



**KING COUNTY**

1200 King County Courthouse  
516 Third Avenue  
Seattle, WA 98104

**Signature Report**

**September 25, 2018**

**Ordinance 18796**

**Proposed No. 2018-0115.2**

**Sponsors Upthegrove**

1 AN ORDINANCE relating to the sale of the surplus  
2 property located at 56XX 328th Avenue NE, Carnation,  
3 Washington, in council district three.

4 STATEMENT OF FACTS:

5 For the property located at 56XX 328th Avenue NE, Carnation,  
6 Washington, located within council district three, the facilities  
7 management division completed the surplus property, affordable housing  
8 and public notice requirements.

9 BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

10 SECTION 1. Findings: The sale of 56XX 328th Avenue NE through a  
11 negotiated direct sale is authorized under K.C.C. 4.56.100.A.2. because unique  
12 circumstances make the sale in the best interests of the public. Unique circumstances are  
13 present because of a previously executed Memorandum of Understanding with the  
14 purchaser.

15 SECTION 2. The executive is authorized to convey the 56XX 328th Avenue NE  
16 surplus property to Phong Robert Cha consistent with a purchase and sale agreement

17 substantially in the form of Attachment A to this ordinance and to take all actions  
18 necessary to implement the terms of the purchase and sale agreement.  
19

Ordinance 18796 was introduced on 8/27/2018 and passed by the Metropolitan King County Council on 9/24/2018, by the following vote:

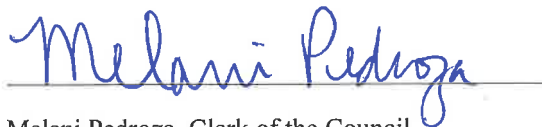
Yes: 8 - Mr. von Reichbauer, Mr. Gossett, Ms. Lambert, Mr. Dunn,  
Mr. McDermott, Mr. Upthegrove, Ms. Kohl-Welles and Ms. Balducci  
No: 1 - Mr. Dembowski  
Excused: 0

KING COUNTY COUNCIL  
KING COUNTY, WASHINGTON



J. Joseph McDermott, Chair

ATTEST:



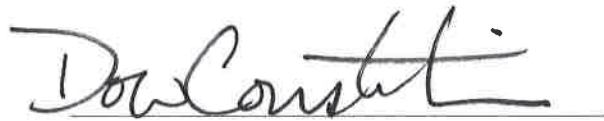
Melani Pedroza, Clerk of the Council



2018 OCT -4 PM 2:19  
CLERK  
KING COUNTY COUNCIL

RECEIVED

APPROVED this 3 day of OCTOBER, 2018.



Dow Constantine, County Executive

**Attachments:** A. Purchase and Sale Agreement (including First Addendum and Second and Third Amendments to the Purchase and Sale Agreement)

**ATTACHMENT A:**

**PURCHASE AND SALE AGREEMENT**

## REAL ESTATE PURCHASE AND SALE AGREEMENT

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

### RECITALS

A. Seller is the owner of that certain real property located at 56xx 328<sup>th</sup> Avenue NE (vacant land), 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.

C. Seller is both the Grantor and Grantee of a Transfer of Development Rights Agricultural Conservation Easement (the "Conservation Easement") recorded on December 19, 2016, under recording number 20161216001643 that encumbers the Real Property.

D. Seller desires to amend the Conservation Easement to allow Buyer or its successor to, for a 5-year period, to buy the development rights for one dwelling unit to be placed on the Real Property.

### AGREEMENT

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

#### ARTICLE 1. PURCHASE AND TRANSFER OF ASSETS

1.1. **PROPERTY TO BE SOLD.** Seller shall sell and convey to Buyer on the Closing Date (as hereinafter defined) and Buyer shall buy and accept from Seller on the Closing Date the following assets and properties:

1.1.1. all 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 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");

**1.1.4.** all of Seller's easements and other rights that are appurtenant to the Real Property including but not limited to, Seller's right, title, and interest in and to streets, alleys or other public ways adjacent to the Real Property, sewers and service drainage easements, rights of connection to the sewers, rights of ingress and egress, and leases, licenses, government approvals and permits affecting the Real Property. Seller's interest in the Conservation Easement as Grantee is not appurtenant to the Real Property, and shall not be conveyed to Buyer as part of this Agreement.

Hereinafter, the items listed in Section 1.1 are collectively referred to as the "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 on the Closing Date a total purchase price of One Hundred Sixty-Five Thousand Dollars (**US\$165,000.00**) (the "Purchase Price").

**2.2. ALLOCATION OF PURCHASE PRICE.** Seller and Buyer agree that the entire Purchase Price is allocable to the Real Property and that the value of the Personal Property, if any, is *de minimis*.

## **ARTICLE 3. REPRESENTATIONS AND WARRANTIES OF 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, and (ii) subject to the contingency in section 5.2 of this Agreement, has been or will be on or before the Closing Date,

duly authorized by all necessary action of the Seller's legislative authority. This Agreement constitutes the legal, valid and binding obligation of Seller enforceable against Seller in accordance with the terms herein.

**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. FUTURE AGREEMENTS.** From and after the Effective Date unless this Agreement is terminated in accordance with its terms, Seller shall not without the prior written consent of Buyer:

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

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

**3.1.5. FOREIGN PERSON.** Seller is not a foreign person and is a "United States Person" as such term is defined in Section 7701 (a) (30) of the Internal Revenue Code of 1986 ("Code"), as amended and shall deliver to Buyer prior to the Closing an affidavit, as set forth in **EXHIBIT D**, evidencing such fact, and such other documents as may be required under the Code.

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

**3.2.1. EXECUTION, DELIVERY AND PERFORMANCE OF AGREEMENT, AUTHORITY.** The execution, delivery and performance of this Agreement by Buyer (i) is within the powers of Buyer and (ii) has been or will be on or before the 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 Buyer in connection with this Agreement or the transactions contemplated hereby, and no broker, finder, agent, or similar intermediary is entitled to any broker's, finder's or similar fee or commission in connection with this Agreement based on an agreement, arrangement, or understanding with the Buyer or any action taken by the Buyer.

**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. 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, 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.

**3.3.4. INDEMNIFICATION.** From and after the Closing Date, Buyer shall indemnify, defend and hold Seller, its officers, agents and employees harmless from and against any and all Losses, liability, claim, agency order or requirement, damage and expense relating to or arising out of, directly or indirectly, the Property, including without limitation those relating to the actual or threatened release, disposal, deposit, seepage, migration or escape of Hazardous Substances at, from, into or underneath the Property, and the compliance or noncompliance of the Property with applicable federal, state, county and local laws and regulations including, without limitation, Environmental Laws and regulations.

**3.4. RISK OF LOSS.** Until the Closing Date, the risk of loss relating to the Property shall rest with the Seller. Risk of Loss shall be deemed to include any property damage occurring as a result of an "Act of God," including, but not limited to, earthquakes, tremors, wind, rain or other natural occurrence.

## **ARTICLE 4. TITLE MATTERS**

**4.1. CONVEYANCE.** Seller shall convey to Buyer the title to the Property by bargain and sale deed in substantially the form attached hereto as **EXHIBIT B**, subject only to the Permitted Exceptions (as defined below), 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 Section 4.4 of this Agreement.

**4.2. TITLE COMMITMENT.** Seller shall within fifteen (15) days after the Effective Date obtain a preliminary commitment for an owner's standard coverage policy of title insurance (the "Title Commitment") issued by Stewart Title Company (the "Title Company"), describing the Property, listing Buyer as the prospective named insured and showing as the policy amount the total Purchase Price for the Property. At such time as the Title Company causes the Title Commitment to be furnished to Buyer, the Title Company shall further cause to be furnished to Buyer legible copies of all instruments referred to in the Title Commitment as restrictions or exceptions to title to the Property.

**4.3. REVIEW OF TITLE COMMITMENT.** Buyer shall have until twenty-five (25) days after the Effective Date (the "Review Period") in which to notify Seller in writing of any objections Buyer has to any matters shown or referred to in the Title Commitment ("Buyer's Objections"). Any exceptions or other items that are set forth in the Title Commitment and to which Buyer does not object within the Review Period shall be deemed to be permitted exceptions ("Permitted Exceptions"). With regard to items to which Buyer does object within the Review Period, Seller shall notify Buyer within ten (10) days after Seller receives Buyer's Objections 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 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) days after receipt of Seller's Response. 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 Closing Date 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 Closing, Buyer shall cause an owner's policy of title insurance to be issued by the Title Company in the full amount of the Purchase Price, effective as of the Closing Date, insuring Buyer that the fee simple title to the Property is vested in Buyer, subject only to the 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 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. Seller shall pay any sum owing to the Title Company for the preparation of the preliminary and binding commitments generated by the Title Company.

**4.5. AMENDMENT TO CONSERVATION EASEMENT.** At Closing, Seller will also execute and deliver to Buyer an amendment to the Conservation Easement substantially in the

form attached hereto as **EXHIBIT C**.

## **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 sixty (60) days of the Effective Date ("Due Diligence Period"). In such event this Agreement shall terminate, 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. Seller and Buyer may agree in writing to extend the Due Diligence Period.

**5.1.1. INSPECTIONS.** During the Due Diligence Period, Buyer, 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 written notice; provided that such right of entry will be limited to those times and dates that will not disrupt Seller's use of, or Seller's operations and activities on the Property. 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 and 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 within one hundred twenty (120) days of the Effective Date ("Council Approval Period"). If the Council Approval Contingency is not satisfied within the Council Approval Period, Seller may extend the Council Approval Period for up to an additional ninety (90) days. If the Council Approval Contingency is not satisfied within the Council Approval Period, this Agreement shall terminate, 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 CLOSING**

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

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

**7.1. CONDUCT, NOTICE OF CHANGE.** Buyer covenants that between the Effective Date and the Closing Buyer shall take all such actions as may be necessary to assure that the

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

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

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

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

**8.2. 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.

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

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

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

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

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

**9.3. TITLE.** The Title Company shall be irrevocably committed to issue an owner's policy of title insurance for the full amount of the Purchase Price, effective as of the Closing Date, containing no exceptions other than the Permitted Exceptions and the other exceptions allowed for under Section 4.4 of this Agreement.

## **ARTICLE 10. CLOSING**

**10.1. CLOSING/CLOSING DATE.** The Closing shall 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 ("Closing Date"). 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 and Closing shall occur in the offices of the Escrow Agent in Seattle, Washington.

**10.2. PRORATIONS.** Real property taxes and assessments shall be prorated as of the Closing Date. Seller shall pay the cost of one-half (1/2) of the escrow fee charged by the Escrow Agent, any real estate excise or other transfer tax due, and its own attorneys' fees. Buyer shall pay one-half (1/2) of the escrow fee charged by the Escrow Agent, the premium for the title insurance and any costs of the preliminary and binding title commitments, the recording fees for the deed 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 CLOSING.** At the Closing, Seller will deliver to Buyer via escrow with the Escrow Agent the following properly executed documents:

**10.3.1.** A bargain and sale deed conveying the Property substantially in the form of **EXHIBIT B** attached hereto;

**10.3.2.** A bill of sale and assignment duly executed by the Seller in substantially the form of **EXHIBIT D**, attached hereto for the Personal Property, if any;

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

**10.3.4.** An amendment to the Conservation Easement substantially in the form attached hereto as **EXHIBIT C**.

**10.4. BUYER'S DELIVERY OF PURCHASE PRICE AT CLOSING.** At the Closing, Buyer will deliver to Seller via escrow with the Escrow Agent cash or immediately available funds in the amount of the Purchase Price.

## **ARTICLE 11. MISCELLANEOUS PROVISIONS**

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

**11.2. ATTORNEYS' 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 or sent by overnight courier or two days after deposit in the United States mail if by first class, certified or registered mail, return receipt requested. All notices shall be addressed to the Parties at the addresses set forth below or at such other addresses as a Party may specify by notice to the other Party and given as provided herein:

**If to Buyer:** Phong Robert Cha  
PO Box 776  
Fall City, WA 98024

**If to Seller:** King County  
King County Facility Management Division  
Real Estate Services Section  
500 Fourth Avenue, Room 830  
Seattle, WA 98104  
Attn: Steve Rizika

**With a copy to:** King County Prosecuting Attorney's Office  
Civil Division

King County Courthouse  
516 3<sup>rd</sup> Avenue, Suite W400  
Seattle, WA 98104  
Attention: Chris Leopold

**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 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 a Real Property Agent 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 3.3.4 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	Bargain and Sale Deed
EXHIBIT C	Amendment to Conservation Easement
EXHIBIT D	Bill of Sale and Assignment
EXHIBIT E	Certificate of Non-Foreign Status

**11.20. TERMINATION OF OFFER.** This offer shall terminate if not accepted by the Buyer on or before October 2, 2017.

[SIGNATURES ON THE NEXT PAGE]

EXECUTED on the dates set forth below.

**SELLER: KING COUNTY**

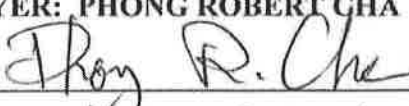
By: 

Name: Anthony Wright

Title: Director, Facilities Management Division

Date: 10-4-17

**BUYER: PHONG ROBERT CHA**

By: 

Name: Phong Robert Cha

Date: 9/28/17

APPROVED AS TO FORM:

By: 

Chris Leopold  
Senior Deputy Prosecuting Attorney

**EXHIBIT A.**

**LEGAL DESCRIPTION**

**Parcel A:**

The South 434.87 feet of the North 1,542.28 feet of the Northeast Quarter of the Northwest Quarter and the North Half of the Southeast Quarter of the Northwest Quarter, all in Section 15, Township 25 North, Range 7 East, W.M., in King County, Washington;

Together with and subject to an easement for ingress, egress and utilities as disclosed by deeds recorded under Recording Nos. 6647346, 7110050525, 7112090473 and 7304160492;

Situate in the County of King, State of Washington.

**Parcel B:**

The Northeast Quarter of the Northwest Quarter and the North Half of the Southeast Quarter of the Northwest Quarter, all in Section 15, Township 25 North, Range 7 East, W.M., in King County, Washington;

Except the North 1,542.28 feet thereof;

Together with an easement for ingress, egress and utilities over and across the West 30 feet of the North 1,542.28 feet of the following described property:

The Northeast Quarter of the Northwest Quarter and the North Half of the Southeast Quarter of the Northwest Quarter, all in Section 15, Township 25 North, Range 7 East, W.M., in King County, Washington.

Situate in the County of King, State of Washington.

**EXHIBIT B.**

**BARGAIN AND SALE DEED**

**AFTER RECORDING RETURN TO:**

Phong Robert Cha  
PO BOX 776  
Fall City, WA 98024

**BARGAIN AND SALE DEED**

**Grantor -- King County, Washington**  
**Grantee -- Phong Robert Cha**  
**Legal - - - Ptn. NW ¼, 15-25N-07E**  
**Tax Acct. - 152507-9005, 152507-9010, and 152507-9049**

The Grantor, KING COUNTY, a political subdivision of the State of Washington, for and in consideration of mutual benefits, pursuant to King County Ordinance No. \_\_\_\_\_, does hereby bargain, sell and convey unto the Grantee, PHONG ROBERT CHA, the following the real property situate in King County, Washington and described in EXHIBIT A, attached hereto and incorporated herein by this reference, subject to the permitted exceptions set forth in EXHIBIT B.

**GRANTOR**  
**KING COUNTY**

**GRANTEE**  
**PHONG ROBERT CHA**

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

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

Title: Director, Facilities Management Division

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 \_\_\_\_\_, 2017, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Anthony Wright, 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 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.

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

**NOTARY BLOCK FOR PHONG ROBERT CHA**

STATE OF WASHINGTON )  
 ) SS  
COUNTY OF KING )

On this \_\_\_\_\_ day of \_\_\_\_\_, 2017, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared PHONG ROBERT CHA, to me known to be the Buyer, who executed the foregoing instrument and acknowledged to me that HE was authorized to execute said instrument for the uses and purposes therein mentioned.

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

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

**EXHIBIT A**  
**TO BARGAIN AND SALE DEED**

**LEGAL DESCRIPTION**

Parcel A:

The South 434.87 feet of the North 1,542.28 feet of the Northeast Quarter of the Northwest Quarter and the North Half of the Southeast Quarter of the Northwest Quarter, all in Section 15, Township 25 North, Range 7 East, W.M., in King County, Washington;

Together with and subject to an easement for ingress, egress and utilities as disclosed by deeds recorded under Recording Nos. 6647346, 7110050525, 7112090473 and 7304160492;

Situate in the County of King, State of Washington.

Parcel B:

The Northeast Quarter of the Northwest Quarter and the North Half of the Southeast Quarter of the Northwest Quarter, all in Section 15, Township 25 North, Range 7 East, W.M., in King County, Washington;

Except the North 1,542.28 feet thereof;

Together with an easement for ingress, egress and utilities over and across the West 30 feet of the North 1,542.28 feet of the following described property:

The Northeast Quarter of the Northwest Quarter and the North Half of the Southeast Quarter of the Northwest Quarter, all in Section 15, Township 25 North, Range 7 East, W.M., in King County, Washington.

Situate in the County of King, State of Washington.

**EXHIBIT B**  
**TO BARGAIN AND SALE DEED**

**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].

1. The lands described herein have been classified as farm and agricultural and are subject to the provisions of RCW84.34 which include the requirement of a continuation of restricted use in order to continue the present assessment rate.

Notice Recorded: February 6, 1992 and February 10, 1992

Recording No.: 9202061262 and 9202100514

2. Reservations as contained in instrument:

From: The Federal Land Bank of Spokane

Recorded: April 5, 1945

Recording No.: 3460713

3. Easement and the terms and conditions thereof:

Recorded: May 6, 1970

Recording No.: 6647346

4. Easement and the terms and conditions thereof:

Purpose: Ingress, egress and utilities

Affects: West 30 feet

Recorded: October 5, 1971

Recording No.: 7110050525

5. Easement and the terms and conditions thereof:

Purpose: Ingress, egress and utilities

Affects: West 30 feet

Recorded: October 5, 1971

Recording No.: 7110050525

6. Easement and the terms and conditions thereof:

Recorded: December 9, 1971

Recording No.: 7112090473

7. Terms and conditions of survey recorded June 19, 1984 under Recording Number 8406199014

8. Terms and conditions of survey recorded June 19, 1984 under Recording Number 8406199015.



9. Terms and conditions of survey recorded February 12, 2007 under Recording Number 20070212900001.

10. Deed and Agreement Relating to Development Rights and the terms and conditions thereof:  
Recorded: December 16, 2016  
Recording No.: 20161216001643

11. Transfer of Development Rights and the terms and conditions thereof:  
Recorded: December 16, 2016  
Recording No.: 20161216001645

**EXHIBIT C  
AMENDMENT TO CONSERVATION EASEMENT**

When Recorded Mail To:

King County  
Department of Natural Resources & Parks  
Water and Land Resources Division  
201 S. Jackson St., Suite 600  
Seattle, WA 98104-3855

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**KING COUNTY TRANSFER OF DEVELOPMENT RIGHTS  
AGRICULTURAL CONSERVATION EASEMENT:**

**AMENDMENT TO DEED AND AGREEMENT RELATING TO  
DEVELOPMENT RIGHTS**

Grantor: King County, a political subdivision of the State of Washington.  
Grantee: King County, a political subdivision of the State of Washington.  
Legal Description (abbreviated): NW 1/4 of Section 15 Township 25 Range 07E  
Additional legal(s) on Page 5.  
Assessor's Tax Parcel ID#: 152507-9005; 152507-9010; and 152507-9049.

This Amendment to Deed and Agreement Relating to Development Rights (the "Amendment") is granted on this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_, by King County, a political subdivision of the State of Washington ("Grantor"), to King County, a political subdivision of the State of Washington, ("Grantee").

WHEREAS, Grantor and Grantee make the following recitals:

A. In 2016 Grantee entered into a Transfer of Development Rights Agricultural Conservation Easement Deed and Agreement Relating to Development Rights (the "TDR Conservation Easement") (recording number 20161216001643) with Grantor's predecessor in interest, Carnation Fields, LLC, the former owner of the real property legally described in **Exhibit A**, and depicted in **Exhibit B** (the "Protected Property"), to protect the farmland soils and retain the agricultural viability of the Protected Property.

B. Grantor subsequently acquired the fee interest in the Protected Property from Carnation Fields, LLC, with the intent of transferring the fee interest in the future to a farmer or agricultural organization that would use the Protected Property for agricultural uses, and have the option to also reside on the Protected Property.

C. Grantor intends to transfer the fee interest in the Protected Property to Phong Robert Cha, a farmer, and also to allow Phong Robert Cha, or a successor in interest, to reside on the Protected Property.

D. The TDR Conservation Easement removed the development rights from the Protected Property, and reserved the right, exclusive to King County, to acquire the development rights to construct one Dwelling Unit on the Protected Property.

E. Grantor and Grantee wish to amend the TDR Conservation Easement to provide Phong Robert Cha, or a successor in interest, with the option to acquire the development rights for one Dwelling Unit to be placed on the Protected Property, which option shall be valid for a period of five (5) years from the date this Amendment is recorded.

F. Grantor and Grantee agree that this Amendment is consistent with the purpose of the TDR Conservation Easement and will conserve the Conservation Values of the Protected Property.

G. Capitalized terms not otherwise defined in this Amendment shall have the meaning assigned to them in the TDR Conservation Easement.

NOW, THEREFORE, in consideration of the above and the mutual covenants, terms, conditions and restrictions contained herein, Grantor and Grantee agree as follows:

**1. The TDR Conservation Easement shall be amended by striking Section II. A. 1. in its entirety and replacing it with the following:**

- 1) Option to Acquire the Right to One Dwelling Unit. Grantor, or its successor in interest, shall have the right to purchase the development rights for one Dwelling Unit to be placed on the Protected Property, within a location determined at Grantor's discretion, and as allowed by Applicable Law ("Additional Dwelling Unit"). If Grantor, or its successor in interest, does not exercise the option provided for in this Section II.A.1. by the date that is five (5) years following the recording date of this Amendment, this option shall automatically become null and void. Grantor, or its successor in interest, shall have the right, but not the obligation, to purchase the development rights for the Additional Dwelling Unit. Should Grantor, or its successor in interest, elect to purchase the development rights for the Additional Dwelling Unit, the price shall be determined by a fair market appraisal. There shall be no time period in which the Additional Dwelling Unit must be constructed. Grantor, or its successor in interest, shall have the right to construct the Additional Dwelling Unit on the Protected Property within a designated Building Site Area as may be allowed by Applicable Law. If the option to purchase development rights for the Additional Dwelling Unit is exercised, Grantor, or its successor in interest, shall execute and record an amendment to this Conservation Easement memorializing such purchase in accordance with the terms of this Conservation Easement.

This Amendment may be executed in one or more counterparts, each of which shall be deemed an original. The signatures to this Amendment may be executed and notarized on separate pages and when attached to this document shall constitute one complete document.

In Witness Whereof, the Grantor and Grantee, intending to legally bind themselves, have set their hands on the date first written above.

Grantor King County, a political subdivision of the State of Washington:

BY: \_\_\_\_\_  
Christie True, Director  
Department of Natural Resources & Parks

Grantee King County, a political subdivision of the State of Washington:

BY: \_\_\_\_\_  
Christie True, Director  
Department of Natural Resources & Parks



**EXHIBIT A**  
**PROTECTED PROPERTY**  
**LEGAL DESCRIPTION**

**Parcel A:**

The South 434.87 feet of the North 1,542.28 feet of the Northeast Quarter of the Northwest Quarter and the North Half of the Southeast Quarter of the Northwest Quarter, all in Section 15, Township 25 North, Range 7 East, W.M., in King County, Washington;

Together with and subject to an easement for ingress, egress and utilities as disclosed by deeds recorded under Recording Nos. 6647346, 7110050525, 7112090473 and 7304160492;

Situate in the County of King, State of Washington.

**Parcel B:**

The Northeast Quarter of the Northwest Quarter and the North Half of the Southeast Quarter of the Northwest Quarter, all in Section 15, Township 25 North, Range 7 East, W.M., in King County, Washington;

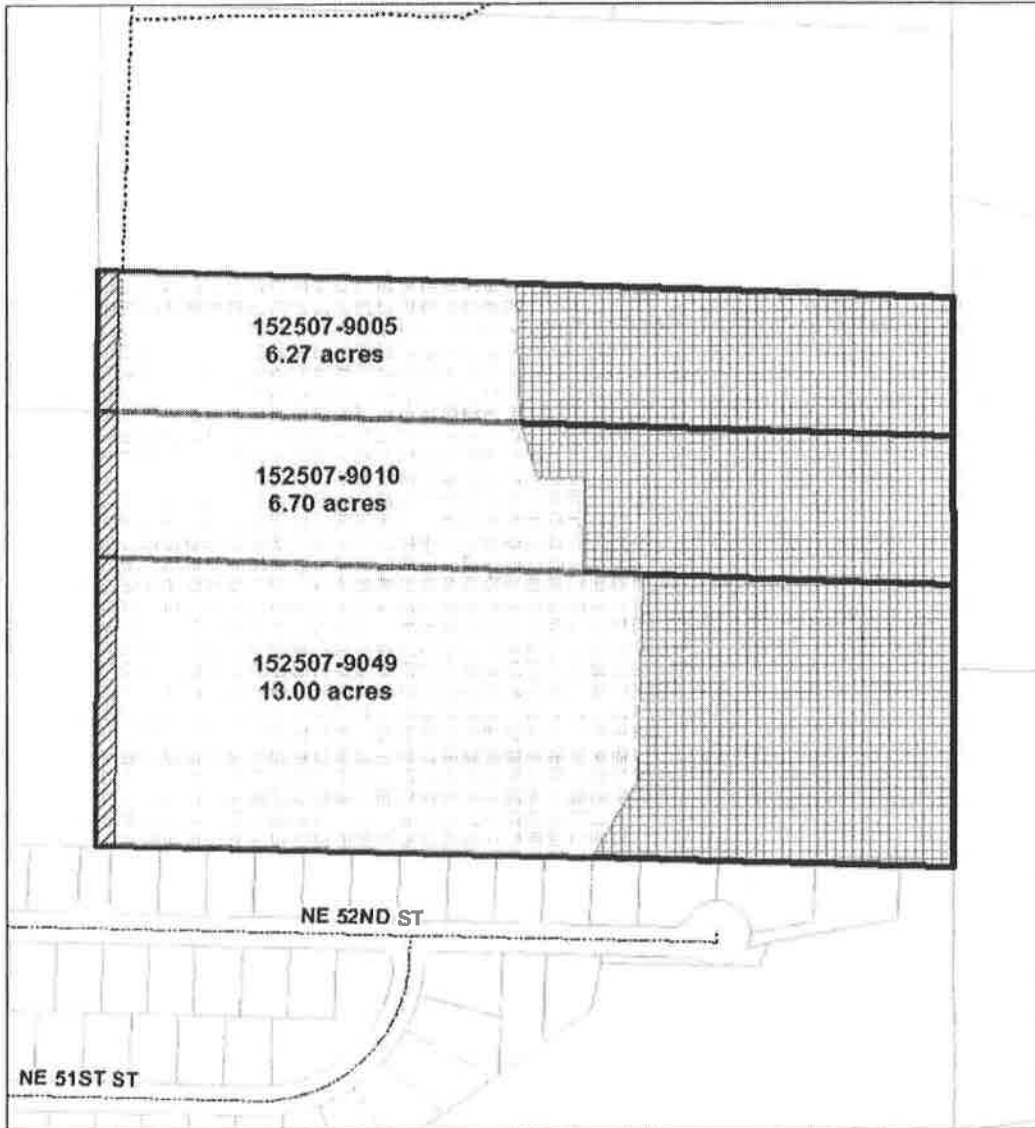
Except the North 1,542.28 feet thereof;

Together with an easement for ingress, egress and utilities over and across the West 30 feet of the North 1,542.28 feet of the following described property:

The Northeast Quarter of the Northwest Quarter and the North Half of the Southeast Quarter of the Northwest Quarter, all in Section 15, Township 25 North, Range 7 East, W.M., in King County, Washington.

Situate in the County of King, State of Washington.

# EXHIBIT B PROPERTY MAP



### LEGEND

- Protected Property (approx 25 acres)
- Roads
- Open Water
- Streams
- Other KC Parcel Boundaries
- 30-ft Access Easement Area
- Agricultural Area
- Forest Area



**EXHIBIT D.**

**BILL OF SALE AND ASSIGNMENT**

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THIS BILL OF SALE is made as of this \_\_\_\_ day of \_\_\_\_\_, 2017, by KING COUNTY, a political subdivision of the State of Washington (“Seller”), in favor of PHONG ROBERT CHA, (“Buyer”), with reference to the following facts.

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, Seller does hereby absolutely and unconditionally give, grant, bargain, sell, transfer, set over, assign, convey, release, confirm and deliver to Buyer all of Seller’s right, title and interest in and to any and all equipment, furniture, furnishings, fixtures and other tangible personal property owned by Seller that is attached, appurtenant to or used in connection with the real property legally described on the attached Exhibit A.

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

SELLER:

By: \_\_\_\_\_  
Name: Anthony Wright  
Title: Director, Facilities Management  
Division



**EXHIBIT A**  
**TO BILL OF SALE AND ASSIGNMENT**

**LEGAL DESCRIPTION**

Parcel A:

The South 434.87 feet of the North 1,542.28 feet of the Northeast Quarter of the Northwest Quarter and the North Half of the Southeast Quarter of the Northwest Quarter, all in Section 15, Township 25 North, Range 7 East, W.M., in King County, Washington;

Together with and subject to an easement for ingress, egress and utilities as disclosed by deeds recorded under Recording Nos. 6647346, 7110050525, 7112090473 and 7304160492;

Situate in the County of King, State of Washington.

Parcel B:

The Northeast Quarter of the Northwest Quarter and the North Half of the Southeast Quarter of the Northwest Quarter, all in Section 15, Township 25 North, Range 7 East, W.M., in King County, Washington;

Except the North 1,542.28 feet thereof;

Together with an easement for ingress, egress and utilities over and across the West 30 feet of the North 1,542.28 feet of the following described property:

The Northeast Quarter of the Northwest Quarter and the North Half of the Southeast Quarter of the Northwest Quarter, all in Section 15, Township 25 North, Range 7 East, W.M., in King County, Washington.

Situate in the County of King, State of Washington.

**EXHIBIT E.**

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

Section 1445 of the Internal Revenue Code provides that a transferee of a U.S. real property interest must withhold tax if the transferor is a foreign person. For U.S. tax purposes (including Section 1445), the owner of a disregarded entity (which has legal title to a U.S. real property interest under local law) will be the transferor of the property and not the disregarded entity. To inform the transferee that withholding of tax is not required upon the disposition of a U.S. real property interest by King County ("Transferor"), the undersigned hereby certifies the following on behalf of Transferor:

1. Transferor is not a foreign corporation, foreign partnership, foreign trust, or foreign estate (as those terms are defined in the Internal Revenue Code and Income Tax Regulations);
2. Transferor is not a disregarded entity as defined in Section 1.1445-2(b)(2)(iii);
3. Transferor's U.S. employer identification number is 91-6001327;
4. Transferor's office address is King County Facilities Management Division, Real Estate Services Section, Room 800 King County Administration Building, 500 Fourth Avenue, Seattle, WA 98104.

Transferor understands that this certification may be disclosed to the Internal Revenue Service by transferee and that any false statement contained herein could be punished by fine, imprisonment, or both.

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

Dated this \_\_\_ day of \_\_\_\_\_, 2017.

King County, Transferor:

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

Name: Anthony Wright

Title: Director, Facilities Management Division

**FIRST ADDENDUM  
TO  
CARNATION FIELDS  
REAL ESTATE PURCHASE AND SALE AGREEMENT**

The undersigned parties, **KING COUNTY**, a political subdivision of the State of Washington ("Seller") and **PHONG ROBERT CHA** ("Buyer"), hereby agree to amend that certain Real Estate Purchase and Sale Agreement ("Agreement"), dated October 4, 2017. Seller and Buyer are also referred to herein individually as a "Party" or collectively as "Parties". THIS FIRST ADDENDUM is made as of the date this instrument is fully executed by and between the Parties.

**RECITALS**

**A.** Buyer and Seller are parties to the Agreement by which Seller has agreed to sell certain real property located at 56XX 328<sup>th</sup> Avenue NE, King County, Washington (the "Property") to Buyer, subject to the terms and conditions set forth in the signed purchase and sale agreement dated October 4, 2017 ("Effective Date").

**B.** Buyer currently holds a leasehold interest in the Property as lessee, with Seller as lessor, subject to a lease that expires on June 14, 2018 (the "Lease").

**C.** The Parties wish to clarify that the Lease will terminate at Closing, rather than the original expiration date indicated in the Lease, June 14, 2018.

**D.** Capitalized terms not otherwise defined in this Amendment shall have the meaning assigned to them in the Agreement.

THEREFORE, for valuable consideration, the parties hereby mutually agree as follows:

**1. A new Section 3.1.6 shall be added that reads as follows:**

**3.1.6. LEASE TERMINATES AT CLOSING.** Seller acknowledges that certain unrecorded lease (the "Lease") for exclusive use and possession of the Property between King County through its Farmland Preservation Program, as lessor and Buyer as lessee dated June 15th, 2017. Seller in its capacity as lessor hereby confirms that the Lease is terminated at the Closing by virtue of merger of title, rather than on the original termination date of June 14, 2018 as stated under the terms and conditions contained in the Lease. Buyer in his capacity as lessee, and Seller in its capacity as lessor shall have no obligations under the terms and conditions of the Lease subsequent to said Closing Date, except for those that explicitly survive termination, as stated in the Lease.

**2. Section 3.2.3 shall be renumbered as Section 3.2.2.**

3. A new Section 3.2.3 shall be added that reads as follows:

3.2.3 LEASE TERMINATES AT CLOSING. Buyer acknowledges that certain unrecorded Lease for exclusive use and possession of the Property between King County through its Farmland Preservation Program, as lessor and Buyer as lessee dated June 15th, 2017. Buyer in its capacity as lessee hereby confirms that the Lease is terminated at the Closing by virtue of merger of title, rather than on the original termination date of June 14, 2018 as stated under the terms and conditions contained in the Lease. Buyer in his capacity as lessee, and Seller in its capacity as lessor shall have no obligations under the terms and conditions of the Lease subsequent to said Closing Date, except for those that explicitly survive termination, as stated in the Lease.

4. All other terms and conditions shall remain unchanged and in full force and effect.

EXECUTED as of the dates set forth below.

SELLER: KING COUNTY

By: Anthony Wright

Name: Anthony Wright

Title: Director, Facilities Management Division

Date: 11-9-17

BUYER: PHONG ROBERT CHA

By: Phong Robert Cha

Name: Phong Robert Cha

Title: \_\_\_\_\_

Date: 10-31-17

APPROVED AS TO FORM:

By: Chris Leopold

Chris Leopold  
Senior Deputy Prosecuting Attorney

**SECOND AMENDMENT OF  
REAL ESTATE PURCHASE AND SALE AGREEMENT**

**SECOND AMENDMENT OF REAL ESTATE PURCHASE AND SALE AGREEMENT** (this "Amendment") dated June 5, 2018 by and between KING COUNTY, a political subdivision of the State of Washington ("Seller") and Phong Robert Cha ("Buyer").

**RECITALS**

1. Seller and Buyer entered into a Real Estate Purchase and Sale Agreement dated as of October 4, 2017 ("Agreement"), providing for the purchase and sale of the real property known as 56xx 328<sup>th</sup> Ave N, located at 56xx 328<sup>th</sup> Ave N, UnIncorporated King County, Washington and legally described in the Agreement, together with related items of property (collectively, "Property").
2. Seller and Buyer desire to amend the Agreement.

**AMENDMENT AND AGREEMENTS**

Seller and Buyer hereby amend the Agreement and agree as follows:

- A. Section 5.2 of the Agreement is amended to change the Council Approval Period to September 20, 2018.
- B. Capitalized terms used in this Amendment and not otherwise defined in this Amendment have the same meanings as in the Agreement. Except as amended by this Amendment, the Agreement remains in full force and effect.
- C. This Amendment may be executed in identical counterparts, and may be delivered by email transmission. At the request of either party, the parties will deliver original ink signatures to each other.

[continued next page]

EXECUTED on the date first written above.

**SELLER:**

KING COUNTY

By: 

Name: Anthony Wright

Title: Director, Facilities Management Division

APPROVED AS TO FORM:

By: 

Senior Deputy Prosecuting Attorney

**BUYER:**

Phong Robert Cha

By: 

Name: 

**THIRD AMENDMENT OF  
REAL ESTATE PURCHASE AND SALE AGREEMENT**

**THIRD AMENDMENT OF REAL ESTATE PURCHASE AND SALE AGREEMENT** (this "Amendment") dated September 10, 2018 by and between KING COUNTY, a political subdivision of the State of Washington ("Seller") and Phong Robert Cha ("Buyer").

**RECITALS**

1. Seller and Buyer entered into a Real Estate Purchase and Sale Agreement dated as of October 4, 2017 ("Agreement"), providing for the purchase and sale of the real property known as 56xx 328<sup>th</sup> Ave N, located at 56xx 328<sup>th</sup> Ave N, Unincorporated King County, Washington and legally described in the Agreement, together with related items of property (collectively, "Property").
2. Seller and Buyer desire to amend the Agreement.

**AMENDMENT AND AGREEMENTS**

Seller and Buyer hereby amend the Agreement and agree as follows:

- A. Section 5.2 of the Agreement is amended to change the Council Approval Period to December 28, 2018.
- B. Capitalized terms used in this Amendment and not otherwise defined In this Amendment have the same meanings as in the Agreement. Except as amended by this Amendment, the Agreement remains in full force and effect.
- C. This Amendment may be executed in identical counterparts, and may be delivered by email transmission. At the request of either party, the parties will deliver original ink signatures to each other.

[continued next page]

EXECUTED on the date first written above.

SELLER:

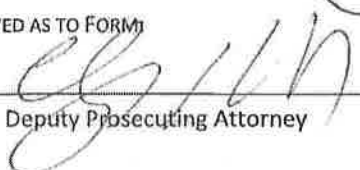
KING COUNTY

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

Name: Anthony Wright

Title: Director, Facilities Management Division

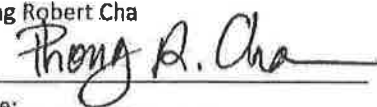
APPROVED AS TO FORM:

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

Senior Deputy Prosecuting Attorney

BUYER:

Phong Robert Cha

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

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