thence south $35^{\circ}52'29''$ east, 8.00 feet;

Thence south $54^{\circ}07'31''$ west, 13.80 feet to the northerly right of way line of Northern Pacific Railway and the terminus of said line description.

Containing 19, 341 square feet, more or less.

PARCEL A:

That portion of the southeast quarter of the southeast quarter of Section 7, Township 26 North, Range 5 East, W.M., in King County, Washington, described as follows:

Beginning at a point of intersection of the east line of the O. J. Davidson Road with the northerly right of way line of Northern Pacific Railway;

Thence following the southeasterly margin of said O. J. Davidson Road and Pacific Highway Northeasterly a distance of 175 feet;

Thence to a point on the northerly side of Northern Pacific Railway right of way a distance of 155 feet from the point of beginning;

Thence following said Northern Pacific Railway right of way to the point of beginning.

PARCEL B:

That portion of the southeast quarter of the southeast quarter of Section 7, Township 26 North, Range 5 East, W.M., in King County, Washington, described as follows:

Beginning at the northwest corner of said subdivision and running;

Thence south $89^{\circ}25'48''$ east along the northerly line thereof, 338.15 feet, more or less, to the easterly line of a strip of land granted to King County for Pacific Highway by Deed dated August 6, 1912 from the Northern Pacific Railroad Company and the true point of beginning of the tract herein described;

Thence continuing south $89^{\circ}25'48''$ east, along said northerly line to the centerline of Sammamish River;

Thence southerly along the centerline of said river, to a point 50 feet northerly, measured at right angles, from the centerline of the main tract of said Railroad Company's Sumas Line;

Thence westerly along a line parallel to and 50 feet northerly, measured at right angles from said main tract centerline to a point thereon which is 155 feet easterly from its intersection with the easterly line of the O. J. Davidson Road, Secondary State Highway No. 2-A;

Thence northwesterly to a point on the easterly line of said Pacific Highway which is 175 feet northerly, measured along the easterly line of said O. J. Davidson Road and said Pacific Highway, from the intersection of the easterly line of said O. J. Davidson Road with the northerly right-of-way line of said Northern Pacific Railroad Company;

Thence along the easterly line of said Pacific Highway to the true point of beginning.

END

EXHIBIT B

WARRANTY DEED FOR PORTION OF 072605-9280

AFTER RECORDING RETURN TO:

King County Administration Building
King County Real Estate Services Section
500 Fourth Avenue, Room 500
Seattle, Washington 98104

Grantor: King County
Grantee: City of Bothell
Legal Des: SE1/4 SE1/4 07 26 05
Tax ID #: Portion of 072605-9280

The Grantors herein, **KING COUNTY**, for the consideration of TEN (\$10.00) DOLLARS and other valuable consideration, convey and warrant to Grantee, **CITY OF BOTHELL**, a political subdivision of the State of Washington, all interest in the following described real estate:

That portion of the hereinafter described parcel "A", lying westerly of the following described line;

Beginning at the intersection of the east margin of County Road (Old Bothell Hwy) and the north line of said parcel "A", said point being 30 feet easterly, when measured at right angles from the right of way centerline;

Thence southerly along said margin on a curve to the right whose center bears north 88°32'57" west, 316.48 feet, an arc distance of 4.11 feet;

Thence southerly on a curve to the right whose center bears south 44°05'45" west 174.50 feet, an arc distance of 244.34 feet;

Thence southwesterly on a curve to the right whose center bears north 55°40'37" west, 118.50 feet, an arc distance of 40.96 feet;

Thence south 54°07'31" west, 93.89 feet;

Thence south 35°52'29" east, 8.00 feet;

Thence south 54°07'31" west, 13.80 feet to the northerly right of way line of Northern Pacific Railway and the terminus of said line description.

Containing 19, 341 square feet, more or less.

PARCEL A:

That portion of the southeast quarter of the southeast quarter of Section 7, Township 26 North, Range 5 East, W.M., in King County, Washington, described as follows:
Beginning at a point of intersection of the east line of the O. J. Davidson Road with the northerly right of way line of Northern Pacific Railway;
Thence following the southeasterly margin of said O. J. Davidson Road and Pacific Highway Northeasterly a distance of 175 feet;
Thence to a point on the northerly side of Northern Pacific Railway right of way a distance of 155 feet from the point of beginning;
Thence following said Northern Pacific Railway right of way to the point of beginning.

PARCEL B:

That portion of the southeast quarter of the southeast quarter of Section 7, Township 26 North, Range 5 East, W.M., in King County, Washington, described as follows:
Beginning at the northwest corner of said subdivision and running Thence south 89°25'48" east along the northerly line thereof, 338.15 feet, more or less, to the easterly line of a strip of land granted to King County for Pacific Highway by Deed dated August 6, 1912 from the Northern Pacific Railroad Company and the true point of beginning of the tract herein described;
Thence continuing south 89°25'48" east, along said northerly line to the centerline of Sammamish River;
Thence southerly along the centerline of said river, to a point 50 feet northerly, measured at right angles, from the centerline of the main tract of said Railroad Company's Sumas Line;
Thence westerly along a line parallel to and 50 feet northerly, measured at right angles from said main tract centerline to a point thereon which is 155 feet easterly from its intersection with the easterly line of the O. J. Davidson Road, Secondary State Highway No. 2-A;
Thence northwesterly to a point on the easterly line of said Pacific Highway which is 175 feet northerly, measured along the easterly line of said O. J. Davidson Road and said Pacific Highway, from the intersection of the easterly line of said O. J. Davidson Road with the northerly right-of-way line of said Northern Pacific Railroad Company;
Thence along the easterly line of said Pacific Highway to the true point of beginning.

The rights, conditions, and provisions of this easement shall inure to the benefit of and be binding upon the heirs, executors, administrators, successors and assigns of the respective parties hereto.

Situated in the County of King, State of Washington

DATED this _____ day of _____, 2008.

KING COUNTY

By: _____
Wayne Richardson
Its: Real Estate Services Section Manager

EXHIBIT C

SELLER'S CERTIFICATE OF NON-FOREIGN STATUS

County's Certificate of Non-Foreign Status

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

1. Transferor is not a foreign corporation, foreign partnership, foreign trust, or foreign estate (as those terms are defined in the Internal Revenue Code and Income Tax Regulations); and
2. Transferor's United States employer identification number is 91-6001327; and
3. Transferor's office address is King County Facilities Management Division, Asset Development and Management Section, Room 500 King County Administration Building, 500 Fourth Avenue, Seattle, WA 98104
4. Transferor understands that this certification may be disclosed to the Internal Revenue Service by the transferee and that any false statement contained herein could be punished by fine, imprisonment, or both.

Under penalties of perjury I declare that I have examined this certification and to the best of my knowledge and belief it is true, correct and complete, and I further declare that I have authority to sign this document on behalf of Transferor

DATED this 11th day of July, 2008

TRANSFEROR:

By: Wayne Richardson

Title: Manager, Real Estate Services

AMENDMENT

**TO THE PURCHASE AND SALE AGREEMENT DATED JULY 29, 2008
BETWEEN KING COUNTY AND CITY OF BOTHELL
FOR A PORTION OF PARCEL 072605-9280
REFERRED TO AS SAMMAMISH RIVER TRAIL SITE**

The parties agree to the following changes to the Agreement. All other terms and conditions remain in full force and effect.

Page 2, Item 3.1.9, Condition of Property

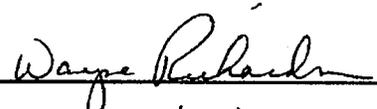
As a last paragraph to Item 3.1.9 will be added the following:

For the purposes of this Section 3.1.9, "to the knowledge of Seller" means to the present, actual knowledge of Nick Halverson, King County's property agent most familiar with the parcel at the time of execution of the Agreement. Such representation does not imply any duty on the part of Nick Halverson to have made or to make any inquiries of investigations as to the matter at issue.

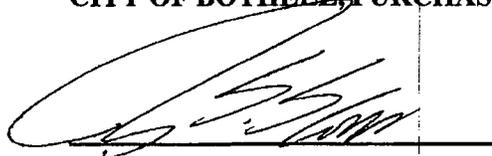
Acknowledged and Agreed:

KING COUNTY, SELLER

CITY OF BOTHELL, PURCHASER

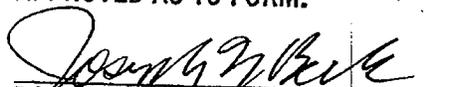


DATE: 9/30/08

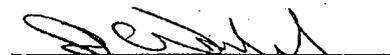


DATE: 9-15-08

APPROVED AS TO FORM:


BOTHELL CITY ATTORNEY

ATTEST:


BOTHELL CITY CLERK