

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 **HEALTHPOINT**, a Washington nonprofit public benefit corporation (the “Buyer”). Seller and Buyer are also referred to herein individually as a “Party” or collectively as “Parties.” This Agreement shall be effective as of the date it has been executed by both Parties (“Effective Date”).

RECITALS

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

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

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

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), subject to the terms of conveyance as set forth in the Memorandum, 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. Hereinafter, the items listed in Section 1.1 are collectively referred to as the “Property.”

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.

1.2. RETAINED PERSONAL PROPERTY. Buyer and Seller are parties to that certain lease agreement dated May 31, 2013, pursuant to which Buyer holds a leasehold interest in a portion of the Property and Seller operates the remaining floor area thereon. Seller retains substantially all right, title and interest in and to tangible personal property, owned by the Seller and attached, appurtenant to or used in connection its current operation of the Real Property (“Seller’s Retained Personal Property”) excepting that furniture, fixtures, equipment and supplies appurtenant to Buyer’s existing leasehold. All personal property, furniture, fixtures, equipment and supplies appurtenant to Buyer’s existing leasehold will continue to be used by Buyer after Closing. Seller’s existing personal property, furniture, fixtures, equipment and supplies will be used by Seller as lessee under the Leaseback Agreement. The value of any personal property not contemplated immediately above is de minimis.

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 as of the Closing Date a cash purchase price of Eight Hundred Thousand and No/100 (\$800,000.00) (the “Purchase Price”), subject to the payment terms set forth in the payment schedule attached as Exhibit 1 to the Memorandum and incorporated herein by this reference.

2.2. ALLOCATION OF PURCHASE PRICE. Seller and Buyer agree to allocate the Purchase Price at Closing.

2.3. DEPOSIT. Within five (5) business days after the Effective Date, Buyer shall deliver to Chicago Title Insurance Company (the “Escrow Agent”), in its capacity as the Parties’ closing agent, immediately available cash funds in the amount of Ten Thousand and No/100 Dollars (\$10,000 and No/100) (the “Deposit”). The Deposit shall be invested by the Escrow Agent in a money market account, a federally insured investment or such other investment as may be approved by Seller and Buyer in writing. Accrued interest will be held by the Escrow Agent for Buyer’s benefit and shall be added to and become part of the Deposit for all purposes including in the event of any refund of the Deposit under the terms of this Agreement. The Deposit shall be applied as a credit against the Purchase Price at the Closing. The Deposit shall be fully refundable if this Agreement is terminated or the transaction contemplated herein fails to close for any reason. At Closing, the Deposit shall be credited by the Escrow Agent toward Buyer’s closing costs.

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

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

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

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

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

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

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

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

3.2.1. ORGANIZATION. Buyer is a nonprofit public benefit corporation duly

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

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

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

3.3. CONDITION OF PROPERTY.

3.3.1. SELLER DISCLOSURE STATEMENT. To the maximum extent permitted by RCW ch. 64.06, Buyer expressly waives its right to receive from Seller a seller disclosure statement ("Seller Disclosure Statement") and to rescind this Agreement, both as provided for in RCW ch. 64.06. Seller and Buyer acknowledge and agree that Buyer cannot waive its right to receive the section of the Seller Disclosure Statement entitled "Environmental" if the answer to any of the questions in that section would be "yes." Nothing in any Seller Disclosure Statement delivered by Seller creates a representation or warranty by the Seller, nor does it create any rights or obligations in the Parties except as set forth in RCW ch. 64.06. Buyer is advised to use its due diligence to inspect the Property as allowed for by this Agreement, and that Seller may not have knowledge of defects that careful inspection might reveal. Buyer specifically acknowledges and agrees that any Seller Disclosure Statement delivered by Seller is not part of this Agreement, and Seller has no duties to Buyer other than those set forth in this Agreement.

3.3.2. SELLER DISCLAIMER OF CONDITION OF THE PROPERTY. Except to the extent of Seller's representations and warranties in Section 3.1. of this Agreement, Seller has not made, does not make, and specifically negates and disclaims any representations, warranties, promises, covenants, contracts or guarantees of any kind or character whatsoever, whether express or implied, oral or written, past, present or future, of, as to, concerning, or with respect to the value, nature, quality, or condition of the Property (collectively "Condition of the Property"), including, without limitation:

- (a) The water, soil and geology;
- (b) The income to be derived from the Property;
- (c) The suitability of the Property for any and all activities and uses that Buyer or anyone else may conduct thereon;

(d) The compliance or noncompliance of or by the Property or its operation with any laws, rules, ordinances, regulations or decrees of any applicable governmental authority or body or the zoning or land use designation for the Property;

(e) The habitability, merchantability, marketability, profitability or fitness for a particular purpose of the Property; and

(f) The manner or quality of the construction or materials, if any, incorporated into the Property and the existence, nonexistence or condition of utilities serving the Property.

(g) The actual, threatened or alleged existence, release, use, storage, generation, manufacture, transport, deposit, leak, seepage, spill, migration, escape, disposal or other handling of any Hazardous Substances in, on, under or emanating from or into the Property, and the compliance or noncompliance of or by the Property or its operation with applicable federal, state, county and local laws and regulations, including, without limitation, Environmental Laws and regulations and seismic/building codes, laws and regulations. For purposes of this Agreement, the term "Environmental Law" shall mean: any federal, state or local statute, regulation, code, rule, ordinance, order, judgment, decree, injunction or common law pertaining in any way to the protection of human health, safety, or the environment, including without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. § 9602 et. seq. ("CERCLA"); the Resource Conservation and Recovery Act of 1976, 42 U.S.C. § 6901 et seq. ("RCRA"); the Washington State Model Toxics Control Act, RCW ch. 70.105D ("MTCA"); the Washington Hazardous Waste Management Act, RCW ch. 70.105; the Federal Water Pollution Control Act, 33 U.S.C. § 1251 et seq., the Washington Water Pollution Control Act, RCW ch. 90.48, and any laws concerning above ground or underground storage tanks. For the purposes of this Agreement, the term "Hazardous Substance" shall mean: any waste, pollutant, contaminant, or other material that now or in the future becomes regulated or defined under any Environmental Law; or

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

3.3.3. ENVIRONMENTAL RISKS.

(a) "Hazardous Materials" means the actual, threatened or alleged existence, release, use, storage, generation, manufacture, transport, deposit, leak, seepage, spill, migration, escape, disposal or other handling of any Hazardous Substances in, on, under or emanating from or into the Property, and the compliance or noncompliance of or by the Property or its operation with applicable federal, state, county and local laws and regulations, including, without limitation, ; or Environmental Laws and regulations and seismic/building codes, laws and regulations. For purposes of this Agreement, the term "Environmental Law" shall mean: any federal, state or local statute, regulation, code, rule, ordinance, order, judgment, decree, injunction or common law pertaining in any way to the protection of human health, safety, or the environment, including without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. § 9602 et. seq. ("CERCLA"); the Resource Conservation and Recovery Act of 1976, 42 U.S.C. § 6901 et seq. ("RCRA"); the Washington State Model Toxics Control Act, RCW ch. 70.105D ("MTCA"); the Washington Hazardous

Execution Version

Waste Management Act, RCW ch. 70.105; the Federal Water Pollution Control Act, 33 U.S.C. § 1251 et seq., the Washington Water Pollution Control Act, RCW ch. 90.48, and any laws concerning above ground or underground storage tanks. For the purposes of this Agreement, the term "Hazardous Substance" shall mean: any waste, pollutant, contaminant, or other material that now or in the future becomes regulated or defined under any Environmental Law.

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

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

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

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

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

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

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

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

(c) Environmental risks following the Closing Date shall be allocated as described in the Memorandum.

3.3.4. BUYER ACCEPTANCE OF CONDITION OF PROPERTY.

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

(b) Buyer acknowledges and agrees that, within the Due Diligence Period as defined in Section 5.1 of this Agreement, Buyer will have conducted a physical inspection and made all investigations that Buyer deems necessary in connection with its purchase of the Property. Buyer further acknowledges and agrees that, having been given the opportunity to inspect the Property, Buyer is relying solely on its own investigation of the Property and is not relying on any information provided or to be provided by Seller. Buyer

further acknowledges and agrees that any information provided or to be provided with respect to the Property was obtained from a variety of sources and that Seller has not made any independent investigation or verification of such information and makes no representations as to the accuracy or completeness of such information and no employee or agent of Seller is authorized otherwise. Buyer further acknowledges and agrees that Seller is not liable or bound in any manner by any verbal or written statements, representations, or information pertaining to the Property, or the operation thereof, furnished by any agent, employee, or contractor of Seller, any real estate broker, or any other person.

(c) Upon waiver or satisfaction by Buyer of its contingencies pursuant to Article 5, Buyer acknowledges and agrees that it will thereby approve and accept the Condition of the Property and accordingly agree to purchase the Property and accept the Condition of the Property "AS IS, WHERE IS" with all faults and patent or latent defects, including, without limitation, the actual, threatened or alleged existence, release, use, storage, generation, manufacture, transport, deposit, leak, seepage, spill, migration, escape, disposal or other handling of any Hazardous Substances in, on, under or emanating from or into the Property, and the compliance or noncompliance of or by the Property or its operation with applicable federal, state, county and local laws and regulations including, without limitation, Environmental Laws and regulations and seismic/building codes, laws and regulations. Buyer acknowledges and agrees that, except to the extent of Seller's representations and warranties in Section 3.1 of this Agreement and express provisions to the contrary in any of the Related Agreements, Buyer, and any person or entity claiming by or through Buyer, shall have no recourse against the Seller for, and waives, releases and discharges forever the Seller from, any and all past, present or future claims or demands, and any and all past, present or future damages, losses, injuries, liabilities, causes of actions (including, without limitation, causes of action in tort) costs and expenses (including, without limitation fines, penalties and judgments, and attorneys' fees) of any and every kind or character, known or unknown (collectively, "Losses"), which the Buyer might have asserted or alleged against the Seller arising from or in any way related to the Condition of the Property, including, without limitation, the actual, threatened or alleged existence, release, use, storage, generation, manufacture, transport, deposit, leak, seepage, spill, migration, escape, disposal or other handling of any Hazardous Substances in, on, under or emanating from or into the Property. Losses shall include without limitation (a) the cost of any investigation, removal, remedial or other response action that is required by any Environmental Law, that is required by judicial order or decree or by order of or agreement with any governmental authority, or that is conducted voluntarily, (b) losses for injury or death of any person, and (c) losses arising under any Environmental Law, whether or not enacted after transfer of the Property.

3.3.5. INDEMNIFICATION. From 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 accruing and arising after the Closing Date and relating to or arising out of, directly or indirectly, Buyer's unlawful use of 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 except as expressly provided to the contrary in any of the Related Agreements.

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. Risk of Loss following the Closing Date shall be allocated as described in the Memorandum.

ARTICLE 4. TITLE MATTERS

4.1. CONVEYANCE. Seller shall convey to Buyer the title to the Property as described in the Memorandum.

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 Chicago Title Insurance 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 thirty (30) 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) business 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) business days after receipt of Seller’s Response and, in such event, the Deposit shall be returned to the Buyer. If the Title Company issues a supplement to the Title Commitment that identifies new exceptions, the procedure set forth in this Section 4.3 shall apply to such supplement, except that Buyer will have seven (7) days to make Buyer’s Objections to any new exception, Seller shall have five (5) days to provide Seller’s Response, and the 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 assessed value of the Property set forth in the Statement of Fair Market Value described in Section 5 of the Memorandum, effective as of the Closing Date, insuring Buyer that the fee

simple title to the Property is vested in Buyer, subject only to the terms and limitations on title set forth in the Memorandum, 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. Buyer shall pay any sum owing to the Title Company for the preparation of the preliminary and binding commitments generated by the Title Company.

ARTICLE 5. CONTINGENCIES

5.1. DUE DILIGENCE INSPECTION AND FEASIBILITY. Buyer shall satisfy itself by investigation and inspection, at its cost and expense in its sole and absolute discretion, that the condition of the Property for Buyer's contemplated use meets with its approval ("Due Diligence Contingency"). If Buyer is not satisfied with the condition of the Property, Buyer may terminate this Agreement by delivering written notice of termination to Seller within one hundred eighty (180) days of the Effective Date ("Due Diligence Period"). In such event this Agreement shall terminate, the Deposit shall be returned to Buyer and the Parties shall have no further obligations hereunder. If Buyer fails to give such notice to terminate within the Due Diligence Period or affirmatively gives notice that this Due Diligence Contingency is satisfied or waived within the Due Diligence Period, Buyer shall be obligated hereunder without further contingency and the Deposit shall be nonrefundable to Buyer except in the event of a default hereunder by Seller. Seller and Buyer may agree in writing to extend the Due Diligence Period.

5.1.1. INSPECTIONS. During the Due Diligence Period, Buyer and its designated representatives or agents shall have the right at its own expense to (a) perform any and all tests, inspections, studies, surveys or appraisals of the Property deemed necessary, on any subject, by the Buyer (subject to the limitations set forth below and Section 5.1.2 Right of Entry); (b) obtain a Phase I or Phase II Environmental Assessment on the Property and perform any and all tests, inspections and studies deemed necessary therewith; (c) examine all due diligence materials related to the Property that Buyer may reasonably request from Seller that are in Seller's possession and about which Seller has knowledge, and that are not protected as attorney work product, by the attorney-client privilege or by other similar confidentiality protections; (d) determine to its satisfaction whether approvals, permits and variances can be obtained under applicable land use and zoning codes for Buyer's proposed development of the property; and (e) determine whether Buyer's proposed development of the property is economically feasible.

5.1.2. RIGHT OF ENTRY. Buyer and Buyer's designated representatives or agents shall have the right and Seller hereby grants to Buyer and Buyer's designated representatives the right to enter the Property and conduct tests, investigations and studies set

forth in this Article 5 upon three (3) days' advance notice; provided that such right of entry will be limited to those times and dates that will not disrupt Seller's use of, or Seller's operations and activities on the Property. Invasive tests of the Property, such as drilling or excavation, shall be subject to Seller's prior written approval. If invasive tests are performed by Buyer, Seller may elect to obtain split samples of any sampling that is obtained and reimburse the Buyer for the costs thereof. The Buyer will not be permitted to undertake activities that damage the Property. In connection with any such inspections and tests, Buyer agrees to hold harmless, indemnify and defend Seller, its officers, agents and employees, from and against all claims, losses, or liability for injuries, sickness or death of persons, including employees of Buyer ("Claims") caused by or arising out of any act, error or omission of Buyer, its officers, agents, contractors, subcontractors or employees in entering the Property for the above purposes, except to the extent the Claims are caused by or arise out of any act, error or omission of Seller, its officers, agents, contractors, subcontractors or employees.

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

5.2. METROPOLITAN KING COUNTY COUNCIL APPROVAL CONTINGENCY. Seller's performance under this Agreement is contingent on approval by ordinance of the conveyance of the Property by the Metropolitan King County Council ("Council Approval Contingency"). The Council Approval Contingency will be satisfied if an ordinance passed by the Metropolitan King County Council approving the conveyance of the Property becomes effective within one hundred eighty (180) days of the Effective Date ("Council Approval Period"). Seller may extend the Council Approval Period for up to an additional ninety (90) days. If the Council Approval Contingency is not satisfied within the Council Approval Period, this Agreement shall terminate, the Deposit shall be returned to Buyer and the Parties shall have no further obligations hereunder. If the Council Approval Contingency is satisfied within the Council Approval Period, Seller shall be obligated hereunder without further contingency except in the event of a default hereunder by Buyer.

ARTICLE 6. COVENANTS OF SELLER PENDING 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), 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, and that the Property is maintained such that the condition of the Property is substantially the same as it was on the date of the satisfaction or waiver of the Due Diligence Contingency. Seller shall give Buyer prompt written notice of any material change in any of the information contained in the representations and warranties made in Article 3 or elsewhere in this Agreement which occurs prior to the 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 or Escrow Agent at or prior to the Closing all Related Agreements and all other documents required by the terms of this Agreement to be delivered to Buyer.

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

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

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

ARTICLE 9.

CONDITIONS PRECEDENT TO SELLER'S OBLIGATIONS

All obligations of Seller to close on the 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 or Escrow Agent at or prior to Closing all Related Agreements and all other documents required by the terms of this Agreement to be delivered to Seller.

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

9.3. TITLE. The Title Company shall be irrevocably committed to issue an owner's policy of title insurance for the assessed value of the Property set forth in the Statement of Fair Market Value described in Section 5 of the Memorandum, 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 (½) of the escrow fee charged by the Escrow Agent, any real estate excise or other transfer tax due, and its own attorneys' fees. Buyer shall pay one-half (½) of the escrow fee charged by the Escrow Agent, the 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 statutory warranty fulfillment 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 C**, attached hereto for the Personal Property, if any;

Execution Version

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

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

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

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 first payment of the Purchase Price as required by the payment schedule referenced in Schedule 1 to the Memorandum, less funds remaining, if any, after Buyer's closing costs are funded by the Deposit made under Section 2.3. of this Agreement.

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

ARTICLE 11. MISCELLANEOUS PROVISIONS

11.1. SURVIVAL. All representations, warranties, covenants, and indemnities made by either Party herein shall survive Closing except as modified or superseded by the terms of any Related Agreement.

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

11.3. TIME.

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

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

11.4. NOTICES. Any and all notices or other communications required or permitted to be given under any of the provisions of this Agreement shall be in writing and shall be deemed to have been duly given upon receipt when personally delivered, when receipt of notice by e-mail is acknowledged by the recipient, when sent by overnight courier, or two days after deposit in the United States mail if by first class, certified or registered mail, return receipt requested. All

Execution Version

notices shall be addressed to the Parties at the addresses set forth below or at such other addresses as a Party may specify by notice to the other Party and given as provided herein:

If to Buyer: HealthPoint
955 Powell Ave SW
Renton, WA 98057
Attn: Chief Executive Officer

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

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

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

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

11.6. SEVERABILITY. In the event any portion of this Agreement shall be found to be invalid by any court of competent jurisdiction, then such holding shall not impact or affect the remaining provisions of this Agreement unless that court of competent jurisdiction rules that the principal purpose and intent of this contract should and/or must be defeated, invalidated or voided.

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

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

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

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

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

11.12. GOVERNING LAW AND VENUE. This Agreement and all amendments hereto shall be governed by and construed in accordance with the laws of the State of Washington applicable to contracts made and to be performed therein, without giving effect to its conflicts of law rules or choice of law provisions. In the event that either Party shall bring a lawsuit related to or arising out of this Agreement, the Superior Court of King County, Washington shall have exclusive jurisdiction and venue.

11.13. NO THIRD-PARTY BENEFICIARIES. This Agreement is made only to and for the benefit of the Parties and shall not create any rights in any other person or entity.

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

11.15. NEGOTIATION AND CONSTRUCTION. This Agreement and each of its terms and provisions are deemed to have been explicitly negotiated between the Parties and shall not be construed as if it has been prepared by one of the Parties, but rather as if both Parties had jointly prepared it. The language in all parts of this Agreement will, in all cases, be construed according to its fair meaning and not strictly for or against either Party. The Parties acknowledge and represent, as an express term of this Agreement, that they have had the opportunity to obtain and utilize legal review of the terms and conditions outlined in this Agreement. Each Party shall be and is separately responsible for payment of any legal services rendered on their behalf regarding legal review of this Agreement.

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

11.17. INDEMNIFICATION TITLE 51 WAIVER. The indemnification provisions in Sections 3.3.4 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	Statutory Warranty Fulfillment Deed
EXHIBIT C	Bill of Sale and Assignment
EXHIBIT D	Certificate of Non-Foreign Status
EXHIBIT E	Memorandum of Contract
EXHIBIT F	Consideration Agreement
EXHIBIT G	Leaseback Agreement
EXHIBIT H	Covenant


[SIGNATURES ON THE NEXT PAGE]

Execution Version

EXECUTED on the dates set forth below.

SELLER: KING COUNTY

BUYER: HEALTHPOINT

By: 
C8D5E4FCE9E8468

By: _____

Name: Drew Zimmerman

Name: Lisa Yohalem

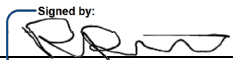
Title: Director, Facilities Management Division

Title: President and Chief Executive Officer

Date: 11/6/2024

Date: _____

APPROVED AS TO FORM:

By: 
06C32E3C93354BF
Senior Deputy Prosecuting Attorney

EXECUTED on the dates set forth below.

SELLER: KING COUNTY

BUYER: HEALTHPOINT

By: _____

By:  _____

Name: Drew Zimmerman

Name: Lisa Yohalem

Title: Director, Facilities Management Division

Title: President and Chief Executive Officer

Date: _____

Date: 11/5/2024

APPROVED AS TO FORM:

By: _____

Senior Deputy Prosecuting Attorney

EXHIBIT A.

LEGAL DESCRIPTION

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

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

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

EXHIBIT B.

STATUTORY WARRANTY FULFILLMENT DEED

STATUTORY WARRANTY FULFILLMENT DEED

Grantor -- King County, Washington

Grantee -- HealthPoint, a Washington nonprofit public benefit corporation

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

Tax Acct. – 768190007007

STATUTORY WARRANTY FULFILLMENT DEED

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

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

This deed is given in fulfillment of that certain real estate contract between KING COUNTY, a political subdivision of the state of Washington, as seller, and HEALTHPOINT, a Washington nonprofit public benefit corporation, as purchaser, dated _____, _____, and conditioned for the conveyance of the above described property, and the covenants of warranty herein contained shall not apply to any title, interest or encumbrance arising by, through, or under the purchaser in said contract, and shall not apply to any taxes, assessments or other charges levied, assessed or becoming due subsequent to the date of said contract.

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

DATED this _____ day of _____, _____.

Execution Version

GRANTOR
KING COUNTY

GRANTEE
HEALTHPOINT

BY: _____

BY: _____

Name: Drew Zimmerman

Name: Lisa Yohalem

Title: Director, Facilities Management Division

Title: President and Chief Executive Officer

DATE: _____

DATE: _____

Approved as to Form:

By _____
Senior Deputy Prosecuting Attorney

NOTARY BLOCKS APPEAR ON NEXT PAGE

NOTARY BLOCK FOR KING COUNTY

STATE OF WASHINGTON)

) SS

COUNTY OF KING)

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

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

Notary Public in and for the State of Washington, residing

at _____

City and State

My appointment expires _____

NOTARY BLOCK FOR HEALTHPOINT

STATE OF WASHINGTON)

) SS

COUNTY OF KING)

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

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

Notary Public in and for the State of Washington, residing

at _____

City and State

My appointment expires _____

EXHIBIT A
TO STATUTORY WARRANTY FULFILLMENT DEED

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

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

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

EXCEPTIONS TO TITLE

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

EXHIBIT C.

BILL OF SALE AND ASSIGNMENT

THIS BILL OF SALE is made as of this _____ day of _____, _____, by KING COUNTY, a political subdivision of the State of Washington (“**Seller**”), in favor of HealthPoint, a Washington nonprofit public benefit corporation (“**Buyer**”).

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 Attachment A.

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

SELLER:

By: _____

Name: Drew Zimmerman

Title: Director, Facilities Management Division

ATTACHMENT A
TO BILL OF SALE

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

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

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

EXHIBIT D.

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

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

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

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

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

Dated this ___ day of _____, ____.

King County, Transferor:

By: _____
Name: Drew Zimmerman
Title: Director, Facilities Management Division

EXHIBIT E.

RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO:

King County
500 Fourth Avenue, Suite 830
Seattle, WA 98104
Attn.: Steve Rizika

MEMORANDUM OF REAL ESTATE CONTRACT SALE

Buyer: HealthPoint

Seller: King County

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

Full legal description on Exhibit "1"

Assessor's Parcel No.: 768190-0070

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

MEMORANDUM OF REAL ESTATE CONTRACT SALE

THIS MEMORANDUM OF REAL ESTATE CONTRACT SALE (this “**Memorandum**”) is made and entered into as of [date], by and between KING COUNTY, a political subdivision of the State of Washington (“**Seller**”), and HEALTHPOINT, a Washington nonprofit public benefit corporation (“**Buyer**”). Seller and Buyer are sometimes hereinafter each singularly referred to as a “**Party**” and collectively referred to as the “**Parties.**” This Effective Date of this Memorandum _____, 202_.

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

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

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

WHEREAS, the Parties desire to execute and record this Memorandum in order to serve as notice to the public of the transaction contemplated by the PSA (the “**Transaction**”) and to set forth the terms of Buyer’s fulfillment of the cash consideration portion of the Transaction as set forth 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 covenant and agree as follows:

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

2. **RELATED AGREEMENTS**. This Memorandum is subject to, and must be interpreted and executed, concurrently or otherwise, in accordance with all related agreements entered into by the Parties with respect to the Transaction and subject matter herein (the “**Related Agreements**”). The Related Agreements expressly contemplated by this Memorandum are the PSA, the certain Lease Agreement between Buyer and Seller dated [date of Lease] pursuant to which Buyer will lease back certain premises on the Property to Seller (the “**Lease Agreement**”), the certain Consideration Agreement between Buyer and Seller dated [date of Consideration Agreement] (the “**Consideration Agreement**”), and the Declaration of Restrictive Covenant made by Buyer for the benefit of Seller dated [date of Covenant] and recorded under KC Rec. No. _____ (the “**Covenant**”). In the event of any conflict between the terms of this

Memorandum and the terms of the Lease Agreement, the terms of this Memorandum shall control. In the event of any conflict between the terms of this Memorandum and the terms of the PSA, the terms of this Memorandum shall control. In the event of any conflict between the terms of this Memorandum and the terms of the Consideration Agreement, the terms of this Memorandum shall control. In the event of any conflict between the terms of this Memorandum and the terms of the Covenant, the terms of the Covenant shall control.

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

4. **PURCHASE; EQUITABLE CLOSING; CONSIDERATION.** The Buyer shall acquire the Property from the Seller in exchange for the cash consideration and additional consideration described in this section below.

- a. **CASH CONSIDERATION.** Buyer shall pay to Seller the Purchase Price under the PSA. At the closing of equitable title on the Effective Date hereof ("**Equitable Closing**"), Buyer shall pay the first payment of the Purchase Price Payment Schedule, attached hereto as Schedule 1, and the remaining balance of the Purchase Price shall be paid in annual installments by Buyer to Seller according to the payment terms set forth in the Purchase Price Payment Schedule , with legal title passing to Buyer upon satisfaction of the conditions set forth in Section 5 of the Consideration Agreement ("**Closing**").
- b. **PREPAYMENT OF CASH CONSIDERATION.** Notwithstanding anything in this Memorandum or the PSA to the contrary, Buyer shall have the option, at any time, to pre-pay the entire amount of the unpaid Purchase Price. To exercise this option, Buyer must notify the Seller in writing of its intention to pre-pay the balance owing and must thereafter pay the full outstanding Purchase Price amount, along with any other amounts due to Seller under this Memorandum, within one hundred and eighty (180) days of such notice. The prepayment amount will be the amount of the unpaid balance of all the Purchase Price payments remaining pursuant to Schedule 1 on the date the prepayment is paid to Seller. Payment of the full Purchase Price is only one of the conditions to Closing, therefore, pre-payment of the Purchase Price shall not accelerate the anticipated Closing date unless pre-payment satisfies the last of the conditions set forth in Section 5 of the Consideration Agreement.
- c. **ADDITIONAL CONSIDERATION.** In addition to the Purchase Price, Seller has agreed to additional consideration for the Transaction in the form of Buyer's (i) obligations under the terms of that certain Lease Agreement pursuant to which Seller receives rights to occupy space on the Property from Buyer; (ii) commitment to invest in the redevelopment of the Property to be used for the delivery of public health services

thereon as set forth in the Consideration Agreement; and (iii) placement of a restrictive covenant on the real property limiting the use of the real property to the purposes described therein.

5. **FAIR MARKET VALUE**. At Equitable Closing, the fair market value of the Property was established by agreement of the Parties with reference to a third-party appraisal and is set forth in and further described in Schedule 2 attached hereto (“**Statement of Fair Market Value**”).
- a. In the event that the Property shall be sold, forfeited, condemned, or property interests divided between the Parties under the terms of this Memorandum during the Term, whether as a result of an uncured default under Section 18 herein, a statutory forfeiture action under ch. 61.30 RCW, a public sale of the Property ordered by a court of competent jurisdiction, a non-judicial foreclosure proceeding, or under any other circumstance where allocation of the Parties’ respective financial interests in the Property is expressly contemplated by the terms of this Memorandum (any such above event being referred to herein as an “**Allocation Event**”), the Statement of Fair Market Value shall serve as the baseline value for any calculation and allocation of the Buyer and Seller’s respective financial interests in the Property. Upon the occurrence of an Allocation Event, the Seller’s financial interest in the Property at the time of an Allocation Event, calculated in the manner described in Section 5.b below, shall be considered a lien against Buyer’s equitable interest in the Property, senior to all Buyer debt other than the Project Debt described in Section 7, and shall be allocated and/or paid to Seller prior to all Buyer’s junior debts.
 - b. Seller’s financial interest in the Property upon such Allocation Event shall be determined as of the effective date of an Allocation Event, i.e., the date after which equitable title and legal title to the Property shall no longer be divided among Buyer and Seller as set for herein (the “**Allocation Date**”), and shall be calculated as follows: the Initial Fair Market Value agreed to in the Statement of Fair Market Value shall be updated to the Allocation Date by reference to an agreed appreciation rate of three percent (3%) per annum, calculated by reference to the number of months elapsed between the effective date of this Memorandum and the Allocation Date, with the appreciated fair market value amount then reduced by: (i) Buyer’s actual costs incurred and paid or outstanding in accordance with Section 3(b) of the Consideration Agreement prior to the Allocation Date provided such costs are bona fide and bear a clear and commercially reasonable relationship to Buyer’s obligations under Section 3(b) of the Consideration Agreement in fulfillment of its development obligations under this Memorandum or the Consideration Agreement and regardless of whether such costs are funded by grants or other contributions secured by HealthPoint for improvements to the Property; and (ii) the sum of all payments made by HealthPoint toward the Purchase Price prior to the Allocation Date.
 - c. Upon satisfaction of Seller’s lien against the Property created by this Section 5 at the time of the Allocation Event, Buyer shall be allocated, paid, or entitled to retain the balance of any proceeds from the Allocation Event as well as any rights to title

of the Property, if any, held by the Parties following the Allocation Event. The provisions of this Section 5 shall survive termination of this Memorandum to the extent necessary to effectuate its intent.

6. **USE.** Use of the Property shall be restricted as set forth in the Covenant during all times under the term thereof, and, during the term of the Consideration Agreement, as provided therein.

7. **BUYER'S PROJECT BORROWING; SUBORDINATION; LIENS.** Buyer will secure public and/or private funding, such funding in the form of bridge loans, grants, construction loans, and/or other financing transactions in an amount determined, in Buyer's sole discretion, to be reasonably necessary to fully fund construction costs and other improvements to the Property during the term of this Memorandum ("**Project Debt**"). Project Debt shall fulfill and include, but not be limited to, funding used in satisfaction of Buyer's project development obligations described in Section 3 of the Consideration Agreement. Seller agrees to subordinate its interest in the Property, whether arising at law, by the terms of this Memorandum, or by the terms of any of the Related Agreements, as reasonably necessary for Buyer to secure Project Debt. Notwithstanding anything to contrary, the Covenant shall be first in priority with respect to the Property at all times during the term thereof, and shall survive foreclosure of any lien on the Property. Except for the Project Debt, this Memorandum shall not be subordinate to any lien, mortgage or deed of trust held by any creditor or lender, now or hereafter in force against the premises, the building, or the Property, or any part thereof, and to all advances made or to be made upon the security thereof.

8. **TERM.** Upon the Effective Date, the terms of the PSA shall be of no further force or effect and this Memorandum shall govern the terms of payment for and conveyance of legal title to the Property. This Memorandum shall remain in effect from the Effective Date until Closing, the occurrence of an Allocation Date, or until otherwise terminated by the mutual agreement of the Parties evidenced by a duly executed signed writing (the "**Term**").

9. **PURPOSE OF MEMORANDUM** This Memorandum shall provide record notice of the real estate contract sale by and between the Parties subject to the terms set forth herein. This Memorandum shall be indexed against the Property and recorded in the King County Recorder's Office.

10. **HAZARDOUS SUBSTANCES AND ENVIRONMENT.** Buyer shall not cause, permit, or allow any hazardous substance to be brought upon, kept, or used in, on or about the Property by Buyer, or by Buyer's agents, employees, contractors, licensees, invitees or lessees, except for such hazardous substances as may be necessary for Buyer's occupation, use and possession of the Property in a lawful manner and for the construction of the improvements thereon for Buyer's intended use. Any hazardous substances which by the foregoing provision are permitted to be brought upon, kept or used in, on or about the Property and all containers therefore, shall be used, kept, stored and disposed of in a manner that complies in all respects with all federal, state and local laws or regulations applicable to hazardous substances, including but not limited

to the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA") 42 U.S.C. § 9601, et seq.; the Super Fund Amendments and Reauthorization Act of 1986; the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act ("RCRA") 42 U.S.C. § 6901 et seq.; the Clean Water Act, 33 U.S.C. § 1317, § 1321; the Hazardous Materials Transportation Act, 49 U.S.C. § 1801, et seq.; the Clean Air Act, 42 U.S.C. § 7412; the Toxic Substances Control Act, 15 U.S.C. § 2606; the Washington Model Toxics Control Act ("MTCA"), RCW Ch. 70A.305, et seq.; State Environmental Policy Act ("SEPA"), RCW Ch. 43.21C; and Hazardous Waste Management Act, RCW Ch. 70A.300, including all amendments and recodifications thereof, all regulations promulgated thereunder and all other laws and regulations enacted by any governmental authority respecting hazardous substances. The term "hazardous substance(s)" as used in this Contract means any "hazardous waste" as defined by RCRA and the Hazardous Waste Management Act, as amended from time to time and regulations promulgated thereunder; any "hazardous substance" as defined by CERCLA, the Hazardous Waste Management Act and SEPA, as amended from time to time and any regulations promulgated thereunder; "hazardous waste," "solid waste," "pollutant," "irritant," or "contaminant" as described or defined in any of the foregoing statutes or regulations; any oil or petroleum or an constituent or fraction thereof; and any material substance or waste that is or becomes regulated by any federal, state or local government authority.

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

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

- a. **COMMERCIAL GENERAL LIABILITY.** \$4,000,000 per occurrence and \$6,000,000 in the aggregate for bodily injury, personal and advertising injury, and property damage. Coverage shall be at least as broad as that afforded under ISO form number CG 00 01 current edition, or its substantive equivalent. Such insurance shall include coverage for, but not limited to, premises liability, products and completed operations, ongoing operations, and contractual liability. Limits may be satisfied by a single primary policy or by a combination of separate primary and umbrella liability policies, provided that coverage under the latter shall be at least as broad as that afforded under the primary policy and satisfy all other requirements applicable to liability insurance. Buyer shall include Seller as additional insured, for full coverage and policy limits.

- b. ALL-RISK PROPERTY INSURANCE. Buyer shall maintain “All Risk” property insurance in an amount equal to the actual cash value of the building, its improvements on the Property, and its business personal property. Coverage shall include the perils of earthquake and flood. Seller will not carry insurance on Buyer’s property or business personal property. Buyer must include a waiver of subrogation in favor of the Seller. The policy shall be endorsed to cover the interests, as they may appear, of King County with King County listed as a loss payee.

- c. PROFESSIONAL LIABILITY (ERRORS AND OMISSIONS). Seller acknowledges that Buyer will provide professional services on the Property as a federally qualified health center deemed by the Health Resources and Services Administration to be covered by the Federal Tort Claims Act (FTCA) pursuant to 28 U.S.C. 1346(b), 2401(b), and 2679-81 (a “Deemed Entity”), and that, so long as Buyer’s professional activities on the Premises qualify as activities of a Deemed Entity, Buyer and its staff will be deemed to be agents of the federal government such that the United States will consent to be sued in place of the Buyer and the Buyer’s staff for any damages to property or for personal injury or death caused by the professional negligence or wrongful act or omission of the Buyer’s employees acting within the scope of their employment. See 28 U.S.C. Sections 2671-2680. Seller agrees that Buyer shall be in compliance with its professional liability insurance coverage requirements herein to the extent that it is providing professional medical, dental, or other services within the scope of the FTCA on the Premises and shall not be required to acquire insurance for its professional negligence that is covered by the FTCA.

- d. WAIVER OF SUBROGATION. Buyer waives all rights of subrogation against the Seller for damages caused by fire or other perils to the extent such damage is covered by property insurance or is required to be covered under this Memorandum. This release and waiver shall be binding upon Buyer whether or not insurance coverage is in force at the time of the loss or destruction of property.

- e. CONTRACTOR INSURANCE REQUIREMENT. Buyer must require each of its contractors/subcontractors to procure and maintain appropriate and reasonable insurance coverage and minimum insurance limits to cover each of the contractor’s/subcontractors’ liabilities given the scope of work and the services being provided. All liability insurance policies (except Professional Liability, Cyber Liability, and Workers Compensation policies) provided by the contractor(s)/subcontractor(s) must include the County, its officials, agents, and employees as additional insured or loss payee for full coverage and policy limits. The Buyer is obligated to require and verify that all contractors/subcontractors maintain insurance and ensure that the County is included as additional insured or loss payee. Upon request by the County, and within five (5) business days, the Buyer must provide evidence of contractor/subcontractor insurance coverage, including endorsements.

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

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

Buyer shall additionally require its construction contractors and subcontractors of any tier to indemnify and hold Seller harmless from and against liability for all Claims arising out of or in connection with the design, development and construction of any improvements or alterations of the Property, except to the extent of Seller's sole negligence. The indemnification and hold harmless language shall be at least as broad as that set forth in this Section 13.

Buyer shall not be required to indemnify, defend, or save harmless Seller if the claim, suit, or action for injuries, death, or damages is caused by the sole negligence of Seller or the Seller Parties or if such claim, suit, or action for injuries, death, or damages arises under Seller's status as a lessee under the Lease Agreement. In the event any such liability arises from the concurrent negligence of Buyer and Seller, the indemnity obligation of this section shall apply only to the extent of the negligence of Buyer and its actors.

In the event it is determined that RCW. 4.24.115 applies to this or any other agreement between Buyer and Seller during the Term, the Buyer agrees to defend, hold harmless, and indemnify

Seller to the maximum extent permitted thereunder, and specifically for its negligence concurrent with that of Seller to the full extent of Buyer's negligence.

14. **EXPRESS PROCLAMATION OF REAL ESTATE CONTRACT SALE.** Buyer, by execution of this Memorandum, expressly acknowledges and agrees that it is the manifest intent of the Parties to enter into a "real estate contract" sale, as that phrase is defined in RCW 61.30.010, for the Property, whereby legal title to the Property shall be retained by Seller as security for payment of the Purchase Price, as set forth in the terms and conditions of this Memorandum and the fulfillment of the additional consideration as set forth in the Consideration Agreement have been satisfied. Notwithstanding the foregoing, due to Buyer's substantial investment in development of the Property during the Term, it is the Parties' express intent is to allocate the Parties' respective financial interests in the Property as described herein, including but not limited to the manner described in Section 5, above, even if Seller were to utilize the forfeiture procedures of RCW Chapter 61.30 or any other foreclosure procedure allowed by law for the Seller under a real estate contract. Seller therefore waives, to the fullest extent permitted by law, its forfeiture rights under RCW 61.30 and, to the extent such rights are not subject to waiver, agrees to substitute the terms and conditions of this Memorandum for the provisions of RCW 61.30.100.

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

16. **NO IMPROPER ASSIGNMENT.** Neither Party may assign this Memorandum except that Buyer may assign this Memorandum (i) to a wholly-owned single-purpose affiliate entity or (ii) as may be required by a lender or other funding source providing Project Debt; each such instance upon reasonable notice and approval by the Seller, which will not be unreasonably denied.

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

18. **DEFAULT.** Buyer shall be in default of this Memorandum if Buyer (a) fails to timely and fully observe or perform any term, covenant, condition herein set forth and, except as otherwise provided herein, fails to cure any such default within one hundred eighty (180) days after notice thereof from Seller; (b) fails to make a Purchase Price payment when due hereunder

and as provided in Schedule 1 hereto, as such payment due date may have been extended as provided herein but in no case longer than one hundred eighty (180) days; (c) permits the Property or any part thereof or Buyer's interest therein to be attached, seized or in any manner restrained or impounded by process of any court, and fails to obtain the release of the Property within one hundred eighty (180) days of such attachment, seizure, restraint or impoundment; or (d) becomes or is declared insolvent or makes an assignment for the benefit of creditors, or files any debtor's petition or any petition is filed against Buyer under any bankruptcy, wage earners, reorganization or similar act. Notwithstanding anything to the contrary herein, Buyer may cure any default hereunder by paying the outstanding balance of principal under this Memorandum to Seller on or before the date due hereunder.

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

- a. **SUIT FOR DELINQUENCIES.** Seller may institute suit for any sums then due and payable under this Memorandum as of the date of the judgment and any sums which have been advanced by Seller pursuant to the provisions of this Memorandum.
- b. **SPECIFIC PERFORMANCE.** Seller may institute suit to specifically enforce any of Buyer's covenants hereunder by injunction.
- c. **SUIT FOR JUDICIAL FORECLOSURE.** Seller may institute a suit for judicial foreclosure to specifically enforce all rights as a lienholder to the extent of the lien created pursuant to Section 5 of this Memorandum and holder of legal title hereunder and subject to all of the terms and conditions for the allocation of financial interests between the Parties described in Section 5, above.

All the foregoing remedies are cumulative and are not mutually exclusive and may be exercised in conjunction with each other to the extent permitted by law or in equity and shall be in addition to other rights or remedies granted by law or in equity for breach of this Memorandum not otherwise waived herein; provided however, except as provided in this Memorandum with respect to Buyer's sale, conveyance, assignment or transfer of the Property, or any portion thereof, or of this Memorandum, or any interest therein, in a manner other than as permitted by this Memorandum, Seller shall not have the right to accelerate the remaining purchase price balance in the event Seller elects to pursue any of the remedies described in paragraphs (a), (b), or (c) of this section. In the event that legal proceedings are commenced to enforce any provision of this Memorandum, the prevailing Party in such action shall be entitled to an award of costs and reasonable legal and attorneys' fees in addition to any other relief. Nothing contained herein shall be deemed to limit or restrict the rights of King County under any other agreement or contract. No third parties have any rights to enforce this Memorandum.

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

If to Buyer: HealthPoint
955 Powell Avenue SW
Renton, Washington 98057
Attention: Chief Executive Officer

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

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

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

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

22. **ESCROW AGENT; DELIVERY OF DEED.** Seller and Buyer designate First American Title Company as their Escrow Agent and have contemporaneously herewith executed Escrow Instructions in form satisfactory to Escrow Agent, which Escrow Instructions are by this reference incorporated herein as though fully set forth herein as a part of this Memorandum. The Escrow Instructions shall instruct the Escrow Agent to hold the Deed (defined below) in escrow until Buyer has notified Escrow Agent and Seller that Buyer has met all the conditions listed in the Escrow Instructions as conditions for releasing the Deed to Buyer (the "Buyer's Notice"). The Escrow Instructions shall list the conditions for releasing the Deed to Buyer as: (a) payment of the Purchase Price in full; (b) satisfaction of the conditions of Section 5(c) of the Consideration Agreement as incorporated by reference hereby ; and (c) Buyer's certification of compliance with

the requirements of this Memorandum as of the date of the Buyer's Notice in the form of an affidavit executed by a duly authorized officer of Buyer attesting to the Buyer's compliance with all such requirements. The Escrow Instructions shall further require the Escrow Agent to deliver the Deed to Buyer upon receiving Buyer's Notice promptly upon the earlier of receipt of a confirming notice from Seller that the above conditions have been satisfied or the passage of five (5) business days from the delivery of Buyer's Notice to Escrow Agent and Seller. All purchase price installments including prepayment(s) thereof shall be paid to Escrow Agent and shall be credited to the account of Seller pursuant to the Escrow Instructions.

23. **WARRANTY DEED.** Seller contemporaneously deposits with Escrow Agent a Statutory Warranty Fulfillment Deed ("Deed") conveying the Property to Buyer in the form required by the PSA. Buyer has seen and reviewed the Deed deposited in escrow and approved its form and content as sufficient to convey title to the Property as warranted by Seller.

24. **DAMAGE AND DESTRUCTION.** For the duration of the Term, the risk of loss relating to the Property shall rest with the Buyer. Risk of Loss shall be deemed to include any property damage occurring as a result of an "Act of God," including, but not limited to, fire, earthquakes, tremors, wind, rain or other natural occurrences ("Casualty").

- a. **REPAIR OR RECONSTRUCTION.** In the event of a Casualty that does not result in the destruction or material damage to the Property, Buyer shall commence repair or reconstruction of the Property or improvements thereon to the same condition or better as existed prior to such Casualty upon receipt of the proceeds of such insurance required under Section 12.b, above, provided such repair or reconstruction shall be made in accordance with the then existing laws, ordinances or land use regulations applicable.
- b. **DESTRUCTION OR MATERIAL DAMAGE TO THE PROPERTY.** If the Property is destroyed or materially damaged by Casualty and Buyer does not elect to rebuild or otherwise reconstruct the Property, either upon notice from the Buyer or upon twenty-four (24) months from the event of Casualty, Seller may proceed with all claims and right to proceeds as a loss payee insured under the All-Risk Property Insurance Policy in Section 12.b, above, (except any use and occupancy insurance, rent loss and business interruption insurance, and any similar insurance for the benefit of Buyer's ordinary business operations, as distinguished from any insurance for the benefit of the Property) that may be payable to Buyer on account of any such Casualty, to the extent such proceeds have not been previously expended or are otherwise required to reimburse for actual expenditures of restoration.

25. **ANTI-DISCRIMINATION.** Buyer shall not discriminate on the basis of race, color, marital status, national origin, religious affiliation, disability, sexual orientation, gender identity or expression or age except by minimum age and retirement provisions, unless based upon a bona fide occupational qualification, in the employment or application for employment or in the administration or delivery of services or any other benefits under King County Code Ch. 12.16.125. Buyer shall comply fully with all applicable federal, state and local laws, ordinances,

executive orders and regulations that prohibit such discrimination. These laws include, but are not limited to, chapter 49.60 RCW, and Titles VI and VII of the Civil Rights Act of 1964. Any violation of this provision shall be considered a default of this Memorandum and shall be grounds for cancellation, termination, or suspension, in whole or in part, of the Memorandum and may result in ineligibility for further agreements with Seller.

26. **FORCE MAJEURE.** Neither Party shall be liable to the other or deemed in default under this Memorandum if and to the extent that such Party's timely performance of this Memorandum is prevented by reason of Force Majeure. "Force Majeure" shall be defined as an occurrence that is beyond the control of the Party affected and could not have been avoided by exercising reasonable diligence. Force Majeure includes strikes; lockouts; labor disputes; Acts of God; inability to procure labor, materials, or reasonable substitutes therefor; delay by reason of the diminution of power or power failure(s); restrictive governmental laws or controls; judicial orders; enemy or hostile action; civil commotion; fire or other casualty. "Acts of God" mean naturally occurring events that cannot be avoided, such as earthquake, tornado, flood or global health crises such as an epidemic or pandemic as determined by the relevant governmental authorities having jurisdiction over the Property. Notwithstanding anything to the contrary contained herein, Buyer shall **NOT** be relieved of its obligations to make timely payments of the Purchase Price or to make payment of any other sums to Seller owing under this Memorandum throughout the pendency of any Force Majeure, and Buyer's failure to make timely payments or other sums owing throughout the pendency of such Force Majeure shall be subject to the Default provisions of Section 18 herein.

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

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

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

30. **CAPTIONS.** The captions in this Memorandum are for convenience only and do not in any way limit or amplify the provisions set forth herein.

31. **DEFINITIONS**. Capitalized terms not defined in this Memorandum shall have the meaning given to them under the Related Agreements.

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

33. **APPLICABLE LAW; JURISDICTION AND VENUE**. This Memorandum 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 Memorandum, the Superior Court of King County, Washington shall have exclusive jurisdiction and venue.

[Signatures appear on next two pages.]

SIGNATURE PAGE TO MEMORANDUM OF REAL ESTATE CONTRACT SALE
(Signature Page 1 of 2)

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

SELLER:

KING COUNTY,
a political subdivision of the State of Washington

Dated: _____

By: _____

Name: Drew Zimmerman

Approved as to form:

Director, Facilities Management Division

By: _____

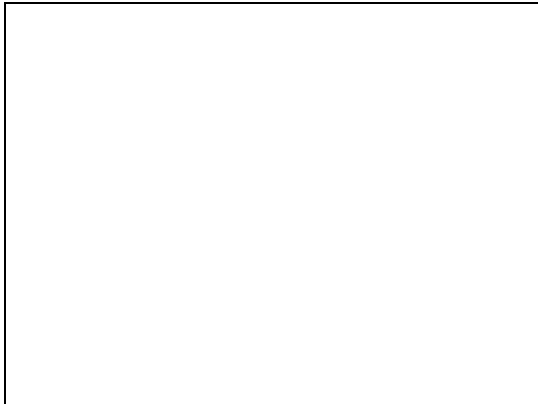
Ryan W. Ridings

Deputy Prosecuting Attorney

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me and said person acknowledged that she/he signed this instrument, on oath stated that she/he was authorized to execute the instrument and acknowledged it as the _____ of **KING COUNTY**, a political subdivision of the State of Washington, to be the free and voluntary act of such entity for the uses and purposes mentioned in the instrument.

DATED: _____.



Print Name: _____

Residing at: _____

My appointment expires: _____

SIGNATURE PAGE TO MEMORANDUM OF REAL ESTATE CONTRACT SALE
(Signature Page 2 of 2)

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

BUYER:

HEALTHPOINT,
a Washington nonprofit public benefit corporation

Dated: _____

By: _____

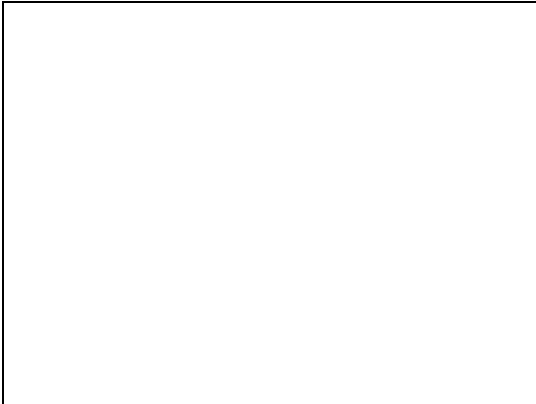
Name: Lisa Yohalem

Its: President and Chief Executive Officer

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me and said person acknowledged that she/he signed this instrument, on oath stated that she/he was authorized to execute the instrument and acknowledged it as the _____ of **HEALTHPOINT**, a Washington nonprofit public benefit corporation, to be the free and voluntary act of such nonprofit public benefit corporation for the uses and purposes mentioned in the instrument.

DATED: _____.



Print Name: _____

Residing at: _____

My appointment expires: _____

EXHIBIT "1"

LEGAL DESCRIPTION OF PROPERTY

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

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

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

SCHEDULE 1**PURCHASE PRICE PAYMENT SCHEDULE**

The Purchase Price payments shall be made in advance of each year. Payment number 1 shall be due at the Equitable Closing. Payments number 2 through 10 shall be due on the first day of the calendar month that follows the anniversary date of Equitable Closing.

Payment Number	Year of Payment	Amount of Payment
1	2024	\$80,000
2	2025	\$84,000
3	2026	\$88,200
4	2027	\$92,610
5	2028	\$97,241
6	2029	\$102,103
7	2030	\$107,208
8	2031	\$112,568
9	2032	\$118,196
10	2033	\$124,106
	Total amt. paid:	\$1,006,231

SCHEDULE 2
STATEMENT OF FAIR MARKET VALUE

The attached appraisal is adopted by the Buyer and Seller as the initial basis for establishing fair market value for the Property. The Parties have reduced the appraised value to account for certain building conditions excluded from consideration by the appraiser. The Fair Market Value of the Property at Equitable Closing, as defined in the Memorandum of Real Estate Contract, is agreed to be Five Million, Seven Hundred Ninety Thousand and No/100 Dollars (\$5,790,000.00).

EXHIBIT F.

CONSIDERATION AGREEMENT BETWEEN KING COUNTY AND HEALTHPOINT Federal Way Public Health Property Redevelopment

This Consideration Agreement (“**Agreement**”) is entered into by HEALTHPOINT, a Washington nonprofit public benefit corporation (“**HealthPoint**”), and KING COUNTY, a political subdivision of the State of Washington (the “**County**” or “**King County**”, and together with HealthPoint, collectively, the “**Parties**”). This Agreement has an Effective Date of _____, 2024.

RECITALS

A. This Agreement sets forth the basic terms for the renovation and operation of certain real property located at 33431 13th Place South in Federal Way, King County, State of Washington, and legally described on Exhibit A (the “**Property**”).

B. HealthPoint and King County both use the Property to provide certain medical and health related services for persons of lower incomes and other underserved populations with more limited access to quality health care.

C. HealthPoint is a community-based, community-supported, and community-governed network of non-profit health centers which qualify as a Federally Qualified Health Center, as that term is defined in 42 USC § 1395x(aa)(4) and is dedicated to providing high quality care to all who need it, regardless of circumstances (together with the direct health care services delivered by the County and described below shall be referred to herein as the “**Health Services**”).

D. King County, through King County Public Health, serves poor and underserved populations through the provision of medical and related care and health services in King County.

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

F. The Property is in need of substantial repairs in order for it to be able to continue to deliver Health Services and the Parties envision that, by making strategic renovations to the Property in addition to the necessary repairs, an integrated center for health and wellness in south King County could result at that location that would increase capacity for services to the community into the coming decades in a renovated facility that is modern and welcoming.

G. HealthPoint is willing to make the necessary Property repairs, Property renovations, and other investments in the development of the integrated health and wellness center on the Property but requires an ownership interest in the Property in order to accomplish these objectives.

H. King County intends to convey the Property to HealthPoint under the terms of that certain Purchase and Sale Agreement dated _____, 2024 (the “PSA”).

I. The PSA expressly and purposely manifests the intent of the Parties to enter into a “real estate contract” sale, as that phrase is defined in RCW 61.30.010.

J. Contemporaneous with conveyance of equitable title under the PSA, the Parties will enter into a Memorandum of Real Estate Contract Sale to be recorded against the Property and memorializing certain terms and conditions in accordance therewith including the fulfillment of the Purchase Price under the PSA and other key terms of the “real estate contract” sale (the “**Memorandum**”).

K. In addition to the Purchase Price under the PSA, the Parties have agreed to certain additional consideration that is part of the overall public purpose for King County agreeing to convey the Property under the terms of the PSA and the Memorandum.

L. The parties intend that such additional consideration beyond payment of the Purchase Price under the PSA and Memorandum for the Property include (i) HealthPoint spending eight million dollars (\$8,000,000) on the initial repair, construction, and redevelopment of the Property in support of the shared vision for an integrated health and wellness center at the site of the Property (the “**Project**”) as more particularly described in the definition of HealthPoint’s Project Development Obligations below; (ii) HealthPoint’s leasing back, as lessor, to King County, as lessee, of certain premises within the Property to be improved as part of the Project for an initial term of ten (10) years on the terms and conditions of a that certain Lease Agreement dated on or about the date hereof (the “**Lease Agreement**”), (iii) the operation of the Property, by King County and HealthPoint, as an integrated health and wellness center (the Integrated Health and Wellness Center defined in Section 4 herein), and (iv) recording the Declaration of Restrictive Covenant against the Property (the “**Covenant**”, and together with the Lease Agreement, the PSA and the Memorandum, the “**Related Agreements**”) obligating the operation of a community health center clinic eligible for funding as a Federally Qualified Health Center for a period of fifteen (15) years from the Effective Date of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants, terms, and conditions set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

1. Purpose.

(a) The purposes of this Agreement are:

(i) to set forth the Parties’ agreement on certain material terms in the overall fulfillment of the Project and the transactions underlying it that are outside the scope of the Related Agreements, and which shall be binding upon the Parties as conditions of the fulfillment of the contract of sale described in the Memorandum;

(ii) to specify terms and conditions of HealthPoint’s Property development obligations with respect to the Project as set forth in Section 3 herein;

(iii) to document expectations for the Parties' collaboration on the development of an integrated health and wellness center for south King County at the Property as set forth in Section 4(a) herein; and

(iv) to describe the Parties' respective rights and obligations for the operation of the Property prior to completion of the Project.

(b) The fulfillment of the above purposes on the further terms and conditions set forth herein and in accordance with the Related Agreements forms the non-monetary consideration for the County's conveyance of the Property to HealthPoint (the "**Additional Consideration**"). The Additional Consideration is an integral and material rationale for the County's agreement to convey the Property to HealthPoint on the terms and conditions set forth herein and in the Additional Agreements.

2. Reserved.

3. Development Project.

(a) **Project Scope and HealthPoint Project Development Obligations.** The Parties acknowledge that the scope of the property redevelopment project required by this Agreement will be defined through the planning process described below (the "Project Scope"). The Parties further acknowledge that the redevelopment plan is anticipated to provide for repair and renovation work to be completed in phases to allow for the continued delivery of Health Services at the Property and that only those initial phases explicitly required by this Agreement shall be within the Project Scope. HealthPoint may make further improvements to the Property after completion of the Project Scope which, although during the term of this Agreement, are not subject to the requirements of this Section 3. The Parties further acknowledge that the redevelopment plan may sequence the work such that not all major repairs and deferred maintenance are completed prior to the renovation work if such repairs would be duplicated as part of the renovation work. Based on these mutual understandings, the Parties hereby agree that HealthPoint's "**Project Development Obligations**" for purposes of this Agreement and to satisfy its construction and redevelopment of the Property obligations under the Memorandum are defined as follows:

(i) Complete the Project milestones described in sub-paragraph (b) of this section on the timelines described therein or as modified by mutual signed agreement of the Parties subsequent to the execution of this Agreement; and

(ii) Spend not less than eight-million dollars (\$8,000,000) on designing, planning, financing, pre-construction, and construction-related costs as evidenced by periodic reports in a form approved by King County prepared by HealthPoint and delivered to King County.

The County acknowledges that HealthPoint will have satisfied its Project Development Obligations under this Agreement and its construction and redevelopment of the Property

obligations under the Memorandum so long as the two requirements described above are satisfied.

(b) **Project Milestones.** All timeframes identified below are calculated from the Effective Date of this Agreement. All deadlines are subject to change by mutual written agreement of the Parties.

(i) **Phase 1 Design.** HealthPoint shall prioritize renovation of the Premises (as such term is defined in the Lease Agreement) as Phase 1 of the Project. Within _____ () months [to be agreed upon and completed prior to execution], HealthPoint shall develop and secure all reasonable and necessary approvals from the City of Federal Way of a comprehensive set of plans and specifications for redevelopment of the Premises.

(ii) **Phase 1 Project Budget and Funding.** Within _____ () [to be agreed upon and completed prior to execution], HealthPoint will share with County a budget demonstrating completion values with the plans and specifications for Phase 1 of the Project and confirm with County that it has the necessary funds to complete the improvements to the Premises as approved through the process described above.

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

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

(v) **Phase 1 Substantial Completion.** Within thirty-six (36) months, HealthPoint will have substantially completed construction on Phase 1 of the Project, as evidenced by the delivery of a copy to King County of a certificate of occupancy or equivalent issued by the Buildings Division of the City of Federal Way or equivalent jurisdictional authority.

(vi) **Satisfaction of HealthPoint Project Development Obligations.** Phase 2 of the Project shall be HealthPoint's repair, improvement, and/or redevelopment of other portions of the Property not included in Phase 1 of the Project in satisfaction of that portion of its Project Development Obligations described in Section 2(a)(ii) of this Agreement. HealthPoint may, at its election, design, finance, and construct Phase 2 contemporaneously with Phase 1 or at any time after such work has begun on Phase 1 so long as its Project Development Obligations under subparagraphs (b)(i) through (b)(v) of this Section 3 are satisfied within thirty-six (36) months of the Effective Date.

(c) **Pre-Construction, Construction Periods, and Post-Project facility operations:**

(i) **Pre-Construction:** On the Closing Date of the PSA, HealthPoint will obtain equitable title to the Property and assume responsibility for costs associated with the Property limited only by lessee costs assumed by the County under the Lease Agreement, if any, as amended from time to time. The County will cooperate with HealthPoint's management and operation of the Property during a transition period of not more than one (1) year by providing access to staff familiar with the Property, making introductions as appropriate to vendors providing services to the Property, and other information to assist HealthPoint's transition to ownership and management of the Property. The Parties will continue to provide Health Services on the Property consistent with past practice except as modified by the terms of the Lease Agreement. The Parties will also cooperate in the planning for the Integrated Health and Wellness Center at the Property and implement any preliminary changes that can reasonably and successfully be implemented prior to the modernization of the building facilities.

(ii) **Construction Periods:** The Parties will cooperate in their development and approval of phased Project construction activities, consistent with Project expectations and the terms and conditions of the Lease Agreement, to minimize the impact of the construction on the delivery of Health Services to the community and the continuing implementation of the strategies for creating the Integrated Health and Wellness Center on the Property. The Parties agree to use best efforts to coordinate space use during construction to allow each Party to continue to provide services out of the Property during the Construction Periods. The Parties agree to hold standing meetings on not less than a bi-weekly basis during all active periods of Project planning and construction. The meetings shall include, when appropriate, the Project architect and/or general contractor (or authorized decision-making designee thereof). It is the intent of the Parties that the County, through King County Public Health, shall be reasonably able to maintain the same or substantially the same level of service during construction; shall have substantially equivalent examination room space; shall have sufficient health space to continue to provide equivalent WIC services; shall have sufficient office and health spaces to continue to be able to provide First Steps services; and that a space for a navigator for enrollment services shall at all times be clear and available. In furtherance of Phase 1 and Phase 2 and in meeting the objectives set forth in this subsection (ii), HealthPoint may identify temporary space for one or both Parties to use in the delivery of Health Services during the periods of construction, such temporary space which may be on-site or off-site. HealthPoint agrees to pay for all costs incurred in moving and in otherwise accommodating both Parties' use of any such temporary facilities, including but not limited to IT and network requirements of both Parties, establishing appropriate examination rooms, furniture, fixtures, and equipment that are ordinary and typical in the delivery of the contemplated Health Services and commercially reasonable in availability and cost.

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

related rights and obligations will be as described in the Lease Agreement as amended from time to time.

(d) **Payment and Performance Bond.** HealthPoint expressly agrees that prior to any redevelopment of any portion of the Property, where such work exceeds one hundred thousand dollars (\$100,000.00), HealthPoint shall cause its general contractor or construction manager to provide a performance and payment bond covering the total GC/CM contract cost of such project, and for subcontractors performing any work on any project on the Property where the contract amount exceeds \$100,000.00 to provide performance and payment bonds for the value of the subcontract.

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

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

(g) **Public Works.** In the event that the Project is determined or otherwise agreed to be a "Public Work" and subject to public works procurement requirements including those specific requirements set forth in Chapters 39.04 RCW (general public works requirements), 39.12 (prevailing wage), 36.32 (County-specific requirements), together with any King County Code or other relevant policies, HealthPoint will, as appropriate, follow a competitive, qualifications based contractor selection process, pay prevailing wages, and adhere to bonding and workforce requirements. Nothing contained in this Agreement or any of the Related Agreements shall be interpreted to require compliance with the requirements set forth in this Section 3(g) where compliance with such requirements would not otherwise be required.

(h) **Good faith and cooperation.** At all times under this Agreement, HealthPoint will communicate with King County all material issues and concerns related to the Project, cooperate with King County toward all public health delivery goals, and the Parties mutually agree to act fairly and in good faith in accordance with this Agreement and the Related Agreements.

4. Delivery of Public Health Services

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

that King County Public Health provides in the Federal Way community; (c) serves as a vehicle for implementing programs and services in response to periodic community health needs assessments conducted by the Parties from time to time; (d) serves as a vehicle for partnerships with other organizations that provide services needed by Federal Way residents, including services that address social determinants of health; and (e) provides more effective services to Black, Indigenous, and other People of Color (BIPOC) and other marginalized communities to counter racism and to address persistent health disparities. HealthPoint commits to working diligently with the County toward their shared vision of the Integrated Health and Wellness Center throughout the term of this Agreement.

(b) **Use of the Property for Public Health Delivery Goals.** HealthPoint will operate a community health center clinic providing services qualifying for recognition as a federally qualified health center on the Property, as that term is defined in Section 330 of the Public Health Service Act and as set forth in the Covenant. Such operation shall include services such as primary health care services, dental services, behavioral health services, maternity and early child health services, and reproductive health services. HealthPoint will further ensure that the Property is operated in furtherance of certain public health delivery goals, including culturally responsive integrated services with King County Public Health, whole person healthcare, and community outreach.

5. Term; Termination; and Satisfaction of Conditions Necessary for Closing Contract of Sale Transaction.

(a) **Term.** The term of this Agreement shall commence on the Effective Date and expire upon the transfer of legal title to the Property pursuant to the terms in Section 4.a of the Memorandum unless terminated under the terms of this Agreement prior to Closing.

(b) **Termination.** This Agreement shall terminate prior to the expiration of the Term only in the event of: (i) County's election to terminate the Agreement for default pursuant to Section 6(d) of this Agreement; (ii) termination of the Memorandum according to its terms prior to Closing and the transfer of legal title to HealthPoint; or (iii) the mutual agreement of the Parties.

(c) **Satisfaction of Conditions of Contract of Sale.** HealthPoint shall be deemed to have satisfied the conditions of this Agreement necessary to comply with the obligations of the contract of real estate sale described in the Memorandum upon completion of Project Development Obligations described in Section 3 of this Agreement so long as at such time HealthPoint has diligently pursued operation of the Integrated Health and Wellness Center described in Section 4(a) in reasonable compliance with this Agreement and is not otherwise in default with its obligations hereunder.

6. Miscellaneous Provisions.

(a) **Incorporation of Recitals.** The foregoing recitals are true and correct and are hereby incorporated herein.

(b) **Related Agreements; Conflict with Related Agreements.** In the event of any conflict between the terms of this Agreement and the terms of the Lease Agreement, the terms of this Agreement shall control. In the event of any conflict between the terms of this Agreement and the terms of the PSA, the terms of this Agreement shall control. In the event of any conflict between the terms of this Agreement and the terms of the Memorandum, the terms of the Memorandum shall control. In the event of any conflict between the terms of this Agreement and the terms of the Covenant, the terms of the Covenant shall control.

(c) **No Assignment.** This Agreement shall not be assignable or transferable by operation of law, or by any process or proceeding of any court or otherwise without the prior written consent of the Parties hereto, which consent shall be at each Party's sole and absolute discretion. Notwithstanding the foregoing, HealthPoint may assign this Agreement to a wholly-owned single-purpose affiliate entity in accordance with a concurrent assignment of the Memorandum upon the reasonable approval of the County.

(d) **Default.** HealthPoint shall be in default of this Agreement if HealthPoint (a) fails to timely and fully observe or perform any term, covenant, condition herein set forth including but not limited to its obligation to secure sources of funding for the Project as required by Section 3(b)(ii) of this Agreement and, except as otherwise provided herein, fails to cure any such default within one hundred eighty (180) days after notice thereof from County; or (b) becomes or is declared insolvent or makes an assignment for the benefit of creditors, or files any debtor's petition or any petition is filed against HealthPoint under any bankruptcy, wage earners, reorganization or similar act.

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

(f) **Non-Discrimination.** HealthPoint shall not discriminate on the basis of race, color, marital status, national origin, religious affiliation, disability, sexual orientation, gender identity or expression or age except by minimum age and retirement provisions, unless based upon a bona fide occupational qualification, in the employment or application for employment or in the administration or delivery of services or any other benefits under King County Code Ch. 12.16.125. HealthPoint shall comply fully with all applicable federal, state and local laws, ordinances, executive orders and regulations that prohibit such discrimination. These laws include, but are not limited to, chapter 49.60 RCW, and Titles VI and VII of the Civil Rights Act of

1964. Any violation of this provision shall be considered a default of this Agreement and shall be grounds for cancellation, termination, or suspension, in whole or in part, of this Agreement and the Related Agreements and may result in ineligibility for further agreements with King County.

(g) **Applicable Law; Jurisdiction 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.

(h) **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.

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

If to HealthPoint: HealthPoint
955 Powell Avenue SW
Renton, Washington 98057
Attention: Chief Executive Officer

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

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

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

(j) **Dispute Resolution.** The Parties agree to negotiate in good faith to resolve any disputes arising under this Agreement so that the purposes of this Agreement are not frustrated, and before seeking to resolve disputes in a court of law or any other forum. Neither Party may seek relief in a court of law until and unless the dispute resolution process set forth in this Section 6(j) has been completed in good faith.

(i) The Parties shall designate representatives for purposes of managing this Agreement and the dispute resolution process under this Section 6(j). The Parties' initial Designated Representatives shall be the Chief Administrative Officer for Public Health for the County and the Chief Financial Officer for HealthPoint, or such other persons as the Parties may designate in writing from time to time by giving notice. The Parties' Designated Representatives shall communicate regularly to discuss the status of the tasks and services to be performed and to prevent disputes from arising.

(ii) If a dispute arises, then

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

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

(iii) If the Parties cannot resolve the dispute utilizing the process in Section 6(j)(ii), the Parties may, by agreement, submit the matter to non-binding mediation. The Parties shall split the mediator's fees, costs and expenses on an equal basis. Each Party shall pay its own costs to prepare for the mediation, including any attorney fees or costs.

(iv) During the course of conflict or dispute resolution efforts, the Parties agree to continue to diligently perform their respective responsibilities under this Agreement.

(k) **Amendment.** Except as otherwise provided herein, this Agreement may only be amended in a writing signed by the Parties hereto. Notwithstanding the foregoing, the Parties

acknowledge that it is the intent of the Parties that modifications to the timing of the Project Milestones described in Section 3(b) and modification of the objectives of the Integrated Health and Wellness Center described in Section 4(a) may be modified without formal amendment to this Agreement so long as documentation of the mutual intent of the Parties to such changes is available to document the agreed modifications.

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

(m) **Non-Waiver.** No action or failure to act by HealthPoint or County shall constitute a waiver of any right or duty afforded it under this Agreement.

(n) **Captions.** The captions in this Agreement are for convenience only and do not in any way limit or amplify the provisions set forth herein.

(o) **Definitions.** Capitalized terms not defined in this Agreement shall have the meaning given to them under the Related Agreements.

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

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of the Effective Date.

HealthPoint,
a Washington nonprofit corporation

King County,
a political subdivision of the State of Washington

By: _____
Lisa Yohalem,
President and Chief Executive Officer

By: _____
Drew Zimmerman,
Director, Facilities Management Division

APPROVED AS TO FORM:

By: _____
Ryan W. Ridings,
Senior Deputy Prosecuting Attorney

APPROVED BY CUSTODIAL AGENCY:

By: _____
Michael Gedeon,
Chief Administrative Officer,
King County Public Health

EXHIBIT G.

LEASE AGREEMENT

BY AND BETWEEN

KING COUNTY, A POLITICAL SUBDIVISION OF THE STATE OF WASHINGTON

AND

HEALTHPOINT, A WASHINGTON NONPROFIT PUBLIC BENEFIT CORPORATION

DATED: _____, _____ 2024

BASIC LEASE PROVISIONS

The words and figures set forth in Paragraphs A to O shall have the following meanings throughout the Lease except as expressly modified elsewhere in the Lease.

- A. Landlord: HealthPoint
- B. Tenant: King County
- C. Property Address: 33431 13th Place South, Federal Way, Washington
- D. Premises: the approximately 7,500 square feet of dedicated space (see Exhibit B-1) and approximately 1,990 square feet of shared space with HealthPoint (see Exhibit B-2)
- E. Permitted Use: Primary medical and dental care; other health and human services and other public health services; all consistent with restrictive covenant against the property.
- F. Term: An initial term of one hundred twenty (120) months beginning on the Commencement Date and terminating on the last day of the month of the day in which the 120-month period expires.
- G. Optional Renewal Terms: two (2) consecutive five (5) year tenant options to extend.
- H. Commencement Date: [_____, 2024]
- I. Monthly Base Rent for Initial Term: zero dollars (\$0.00)
- J. Additional Rent for Initial Term: n/a
- K. Security Deposit: none
- L. Prepaid Rent: none
- M. Renewal Option Notice Date(s): [_____, 2033 and _____, 2038]
(twelve months before the end of term)
- N. Landlord's Address for Notices:
HealthPoint
955 Powell Avenue SW
Renton, Washington 98057
Attention: Chief Executive Officer
- O. Tenant's Address for Notices:
King County Real Estate Services Section
King County Administration Building
500 4th Avenue, Suite 830
Seattle, WA 98101

LEASE AGREEMENT

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

RECITALS

- A. Landlord, a public benefit nonprofit corporation, is a community-based, community-supported, and community-governed network of non-profit health centers dedicated to providing high quality care to all who need it, regardless of circumstances which qualifies as a Federally Qualified Health Center, as that term is defined in 42 USC § 1395x(aa)(4); and provides access to medical care to poor and underserved populations in King County.
- B. Tenant, through King County Department of Public Health, serves low income, marginalized, and underserved populations through the provision of medical and related care and health services in King County.
- C. Landlord is the owner of the real property located at 33431 13th Place South in Federal Way, King County, State of Washington, and legally described on Exhibit A (the “Property”) pursuant to a real estate contract sale (as that phrase is defined in RCW 61.30.010) for the sale of the Property by Tenant, as Seller, to Landlord, as Buyer, memorialized under that certain Memorandum of Contract Sale and recorded against the Property under KC Rec No. _____ (the “Memorandum of Contract Sale”).
- D. The terms of the Memorandum of Contract Sale require that Landlord perform certain improvements upon the Property (the “Project”) resulting in an integrated health and wellness center to be operated by Landlord and Tenant as King County Public Health.
- E. Landlord and Tenant have entered into that certain consideration agreement dated on or about the date hereof (the “Consideration Agreement”) which provides, among other things, (i) that Landlord will complete Phase 1 of the Project (herein “Phase 1”) and Phase 2 of the Project (herein “Phase 2”) as those terms are defined and on certain terms and conditions set forth therein and (ii) that Landlord will thereafter provide health services to Medically Underserved Populations with King County Public Health (the “Health Services”).
- F. The costs of completing the Project are a portion of the consideration provided by Landlord to Tenant for the sale of the Property.
- G. The Project contains certain demised premises (the “Premises”, as set forth and defined herein) within the Property for the exclusive use and control by King County Public Health, and certain shared spaces (“Shared Space”, as set forth and defined herein) within the Property to be used jointly by Tenant and Landlord in the provision of Health Services.

H. Tenant's leasehold in the Premises and the Shared Space is an additional part of the consideration provided by Landlord to Tenant for the sale of the Property.

AGREEMENT

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

1. PREMISES; USE:

- 1.1. Premises and Shared Space. Landlord does hereby lease to Tenant, and Tenant does hereby lease from Landlord, those certain premises consisting of approximately 7,500 square feet of dedicated space shown and defined on Exhibit B-1 (the "Premises") within the building located on the Property (the "Building"). In addition, Tenant shall have the right to use, on a non-exclusive basis in collaboration with Landlord, that shared space shown on Exhibit B-2 (the "Shared Space"). Tenant's Share (as defined below) of the Shared Space consists of approximately 1,190 square feet, for a total leased area of approximately 8,690 square feet. Tenant's total leased square feet is 8,690 as shown on Exhibit B-2. For the purposes of this Lease, the Parties agree that the total leased square feet means a rental area as determined by [ANSI/BOMA] Standard of Measurement.
- 1.2. Provision of the Premises and Shared Space. Upon commencement of the Term of this Lease, and subject to Landlord's ongoing maintenance and repair obligation set forth in this Lease, Landlord shall not be obligated to perform any alterations or improvements to the Premises, the Shared Space or elsewhere, provided only that Landlord agrees to complete the Project pursuant to Section 3 of the Consideration Agreement. Upon completion of Phase 1, as provided under Section 3 of the Consideration Agreement, Landlord shall provide and maintain Building-wide standard furniture (including, without limitation, desks, chairs, book cases, and file cabinets but specifically excluding art decorations, computers, telephones, copy machines, IT systems or other equipment specific to Tenant) for the Premises and the Shared Space (defined below) as set forth on the Schedule of Furniture, Fixtures and Equipment attached hereto as Exhibit D (collectively, the "Initial Furniture"). Tenant shall have meaningful opportunity to review the Initial Furniture and to set forth certain ergonomic requirements.
- 1.3. Use. Tenant may use the Premises for the purpose of primary medical and dental care, and to provide other health and human services and public health services that are complementary thereto for persons of lower incomes and other underserved populations with more limited access to quality health care in King County together with all reasonably related office and administrative uses and any other legally permissible use consistent with the Restrictive Covenant dated [_____], 2024] recorded against the Property.
- 1.4. Project Delivery. Landlord and Tenant acknowledge and agree that they are committed to integrated service delivery within the Project and agree that one (1) or more representative(s) appointed by Landlord and one (1) or more representatives appointed by

Tenant shall participate in a committee intended to establish policies and procedures for the shared provision of Health Services, including without limitation the use of the Shared Space.

2. **TERM**

2.1. Initial Term. The Term of this Lease shall be for one hundred twenty (120) full calendar months (“Term”), commencing on the date that Tenant shall have conveyed to Landlord equitable title to the Property and the Memorandum of Contract Sale shall have been duly executed by both Parties (the “Commencement Date”), and terminating on the last day of the 120th full calendar month thereafter.

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

3. **RENT:**

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

3.2. Extended Term Rent. During any Extended Term, the Parties anticipate that this Lease shall convert to a triple net agreement in accordance with prevailing market terms at such time.

3.3. Improved Premises as Consideration. It is the shared understanding and intent of the Parties that the Tenant shall enjoy Premises and Shared Space that are renovated upon Landlord’s completion of Phase 1 in accordance with the Consideration Agreement. In any event where Landlord shall not have substantially completed Phase 1 prior to the end of the thirty-sixth (36th) month of this Lease, Landlord shall grant Tenant the right to either (i) a rent payment credit of not less than Twenty Dollars and No/100 (\$20) per square foot, as adjusted to the day for each day that shall pass until substantial completion of Phase 1 of the Project as set forth under Section 3(b) of the Consideration Agreement; or (ii) a lease term credit providing an according number of days at the Initial Term Rent rate set

forth in Section 3.1 to be added to the end of the Initial Term for each day that shall pass until substantial completion of Phase 1 of the Project as set forth under Section 3(b) of the Consideration Agreement.

4. UTILITIES AND SERVICES: So long as Tenant is not in default under this Lease, Landlord shall provide gas, steam, electricity, heat, ventilation, air-conditioning, water, elevator service, trash removal, snow and ice removal, medical facility janitorial services, sewer and storm water, and other customary services or utilities without interruption. Landlord shall pay all real estate and ad valorem taxes, as may be applicable. All other costs necessary for Tenant to do business in the Premises will be paid directly by Tenant, including expressly telephone and internet connection. Landlord agrees to provide third-party security at the Building for the benefit of both Landlord and Tenant's operations, and shall maintain electronic security measures, including but not limited to access controls, cameras and intrusion systems as described on Exhibit C attached hereto.
5. COMMON AREAS: Landlord also grants Tenant a nonexclusive license to use, in common with Landlord, other lessees (if any), and their respective guests and invitees, those portions of the Building and the Property incident to and necessary for Tenant's use of the Premises and Shared Space, including but not limited to any utility rooms, cable and communication closets, or other spaces containing operational infrastructure, and which shall be accessible to Tenant at all times (the "Common Areas").
6. REPAIRS AND MAINTENANCE: Landlord shall keep the Premises, Shared Space, and the Common Areas of the Building in operating condition and repair at least as good as the condition of the Building on the Commencement Date, the completion of Phase 1 or the completion of Phase 2, as the case may be, including but not limited to walks, landscaping, service areas, mechanical rooms, loading areas, and the roof and the exterior of the Building, reasonable use and wear and tear and damage by fire and other casualty excepted, Landlord shall promptly repair malfunctioning fixtures, plumbing, HVAC and electrical systems in the Premises, Shared Space and public and common areas. Landlord shall further maintain in condition and operating order at least as good as the condition of the Building on the Commencement Date and reasonably keep in repair consistent with plans for renovation of the Building (a) the structural portions of the Building, including the foundation, floor/ceiling slabs, roof, curtain wall, exterior glass and mullions, columns, beams, shafts (including elevator shafts), base Building stairs and stairwells, Landlord's art work, Building mechanical, electrical and telecom closets (collectively, the "Building Structure"), (b) the base building mechanical, electrical, life safety, plumbing, sprinkler and HVAC systems of the Building (collectively, the "Building Systems"), and (c) the common areas and signage. In the event that such repairs are required as a result, in whole or in part, of the act or neglect of any duty by Tenant its agents, servants, employees, or invitees, then Tenant shall pay to Landlord the reasonable and actual cost of such maintenance and repairs. Landlord shall provide janitorial service for the Premises. Tenant shall, at its own expense and at all times, keep the Premises neat, clean and in a sanitary condition. Tenant shall permit no waste, damage or injury to the Premises. Tenant shall promptly provide Landlord with written notice of the need for any repairs or maintenance to the Premises or the Building. Landlord shall be responsible for the maintenance and repairs to the Premises, the Building, Building systems, and common areas which shall include but not limited to interior lighting (including replacement of

light bulbs, ballasts and starters as required); electrical, plumbing, heating, ventilating and air-conditioning systems (including replacement of filters as recommended in equipment service manual); floor coverings; window coverings; inside and outside walls (including windows and entrance and exit doors); all structural portions of the Building (including the roof and the watertight integrity of same); restrooms, common area hallways, porches, stairways; sidewalks; exterior lighting; parking lot (including snow removal, cleaning and restriping as required); wheel bumpers; drainage; landscaping and continuous satisfaction of all governmental requirements (example: fire, building energy codes, indoor air quality and requirements to provide architecturally barrier-free premises for persons with disabilities, etc.).

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

8. CONDEMNATION OR DAMAGE TO THE PROPERTY: In the event a substantial part of the Premises is taken by the right of eminent domain, or purchased by the condemnor, in lieu thereof, or damaged by casualty, so as to render the remaining Premises economically untenable as a result of any of the foregoing, then this Lease shall be canceled as of the time of taking at the option of either party. The Parties shall refer to the Consideration Agreement for the allocation of rights in the property if any such event occurs prior to Landlord's satisfaction of the terms and conditions of the Consideration Agreement.

9. PARKING: Tenant shall have an exclusive right to dedicated parking stalls numbered _____ as shown on Exhibit B-3 attached hereto for fleet parking. In addition, Tenant shall have the non-exclusive right, during the Term of the Lease, to use the shared parking spaces shown on Exhibit B-3 attached hereto.

10. LIENS AND INSOLVENCY: Tenant shall keep the Premises free from any liens arising out of any work performed for, materials furnished to, or obligations incurred by Tenant and shall hold Landlord harmless against the same. In the event Tenant becomes insolvent, bankrupt, or if a receiver, assignee or other liquidating officer is appointed for the business of Tenant, Landlord may cancel this Lease at its option.

11. DISPUTE RESOLUTION: The Parties agree to negotiate in good faith to resolve any disputes arising under this Agreement so that the purposes of this Agreement are not frustrated, and before seeking to resolve disputes in a court of law or any other forum. Neither Party may seek relief in a court of law until and unless the dispute resolution process set forth in this Section 11 has been completed in good faith.

11.1. Designated Representatives. The Parties shall designate representatives for purposes of managing this Agreement and the dispute resolution process under this Section 11. The Parties' initial Designated Representatives shall be the Chief Administrative Officer for Public Health for the County and the Chief Financial Officer for HealthPoint, or such other persons as the Parties may designate in writing from time to time by giving notice. The Parties' Designated Representatives shall communicate regularly to discuss the status of the tasks and services to be performed and to prevent disputes from arising.

11.2. Informal Dispute Resolution Process. If a dispute arises, then:

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

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

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

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

12. SUBLETTING OR ASSIGNMENT: Tenant may assign this Lease in whole or in part or sublet all or any portion of the Premises to a related entity or affiliate upon notification to Landlord. In addition, Tenant shall have the right to assign this Lease in whole or in part or sublet all or any portion of the Premises to unrelated entities with the prior written consent of Landlord, which may be withheld or conditioned as set forth: Landlord will agree to the sublease and assignment provided that (a) the use of the Premises by said related entity or affiliate must be similar to Tenant's use and consistent with the Permitted Uses described herein, (b) such sublessee or

assignee organization and clientele shall not be incompatible with HealthPoint’s market space or business practices, and (c) the subtenant or assignee must not use the Premises in any way that will create a nuisance to Landlord or any other tenants of the Building. Landlord shall not have the right to recapture any sublease or assignment space without Tenant’s express written consent. Landlord acknowledges that Tenant is a home rule charter county and political subdivision of the State of Washington and is comprised of many separate departments and divisions. As such, use or occupancy of the Premises by any Tenant department or division shall not constitute a sublease or assignment under this Section 12.

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

14. INDEMNIFICATION; INSURANCE:

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

14.2. Landlord Insurance: Landlord shall maintain throughout the Term insurance as set forth in Section 12(b) of the Memorandum of Contract.

14.3. Indemnification. Each Party shall defend, indemnify and hold the other harmless from and against any claims, suits, causes of action, judgments, damage, loss or liability for injuries to persons or property (excluding consequential damages such as lost profits) (collectively, “Claims”) to the extent caused by the negligent acts or omissions of their respective agents, officers and employees, arising out of or incidental to the exercise of rights and obligations under this Lease. Where such Claims result from the concurrent negligence of the Parties, the indemnity provisions provided herein shall be valid and enforceable only to the extent of each Party’s negligence. Each of the Parties agrees that its obligations under this Section 14 extend to any claim, demand, cause of action and judgment brought by, or on behalf of, any of its employees or agents. For this purpose, each of the Parties, by mutual negotiation, hereby waives, with respect to each of the other Party’s only, any immunity

that would otherwise be available against such claims under the industrial insurance provisions of Title 51 RCW. In the event that any of the Parties incurs any judgment, award, and/or cost arising therefrom, including attorney fees, expenses, and costs shall be recoverable from the responsible Party to the extent of that Party's negligence.

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

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

17. HAZARDOUS MATERIALS.

17.1. Definitions. For purposes of this Lease, the term "Environmental Law" shall mean: any federal, state or local statute, regulation, code, rule, ordinance, order, judgment, decree, injunction or common law pertaining in any way to the protection of human health, safety, or the environment, including without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. § 9601 et seq. ("CERCLA"); the Resource Conservation and Recovery Act of 1976, 42 U.S.C. § 6901 et seq. ("RCRA"); the Washington State Model Toxics Control Act, RCW ch. 70A.305 ("MTCA"); the Washington Hazardous Waste Management Act, RCW ch. 70A.300; the Federal Water Pollution Control Act, 33 U.S.C. § 1251 et seq., the Washington Water Pollution Control Act, RCW ch. 90.48, and any laws concerning above ground or underground storage tanks. For the purposes of this Lease, the term "Hazardous Material" shall mean: any waste, pollutant, contaminant, or other material that now or in the future becomes regulated or defined under any Environmental Law.

17.2. Landlord Representations and Warranties. Landlord represents and warrants to Tenant that there is no Hazardous Material on, in, or under the Premises or the Real Property as of the Commencement Date. If there is any Hazardous Material on, in, or under the Premises or the Real Property which has been or thereafter becomes released, then Landlord (i) shall be solely responsible, at its sole cost, for promptly remediating the same to the extent required by Environmental Law and (ii) shall indemnify, defend and hold Tenant harmless from any and all claims, judgments, damages, penalties, fines, costs, liabilities or losses including without limitation sums paid in settlement of claims,

attorneys' fees, consultant fees and expert fees, incurred either during or after the Lease term as the result of such release.

- 17.3. Hazardous Waste Restrictions. Tenant shall not cause or permit any Hazardous Material to be brought upon, kept, or used in or about, or disposed of on the Premises or the Property by Tenant, its employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees, except in strict compliance with all applicable federal, state and local laws, regulations, codes and ordinances. If Tenant breaches the obligations stated in the preceding sentence, then Tenant shall indemnify, defend and hold Landlord harmless from any and all claims, judgments, damages, penalties, fines, costs, liabilities or losses including without limitation sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees, incurred either during or after the Lease term ("Claims") to the extent that said Claims are a result of said breach. Tenant shall promptly notify Landlord of any inquiry, investigation or notice that Tenant may receive from any third Party regarding the actual or suspected presence of Hazardous Material on the Premises or the Property.
- 17.4. Tenant Remediation. Without limiting the foregoing, if the presence of any Hazardous Material brought upon, kept or used in or about the Premises or the Property by Tenant, its employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees, results in any release of any Hazardous Material on the Premises or the Real Property, Tenant shall be solely responsible, at its sole cost, for promptly remediating the same to the extent required by Environmental Law. Landlord's approval of such remediation shall first be obtained, which approval shall not be unreasonably withheld, conditioned or delayed, provided, however, that Tenant shall be entitled to respond immediately to an emergency without prior approval from Landlord, including but not limited to taking actions necessary to prevent the release from migrating, leaching or otherwise spreading, and actions necessary to respond to any immediate obligations imposed on Tenant by Environmental Law. To the extent such Hazardous Material becomes comingled with Hazardous Material released by Landlord or other Parties, nothing in this Lease shall prevent Tenant from seeking to recover costs, expenses or any other damages incurred as a result of the presence of such Hazardous Material that was released by Landlord or other Parties.
- 17.5. Landlord Remediation. Landlord shall remediate any Hazardous Material discovered in the course of carrying out Landlord's Work at Landlord's sole cost and expense.
- 17.6. Title 51 Waiver. Each of the Parties agrees that its obligations under this Section 17 extend to any claim, demand, cause of action and judgment brought by, or on behalf of, any of its employees or agents. For this purpose, each of the Parties, by mutual negotiation, hereby waives, with respect to each of the other Party's only, any immunity that would otherwise be available against such claims under the industrial insurance provisions of Title 51 RCW.
- 17.7. Survival. The provisions of this Section 17 shall survive expiration or earlier termination of this Lease.

- 17.8. Indemnification. All claims, judgements, damages, penalties, fines, costs, liabilities and losses involving the release or presence of Hazardous Material shall be subject to this Section 17, and not the indemnity and liability provisions of Section 14.
18. NO WAIVER OF COVENANTS: Any waiver by either party of any breach hereof by the other shall not be considered a waiver of any future similar breach. This Lease contains all the agreements between the parties with respect to the Lease except to the extent other agreements between the Parties are expressly referenced herein; and there shall be no modification of the agreements contained herein except by written instrument.
19. SURRENDER OF PREMISES: Subject to Section 2.2, Tenant agrees, upon expiration of the Term or other termination of this Lease, to peacefully quit and surrender the Premises without notice, remove all of Tenant's personal property, leave the Premises neat and clean and to deliver all keys to the Premises to Landlord.
20. HOLDING OVER: If Tenant, with the implied or express consent of Landlord, shall hold over after the expiration of the term of this Lease, Tenant shall remain bound by all the covenants and agreements herein, except that the tenancy shall be from month to month and Monthly Rent shall be at rate established under any "Extended Term" above.
21. BINDING ON HEIRS, SUCCESSORS AND ASSIGNS: The covenants and agreements of this Lease shall be binding upon the heirs, executors, administrators, successors and assigns of both parties hereto, except as hereinabove provided.
22. NOTICE: All notices hereunder shall be in writing and shall be delivered personally or by recognized overnight courier addressed as follows:

To Tenant:

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

Copy to:

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

To Landlord:

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

Copy to:

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

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

23. BROKERS. Landlord and Tenant each warrant to the other that it has had no discussions, negotiations and/or other dealings with any real estate broker or agent in connection with the negotiation of this Lease, and that it knows of no other real estate broker or agent who is or may be entitled to any commission or finder's fee in connection with this Lease. Landlord and Tenant each agree to indemnify and hold the other harmless from and against any and all claims, demands, losses, liabilities, lawsuits, judgments, costs and expenses (including without limitation, attorneys' fees and costs) with respect to any leasing commission or equivalent compensation alleged to be owing on account of such party's discussions, negotiations and/or dealings with any real estate broker or agent. This Section is not intended to benefit any third parties and shall not be deemed to give any rights to brokers or finders. No commission(s) or finder's fee(s) shall be paid to Tenant, employee(s) of Tenant or any unlicensed representative of Tenant.
24. CONSENT. Whenever Landlord's or Tenant's prior consent or approval is required by this Lease, the same shall not be unreasonably withheld, conditioned or delayed, unless otherwise specifically provided by this Lease. All requests for Tenant consents or approvals required under this Lease shall be submitted to the Facilities Management Director or his or her functional successor. Whenever the consent of Tenant to any act to be performed under this Lease, Landlord must obtain the consent or approval expressly for purposes of this Lease, regardless of whether a consent or approval shall have been granted by Tenant in its regulatory, public utility, or other capacity. No permission, consent, or approval of Tenant contained herein or given pursuant to this Lease is, or shall be construed as, a representation or assurance that the matter consented to or approved complies with applicable laws, regulations, ordinances or codes, nor shall any such consent or approval be construed to authorize any failure to comply with any of the foregoing.

25. RELATIONSHIP TO LANDLORD AND TENANT. Nothing contained herein shall be deemed or construed as creating the relationship of principal and agent, partnership, or joint venture partners, and no provision contained in this Lease, nor any acts of Landlord or Tenant shall be deemed to create any relationship other than that of Landlord and Tenant.

26. TIME. Time is of the essence of each and every one of each Party's obligations, responsibilities and covenants under this Lease.

27. ANTI-DISCRIMINATION. Landlord shall not discriminate on the basis of race, color, marital status, national origin, religious affiliation, disability, sexual orientation, gender identity or expression, sex, status as a family caregiver, military status or status as a veteran who was honorably discharged or who was discharged solely as a result of the person's sexual orientation or gender identity or expression, or age except by minimum age and retirement provisions, unless based upon a bona fide occupational qualification, in the employment or application for employment or in the administration or delivery of services or any other benefits under King County Code Ch. 12.16. Landlord shall comply fully with all applicable federal, state, and local laws, ordinances, executive orders, and regulations that prohibit such discrimination. These laws include, but are not limited to, King County Charter Section 840, chapter 49.60 RCW, and Titles VI and VII of the Civil Rights Act of 1964. Any violation of this provision shall be considered a default of this Lease and shall be grounds for cancellation, termination, or suspension, in whole or in part, of the Lease and may result in ineligibility for further agreements with King County. Notwithstanding anything to the contrary, Tenant shall be entitled to terminate this Lease effective upon written notice to Landlord in the event that Landlord violates the requirements of this Section 27.

28. DEFAULTS/REMEDIES

28.1. Termination. Should an Event of Default exist, as defined in Section 28.2 below, Landlord may, unless otherwise provided in this Lease, terminate the Lease. Notwithstanding anything to the contrary contained in this Lease, if Landlord elects to terminate this Lease in accordance with this Section 28.1, Tenant shall have no liability for any obligations under this Lease which arise from and after the date of termination of this Lease.

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

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

- 28.3. Notice as a Precondition to Landlord's Remedies. As a precondition to pursuing any remedy for an Event of Default by Tenant, Landlord shall, before pursuing any remedy, (a) where the alleged default is a failure to pay any installment of Rent or other sum when due pursuant to this Lease, give Tenant a thirty (30) day written notice of default and opportunity to cure, specifying in reasonable detail the amount of money not paid and the nature and calculation of each such payment, or (b) where the alleged default is the failure to perform or observe any covenant, condition, or agreement to be performed by Tenant under this Lease, other than a failure to pay rent or any other sum when due, give Tenant a sixty (60) day written notice of default, providing details of the default, and provide Tenant a reasonable opportunity to cure. Where such default other than the failure to pay any installment of Rent or other sum cannot, with reasonable diligence, be cured within such sixty (60) day period, Landlord shall not pursue any remedy provided curative action is commenced within such sixty (60) day period and thereafter pursued with due diligence to completion.
- 28.4. Waiver of Breach. The waiver by Landlord of any breach by Tenant of any of the provisions of this Lease shall not constitute a continuing waiver or a waiver of any subsequent breach by Tenant of either the same or a different provision of this Lease.
- 28.5. Landlord's Default. Landlord shall be in default under this Lease if Landlord fails to cure any breach of its obligations under this Lease within sixty (60) days after receipt of written notice from Tenant specifying in reasonable detail the nature of Landlord's breach; provided, however, that if the nature of Landlord's breach is such that more than sixty (60) days are required for performance, then Landlord shall not be in default if Landlord commences the cure of such breach within sixty (60) days of the receipt of such notice from Tenant. If any Landlord breach is not cured within any required time period under such notice, Tenant may terminate this Lease and have no further obligations hereunder by providing written notice as required herein.
29. SEVERABILITY. Any provision of this Lease which shall prove to be invalid, void, or illegal shall in no way affect, impair, or invalidate any other provision of this Lease.
30. DAMAGE OR DESTRUCTION.
- 30.1. During the Initial Term, all provisions for damage or destruction of the Premises, Shared Space or the Building shall be set forth in Section 24 of the Memorandum.
- 30.2. During any Extended Term, in the event the Premises, or Building are destroyed or damaged by fire, earthquake or other casualty so as to render the Premises or Building, in Tenant's sole judgment, unfit for occupancy or Tenant's intended purpose, and the Landlord neglects or refuses to restore the Premises to its former condition within ninety (90) days of such damage or destruction, Tenant may terminate this Lease upon thirty (30) days written notice to Landlord. In the event of such termination, Landlord and Tenant shall have no further obligations hereunder, except those obligations that expressly survive the expiration or earlier termination of the Lease. In the event the Premises are damaged by any of the aforesaid events, the Rent shall be abated in proportion to the percentage of untenable space in the Premises as relates to the total square footage of the Premises until such time that Landlord restores the Premises to its pre-casualty condition. If, in the sole discretion of

Tenant, the untenable portion of the Premises or the Building renders the Premises unusable for the Permitted Use, Tenant may unilaterally terminate this Lease upon thirty (30) days written notice to Landlord.

31. FORCE MAJEURE. Time periods for either Party's performance under any provision of this Lease shall be extended for periods of time during which the Party's performance is prevented due to circumstances beyond such Party's control, including without limitation, fires, floods, earthquakes, lockouts, pandemic, strikes, embargoes, governmental regulations, acts of God, public enemy, war, or other strife.
32. GOVERNING LAW. This Lease shall be governed by and construed in accordance with the laws of the State of Washington without giving effect to its conflicts of law rules or choice of law provisions.
33. COUNTERPARTS. This Lease may be executed in counterparts, each of which shall constitute an original and all of which constitute but one original. Execution copies of this Lease may be delivered by email, and the Parties hereto agree to accept and be bound by scanned signatures transmitted via email hereto, which signatures shall be considered as original signatures with the transmitted Lease having the binding effect as an original signature on an original document. Neither Party may raise the use of a scanned document or the fact that any signature was transmitted through the use of email as a defense to the enforcement of this Lease.

[No further text]

IN WITNESS WHEREOF, this Lease has been executed the day and year first above set forth.

LANDLORD:

HealthPoint,
a Washington nonprofit corporation

TENANT:

King County,
a political subdivision of the State of
Washington

By: _____
Name: Lisa Yohalem
Title: President and Chief Executive Officer

By: _____
Name: Drew Zimmerman
Title: Director, Facilities Management Division

APPROVED AS TO FORM:

By: _____
Name: Ryan W. Ridings
Title: Senior Deputy Prosecuting Attorney

APPROVED BY CUSTODIAL AGENCY:

By: _____
Name: Michael Gedeon
Title: Chief Administrative Officer,
Department of Public Health

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the _____ of _____, a _____, its _____, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

GIVEN UNDER MY HAND AND OFFICIAL SEAL this _____ day of _____, 2024.

Notary Public: _____
Print Name: _____
My commission expires: _____

(Use this space for notarial stamp/seal)

Exhibit A
Legal Description

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

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

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

Exhibit B-1
Depiction of the Premises

Exhibit B-2
Shared Space

Exhibit B-3
Parking Plan

Exhibit C
Property Security Requirements

Exhibit D
Schedule of Furniture Fixtures and Equipment

EXHIBIT H.

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

WASHINGTON STATE COUNTY AUDITOR/RECORDER INDEXING FORM

<p>Document Title(s) <i>(or transactions contained therein):</i></p> <p>DECLARATION OF RESTRICTIVE COVENANT</p> <hr/> <p>Reference Number(s) of Documents assigned or released: Additional reference numbers on page ____ of document</p> <hr/> <p>Grantor(s): <i>(Last name first, then first name and initials)</i> 1. HEALTHPOINT</p> <hr/> <p>Grantee(s): <i>(Last name first, then first name and initials)</i> 1. KING COUNTY</p> <hr/> <p>Legal Description: <i>(abbreviated form i.e. lot, block, plat name, section-township-range)</i> SECOMA BUSINESS PARK LOTS 7 & 8 AKA BLA-91-0010 REC #9206119002 Additional legal is on Exhibit A of document</p> <hr/> <p>Assessor's Property Tax Parcel Account Number(s): 768190-0070</p> <hr/> <p>Documents Referenced_____</p>

DECLARATION OF RESTRICTIVE COVENANT

THIS DECLARATION OF RESTRICTIVE COVENANT (“Covenant”) is made, established, and executed as of _____, 2024, by HealthPoint, a Washington nonprofit public benefit corporation (“HealthPoint”).

RECITALS

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

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

C. Pursuant to a Memorandum of Real Estate Contract Sale executed between HealthPoint and King County on this same date and Recorded under King County Rec. No. _____ (the “Memorandum of Contract Sale”), HealthPoint is acquiring the Federal Way Property in a transaction pursuant to which a portion of the consideration is HealthPoint’s commitment to maintain operation of a federally qualified health center on the Federal Way Property on the terms and conditions of this Covenant.

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

1. Operation of a Community Health Center on the Federal Way Property. Except as otherwise expressly authorized under Section 3 of this Covenant, at all times during the term of this Covenant, a community health center recognized as within the scope of a federally qualified health center grant as defined by Section 330 of the Public Health Service Act (“FQHC”), or any successor federal act, shall be operated at the Federal Way Property. The specific services to be provided at the Federal Way Property shall include one or more of the services within the scope of services funded by Section 330 of the Public Health Service Act as of the date of this Covenant or as amended from time to time such as primary care services, dental services, and/or behavioral health services.

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

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

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

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

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

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

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

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

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

[Signature Page Follows]

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

HealthPoint, a Washington nonprofit public benefit corporation

By: _____

Lisa Yohalem

President and Chief Executive Officer

Dated: _____

STATE OF WASHINGTON)

COUNTY OF KING) :ss
)

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

Dated this _____ day of _____, 2024.

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

My commission expires:

EXHIBIT "A"

LEGAL DESCRIPTION OF PROPERTY

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

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

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

EXHIBIT E.

RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO:

King County
500 Fourth Avenue, Suite 830
Seattle, WA 98104
Attn.: Steve Rizika

MEMORANDUM OF REAL ESTATE CONTRACT SALE

Buyer: HealthPoint

Seller: King County

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

Full legal description on Exhibit "1"

Assessor's Parcel No.: 768190-0070

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

MEMORANDUM OF REAL ESTATE CONTRACT SALE

THIS MEMORANDUM OF REAL ESTATE CONTRACT SALE (this “**Memorandum**”) is made and entered into as of [date], by and between KING COUNTY, a political subdivision of the State of Washington (“**Seller**”), and HEALTHPOINT, a Washington nonprofit public benefit corporation (“**Buyer**”). Seller and Buyer are sometimes hereinafter each singularly referred to as a “**Party**” and collectively referred to as the “**Parties.**” This Effective Date of this Memorandum _____, 202_.

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

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

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

WHEREAS, the Parties desire to execute and record this Memorandum in order to serve as notice to the public of the transaction contemplated by the PSA (the “**Transaction**”) and to set forth the terms of Buyer’s fulfillment of the cash consideration portion of the Transaction as set forth 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 covenant and agree as follows:

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

2. **RELATED AGREEMENTS**. This Memorandum is subject to, and must be interpreted and executed, concurrently or otherwise, in accordance with all related agreements entered into by the Parties with respect to the Transaction and subject matter herein (the “**Related Agreements**”). The Related Agreements expressly contemplated by this Memorandum are the PSA, the certain Lease Agreement between Buyer and Seller dated [date of Lease] pursuant to which Buyer will lease back certain premises on the Property to Seller (the “**Lease Agreement**”), the certain Consideration Agreement between Buyer and Seller dated [date of Consideration Agreement] (the “**Consideration Agreement**”), and the Declaration of Restrictive Covenant made by Buyer for the benefit of Seller dated [date of Covenant] and recorded under KC Rec. No. _____ (the “**Covenant**”). In the event of any conflict between the terms of this

Memorandum and the terms of the Lease Agreement, the terms of this Memorandum shall control. In the event of any conflict between the terms of this Memorandum and the terms of the PSA, the terms of this Memorandum shall control. In the event of any conflict between the terms of this Memorandum and the terms of the Consideration Agreement, the terms of this Memorandum shall control. In the event of any conflict between the terms of this Memorandum and the terms of the Covenant, the terms of the Covenant shall control.

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

4. **PURCHASE; EQUITABLE CLOSING; CONSIDERATION.** The Buyer shall acquire the Property from the Seller in exchange for the cash consideration and additional consideration described in this section below.

- a. **CASH CONSIDERATION.** Buyer shall pay to Seller the Purchase Price under the PSA. At the closing of equitable title on the Effective Date hereof ("**Equitable Closing**"), Buyer shall pay the first payment of the Purchase Price Payment Schedule, attached hereto as Schedule 1, and the remaining balance of the Purchase Price shall be paid in annual installments by Buyer to Seller according to the payment terms set forth in the Purchase Price Payment Schedule , with legal title passing to Buyer upon satisfaction of the conditions set forth in Section 5 of the Consideration Agreement ("**Closing**").
- b. **PREPAYMENT OF CASH CONSIDERATION.** Notwithstanding anything in this Memorandum or the PSA to the contrary, Buyer shall have the option, at any time, to pre-pay the entire amount of the unpaid Purchase Price. To exercise this option, Buyer must notify the Seller in writing of its intention to pre-pay the balance owing and must thereafter pay the full outstanding Purchase Price amount, along with any other amounts due to Seller under this Memorandum, within one hundred and eighty (180) days of such notice. The prepayment amount will be the amount of the unpaid balance of all the Purchase Price payments remaining pursuant to Schedule 1 on the date the prepayment is paid to Seller. Payment of the full Purchase Price is only one of the conditions to Closing, therefore, pre-payment of the Purchase Price shall not accelerate the anticipated Closing date unless pre-payment satisfies the last of the conditions set forth in Section 5 of the Consideration Agreement.
- c. **ADDITIONAL CONSIDERATION.** In addition to the Purchase Price, Seller has agreed to additional consideration for the Transaction in the form of Buyer's (i) obligations under the terms of that certain Lease Agreement pursuant to which Seller receives rights to occupy space on the Property from Buyer; (ii) commitment to invest in the redevelopment of the Property to be used for the delivery of public health services

thereon as set forth in the Consideration Agreement; and (iii) placement of a restrictive covenant on the real property limiting the use of the real property to the purposes described therein.

5. **FAIR MARKET VALUE**. At Equitable Closing, the fair market value of the Property was established by agreement of the Parties with reference to a third-party appraisal and is set forth in and further described in Schedule 2 attached hereto (“**Statement of Fair Market Value**”).
- a. In the event that the Property shall be sold, forfeited, condemned, or property interests divided between the Parties under the terms of this Memorandum during the Term, whether as a result of an uncured default under Section 18 herein, a statutory forfeiture action under ch. 61.30 RCW, a public sale of the Property ordered by a court of competent jurisdiction, a non-judicial foreclosure proceeding, or under any other circumstance where allocation of the Parties’ respective financial interests in the Property is expressly contemplated by the terms of this Memorandum (any such above event being referred to herein as an “**Allocation Event**”), the Statement of Fair Market Value shall serve as the baseline value for any calculation and allocation of the Buyer and Seller’s respective financial interests in the Property. Upon the occurrence of an Allocation Event, the Seller’s financial interest in the Property at the time of an Allocation Event, calculated in the manner described in Section 5.b below, shall be considered a lien against Buyer’s equitable interest in the Property, senior to all Buyer debt other than the Project Debt described in Section 7, and shall be allocated and/or paid to Seller prior to all Buyer’s junior debts.
 - b. Seller’s financial interest in the Property upon such Allocation Event shall be determined as of the effective date of an Allocation Event, i.e., the date after which equitable title and legal title to the Property shall no longer be divided among Buyer and Seller as set for herein (the “**Allocation Date**”), and shall be calculated as follows: the Initial Fair Market Value agreed to in the Statement of Fair Market Value shall be updated to the Allocation Date by reference to an agreed appreciation rate of three percent (3%) per annum, calculated by reference to the number of months elapsed between the effective date of this Memorandum and the Allocation Date, with the appreciated fair market value amount then reduced by: (i) Buyer’s actual costs incurred and paid or outstanding in accordance with Section 3(b) of the Consideration Agreement prior to the Allocation Date provided such costs are bona fide and bear a clear and commercially reasonable relationship to Buyer’s obligations under Section 3(b) of the Consideration Agreement in fulfillment of its development obligations under this Memorandum or the Consideration Agreement and regardless of whether such costs are funded by grants or other contributions secured by HealthPoint for improvements to the Property; and (ii) the sum of all payments made by HealthPoint toward the Purchase Price prior to the Allocation Date.
 - c. Upon satisfaction of Seller’s lien against the Property created by this Section 5 at the time of the Allocation Event, Buyer shall be allocated, paid, or entitled to retain the balance of any proceeds from the Allocation Event as well as any rights to title

of the Property, if any, held by the Parties following the Allocation Event. The provisions of this Section 5 shall survive termination of this Memorandum to the extent necessary to effectuate its intent.

6. **USE.** Use of the Property shall be restricted as set forth in the Covenant during all times under the term thereof, and, during the term of the Consideration Agreement, as provided therein.

7. **BUYER'S PROJECT BORROWING; SUBORDINATION; LIENS.** Buyer will secure public and/or private funding, such funding in the form of bridge loans, grants, construction loans, and/or other financing transactions in an amount determined, in Buyer's sole discretion, to be reasonably necessary to fully fund construction costs and other improvements to the Property during the term of this Memorandum ("**Project Debt**"). Project Debt shall fulfill and include, but not be limited to, funding used in satisfaction of Buyer's project development obligations described in Section 3 of the Consideration Agreement. Seller agrees to subordinate its interest in the Property, whether arising at law, by the terms of this Memorandum, or by the terms of any of the Related Agreements, as reasonably necessary for Buyer to secure Project Debt. Notwithstanding anything to contrary, the Covenant shall be first in priority with respect to the Property at all times during the term thereof, and shall survive foreclosure of any lien on the Property. Except for the Project Debt, this Memorandum shall not be subordinate to any lien, mortgage or deed of trust held by any creditor or lender, now or hereafter in force against the premises, the building, or the Property, or any part thereof, and to all advances made or to be made upon the security thereof.

8. **TERM.** Upon the Effective Date, the terms of the PSA shall be of no further force or effect and this Memorandum shall govern the terms of payment for and conveyance of legal title to the Property. This Memorandum shall remain in effect from the Effective Date until Closing, the occurrence of an Allocation Date, or until otherwise terminated by the mutual agreement of the Parties evidenced by a duly executed signed writing (the "**Term**").

9. **PURPOSE OF MEMORANDUM** This Memorandum shall provide record notice of the real estate contract sale by and between the Parties subject to the terms set forth herein. This Memorandum shall be indexed against the Property and recorded in the King County Recorder's Office.

10. **HAZARDOUS SUBSTANCES AND ENVIRONMENT.** Buyer shall not cause, permit, or allow any hazardous substance to be brought upon, kept, or used in, on or about the Property by Buyer, or by Buyer's agents, employees, contractors, licensees, invitees or lessees, except for such hazardous substances as may be necessary for Buyer's occupation, use and possession of the Property in a lawful manner and for the construction of the improvements thereon for Buyer's intended use. Any hazardous substances which by the foregoing provision are permitted to be brought upon, kept or used in, on or about the Property and all containers therefore, shall be used, kept, stored and disposed of in a manner that complies in all respects with all federal, state and local laws or regulations applicable to hazardous substances, including but not limited

to the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA") 42 U.S.C. § 9601, et seq.; the Super Fund Amendments and Reauthorization Act of 1986; the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act ("RCRA") 42 U.S.C. § 6901 et seq.; the Clean Water Act, 33 U.S.C. § 1317, § 1321; the Hazardous Materials Transportation Act, 49 U.S.C. § 1801, et seq.; the Clean Air Act, 42 U.S.C. § 7412; the Toxic Substances Control Act, 15 U.S.C. § 2606; the Washington Model Toxics Control Act ("MTCA"), RCW Ch. 70A.305, et seq.; State Environmental Policy Act ("SEPA"), RCW Ch. 43.21C; and Hazardous Waste Management Act, RCW Ch. 70A.300, including all amendments and recodifications thereof, all regulations promulgated thereunder and all other laws and regulations enacted by any governmental authority respecting hazardous substances. The term "hazardous substance(s)" as used in this Contract means any "hazardous waste" as defined by RCRA and the Hazardous Waste Management Act, as amended from time to time and regulations promulgated thereunder; any "hazardous substance" as defined by CERCLA, the Hazardous Waste Management Act and SEPA, as amended from time to time and any regulations promulgated thereunder; "hazardous waste," "solid waste," "pollutant," "irritant," or "contaminant" as described or defined in any of the foregoing statutes or regulations; any oil or petroleum or an constituent or fraction thereof; and any material substance or waste that is or becomes regulated by any federal, state or local government authority.

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

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

- a. **COMMERCIAL GENERAL LIABILITY.** \$4,000,000 per occurrence and \$6,000,000 in the aggregate for bodily injury, personal and advertising injury, and property damage. Coverage shall be at least as broad as that afforded under ISO form number CG 00 01 current edition, or its substantive equivalent. Such insurance shall include coverage for, but not limited to, premises liability, products and completed operations, ongoing operations, and contractual liability. Limits may be satisfied by a single primary policy or by a combination of separate primary and umbrella liability policies, provided that coverage under the latter shall be at least as broad as that afforded under the primary policy and satisfy all other requirements applicable to liability insurance. Buyer shall include Seller as additional insured, for full coverage and policy limits.

- b. ALL-RISK PROPERTY INSURANCE. Buyer shall maintain "All Risk" property insurance in an amount equal to the actual cash value of the building, its improvements on the Property, and its business personal property. Coverage shall include the perils of earthquake and flood. Seller will not carry insurance on Buyer's property or business personal property. Buyer must include a waiver of subrogation in favor of the Seller. The policy shall be endorsed to cover the interests, as they may appear, of King County with King County listed as a loss payee.
- c. PROFESSIONAL LIABILITY (ERRORS AND OMISSIONS). Seller acknowledges that Buyer will provide professional services on the Property as a federally qualified health center deemed by the Health Resources and Services Administration to be covered by the Federal Tort Claims Act (FTCA) pursuant to 28 U.S.C. 1346(b), 2401(b), and 2679-81 (a "Deemed Entity"), and that, so long as Buyer's professional activities on the Premises qualify as activities of a Deemed Entity, Buyer and its staff will be deemed to be agents of the federal government such that the United States will consent to be sued in place of the Buyer and the Buyer's staff for any damages to property or for personal injury or death caused by the professional negligence or wrongful act or omission of the Buyer's employees acting within the scope of their employment. See 28 U.S.C. Sections 2671-2680. Seller agrees that Buyer shall be in compliance with its professional liability insurance coverage requirements herein to the extent that it is providing professional medical, dental, or other services within the scope of the FTCA on the Premises and shall not be required to acquire insurance for its professional negligence that is covered by the FTCA.
- d. WAIVER OF SUBROGATION. Buyer waives all rights of subrogation against the Seller for damages caused by fire or other perils to the extent such damage is covered by property insurance or is required to be covered under this Memorandum. This release and waiver shall be binding upon Buyer whether or not insurance coverage is in force at the time of the loss or destruction of property.
- e. CONTRACTOR INSURANCE REQUIREMENT. Buyer must require each of its contractors/subcontractors to procure and maintain appropriate and reasonable insurance coverage and minimum insurance limits to cover each of the contractor's/subcontractors' liabilities given the scope of work and the services being provided. All liability insurance policies (except Professional Liability, Cyber Liability, and Workers Compensation policies) provided by the contractor(s)/subcontractor(s) must include the County, its officials, agents, and employees as additional insured or loss payee for full coverage and policy limits. The Buyer is obligated to require and verify that all contractors/subcontractors maintain insurance and ensure that the County is included as additional insured or loss payee. Upon request by the County, and within five (5) business days, the Buyer must provide evidence of contractor/subcontractor insurance coverage, including endorsements.

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

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

Buyer shall additionally require its construction contractors and subcontractors of any tier to indemnify and hold Seller harmless from and against liability for all Claims arising out of or in connection with the design, development and construction of any improvements or alterations of the Property, except to the extent of Seller’s sole negligence. The indemnification and hold harmless language shall be at least as broad as that set forth in this Section 13.

Buyer shall not be required to indemnify, defend, or save harmless Seller if the claim, suit, or action for injuries, death, or damages is caused by the sole negligence of Seller or the Seller Parties or if such claim, suit, or action for injuries, death, or damages arises under Seller’s status as a lessee under the Lease Agreement. In the event any such liability arises from the concurrent negligence of Buyer and Seller, the indemnity obligation of this section shall apply only to the extent of the negligence of Buyer and its actors.

In the event it is determined that RCW. 4.24.115 applies to this or any other agreement between Buyer and Seller during the Term, the Buyer agrees to defend, hold harmless, and indemnify

Seller to the maximum extent permitted thereunder, and specifically for its negligence concurrent with that of Seller to the full extent of Buyer's negligence.

14. **EXPRESS PROCLAMATION OF REAL ESTATE CONTRACT SALE.** Buyer, by execution of this Memorandum, expressly acknowledges and agrees that it is the manifest intent of the Parties to enter into a "real estate contract" sale, as that phrase is defined in RCW 61.30.010, for the Property, whereby legal title to the Property shall be retained by Seller as security for payment of the Purchase Price, as set forth in the terms and conditions of this Memorandum and the fulfillment of the additional consideration as set forth in the Consideration Agreement have been satisfied. Notwithstanding the foregoing, due to Buyer's substantial investment in development of the Property during the Term, it is the Parties' express intent is to allocate the Parties' respective financial interests in the Property as described herein, including but not limited to the manner described in Section 5, above, even if Seller were to utilize the forfeiture procedures of RCW Chapter 61.30 or any other foreclosure procedure allowed by law for the Seller under a real estate contract. Seller therefore waives, to the fullest extent permitted by law, its forfeiture rights under RCW 61.30 and, to the extent such rights are not subject to waiver, agrees to substitute the terms and conditions of this Memorandum for the provisions of RCW 61.30.100.

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

16. **NO IMPROPER ASSIGNMENT.** Neither Party may assign this Memorandum except that Buyer may assign this Memorandum (i) to a wholly-owned single-purpose affiliate entity or (ii) as may be required by a lender or other funding source providing Project Debt; each such instance upon reasonable notice and approval by the Seller, which will not be unreasonably denied.

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

18. **DEFAULT.** Buyer shall be in default of this Memorandum if Buyer (a) fails to timely and fully observe or perform any term, covenant, condition herein set forth and, except as otherwise provided herein, fails to cure any such default within one hundred eighty (180) days after notice thereof from Seller; (b) fails to make a Purchase Price payment when due hereunder

and as provided in Schedule 1 hereto, as such payment due date may have been extended as provided herein but in no case longer than one hundred eighty (180) days; (c) permits the Property or any part thereof or Buyer's interest therein to be attached, seized or in any manner restrained or impounded by process of any court, and fails to obtain the release of the Property within one hundred eighty (180) days of such attachment, seizure, restraint or impoundment; or (d) becomes or is declared insolvent or makes an assignment for the benefit of creditors, or files any debtor's petition or any petition is filed against Buyer under any bankruptcy, wage earners, reorganization or similar act. Notwithstanding anything to the contrary herein, Buyer may cure any default hereunder by paying the outstanding balance of principal under this Memorandum to Seller on or before the date due hereunder.

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

- a. **SUIT FOR DELINQUENCIES.** Seller may institute suit for any sums then due and payable under this Memorandum as of the date of the judgment and any sums which have been advanced by Seller pursuant to the provisions of this Memorandum.
- b. **SPECIFIC PERFORMANCE.** Seller may institute suit to specifically enforce any of Buyer's covenants hereunder by injunction.
- c. **SUIT FOR JUDICIAL FORECLOSURE.** Seller may institute a suit for judicial foreclosure to specifically enforce all rights as a lienholder to the extent of the lien created pursuant to Section 5 of this Memorandum and holder of legal title hereunder and subject to all of the terms and conditions for the allocation of financial interests between the Parties described in Section 5, above.

All the foregoing remedies are cumulative and are not mutually exclusive and may be exercised in conjunction with each other to the extent permitted by law or in equity and shall be in addition to other rights or remedies granted by law or in equity for breach of this Memorandum not otherwise waived herein; provided however, except as provided in this Memorandum with respect to Buyer's sale, conveyance, assignment or transfer of the Property, or any portion thereof, or of this Memorandum, or any interest therein, in a manner other than as permitted by this Memorandum, Seller shall not have the right to accelerate the remaining purchase price balance in the event Seller elects to pursue any of the remedies described in paragraphs (a), (b), or (c) of this section. In the event that legal proceedings are commenced to enforce any provision of this Memorandum, the prevailing Party in such action shall be entitled to an award of costs and reasonable legal and attorneys' fees in addition to any other relief. Nothing contained herein shall be deemed to limit or restrict the rights of King County under any other agreement or contract. No third parties have any rights to enforce this Memorandum.

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

If to Buyer: HealthPoint
955 Powell Avenue SW
Renton, Washington 98057
Attention: Chief Executive Officer

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

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

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

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

22. **ESCROW AGENT; DELIVERY OF DEED.** Seller and Buyer designate First American Title Company as their Escrow Agent and have contemporaneously herewith executed Escrow Instructions in form satisfactory to Escrow Agent, which Escrow Instructions are by this reference incorporated herein as though fully set forth herein as a part of this Memorandum. The Escrow Instructions shall instruct the Escrow Agent to hold the Deed (defined below) in escrow until Buyer has notified Escrow Agent and Seller that Buyer has met all the conditions listed in the Escrow Instructions as conditions for releasing the Deed to Buyer (the "Buyer's Notice"). The Escrow Instructions shall list the conditions for releasing the Deed to Buyer as: (a) payment of the Purchase Price in full; (b) satisfaction of the conditions of Section 5(c) of the Consideration Agreement as incorporated by reference hereby ; and (c) Buyer's certification of compliance with

the requirements of this Memorandum as of the date of the Buyer's Notice in the form of an affidavit executed by a duly authorized officer of Buyer attesting to the Buyer's compliance with all such requirements. The Escrow Instructions shall further require the Escrow Agent to deliver the Deed to Buyer upon receiving Buyer's Notice promptly upon the earlier of receipt of a confirming notice from Seller that the above conditions have been satisfied or the passage of five (5) business days from the delivery of Buyer's Notice to Escrow Agent and Seller. All purchase price installments including prepayment(s) thereof shall be paid to Escrow Agent and shall be credited to the account of Seller pursuant to the Escrow Instructions.

23. **WARRANTY DEED.** Seller contemporaneously deposits with Escrow Agent a Statutory Warranty Fulfillment Deed ("Deed") conveying the Property to Buyer in the form required by the PSA. Buyer has seen and reviewed the Deed deposited in escrow and approved its form and content as sufficient to convey title to the Property as warranted by Seller.

24. **DAMAGE AND DESTRUCTION.** For the duration of the Term, the risk of loss relating to the Property shall rest with the Buyer. Risk of Loss shall be deemed to include any property damage occurring as a result of an "Act of God," including, but not limited to, fire, earthquakes, tremors, wind, rain or other natural occurrences ("Casualty").

- a. **REPAIR OR RECONSTRUCTION.** In the event of a Casualty that does not result in the destruction or material damage to the Property, Buyer shall commence repair or reconstruction of the Property or improvements thereon to the same condition or better as existed prior to such Casualty upon receipt of the proceeds of such insurance required under Section 12.b, above, provided such repair or reconstruction shall be made in accordance with the then existing laws, ordinances or land use regulations applicable.
- b. **DESTRUCTION OR MATERIAL DAMAGE TO THE PROPERTY.** If the Property is destroyed or materially damaged by Casualty and Buyer does not elect to rebuild or otherwise reconstruct the Property, either upon notice from the Buyer or upon twenty-four (24) months from the event of Casualty, Seller may proceed with all claims and right to proceeds as a loss payee insured under the All-Risk Property Insurance Policy in Section 12.b, above, (except any use and occupancy insurance, rent loss and business interruption insurance, and any similar insurance for the benefit of Buyer's ordinary business operations, as distinguished from any insurance for the benefit of the Property) that may be payable to Buyer on account of any such Casualty, to the extent such proceeds have not been previously expended or are otherwise required to reimburse for actual expenditures of restoration.

25. **ANTI-DISCRIMINATION.** Buyer shall not discriminate on the basis of race, color, marital status, national origin, religious affiliation, disability, sexual orientation, gender identity or expression or age except by minimum age and retirement provisions, unless based upon a bona fide occupational qualification, in the employment or application for employment or in the administration or delivery of services or any other benefits under King County Code Ch. 12.16.125. Buyer shall comply fully with all applicable federal, state and local laws, ordinances,

executive orders and regulations that prohibit such discrimination. These laws include, but are not limited to, chapter 49.60 RCW, and Titles VI and VII of the Civil Rights Act of 1964. Any violation of this provision shall be considered a default of this Memorandum and shall be grounds for cancellation, termination, or suspension, in whole or in part, of the Memorandum and may result in ineligibility for further agreements with Seller.

26. **FORCE MAJEURE.** Neither Party shall be liable to the other or deemed in default under this Memorandum if and to the extent that such Party's timely performance of this Memorandum is prevented by reason of Force Majeure. "Force Majeure" shall be defined as an occurrence that is beyond the control of the Party affected and could not have been avoided by exercising reasonable diligence. Force Majeure includes strikes; lockouts; labor disputes; Acts of God; inability to procure labor, materials, or reasonable substitutes therefor; delay by reason of the diminution of power or power failure(s); restrictive governmental laws or controls; judicial orders; enemy or hostile action; civil commotion; fire or other casualty. "Acts of God" mean naturally occurring events that cannot be avoided, such as earthquake, tornado, flood or global health crises such as an epidemic or pandemic as determined by the relevant governmental authorities having jurisdiction over the Property. Notwithstanding anything to the contrary contained herein, Buyer shall **NOT** be relieved of its obligations to make timely payments of the Purchase Price or to make payment of any other sums to Seller owing under this Memorandum throughout the pendency of any Force Majeure, and Buyer's failure to make timely payments or other sums owing throughout the pendency of such Force Majeure shall be subject to the Default provisions of Section 18 herein.

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

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

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

30. **CAPTIONS.** The captions in this Memorandum are for convenience only and do not in any way limit or amplify the provisions set forth herein.

31. **DEFINITIONS.** Capitalized terms not defined in this Memorandum shall have the meaning given to them under the Related Agreements.

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

33. **APPLICABLE LAW; JURISDICTION AND VENUE.** This Memorandum 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 Memorandum, the Superior Court of King County, Washington shall have exclusive jurisdiction and venue.

[Signatures appear on next two pages.]

SIGNATURE PAGE TO MEMORANDUM OF REAL ESTATE CONTRACT SALE
(Signature Page 1 of 2)

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

SELLER:

KING COUNTY,
a political subdivision of the State of Washington

Dated: _____

By: _____

Name: Drew Zimmerman

Approved as to form:

Director, Facilities Management Division

By: _____

Ryan W. Ridings

Deputy Prosecuting Attorney

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me and said person acknowledged that she/he signed this instrument, on oath stated that she/he was authorized to execute the instrument and acknowledged it as the _____ of **KING COUNTY**, a political subdivision of the State of Washington, to be the free and voluntary act of such entity for the uses and purposes mentioned in the instrument.

DATED: _____.

Print Name: _____

Residing at: _____

My appointment expires: _____

SIGNATURE PAGE TO MEMORANDUM OF REAL ESTATE CONTRACT SALE
(Signature Page 2 of 2)

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

BUYER:

HEALTHPOINT,
a Washington nonprofit public benefit corporation

Dated: _____

By: _____

Name: Lisa Yohalem

Its: President and Chief Executive Officer

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me and said person acknowledged that she/he signed this instrument, on oath stated that she/he was authorized to execute the instrument and acknowledged it as the _____ of **HEALTHPOINT**, a Washington nonprofit public benefit corporation, to be the free and voluntary act of such nonprofit public benefit corporation for the uses and purposes mentioned in the instrument.

DATED: _____.



Print Name: _____

Residing at: _____

My appointment expires: _____

EXHIBIT "1"

LEGAL DESCRIPTION OF PROPERTY

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

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

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

SCHEDULE 1

PURCHASE PRICE PAYMENT SCHEDULE

The Purchase Price payments shall be made in advance of each year. Payment number 1 shall be due at the Equitable Closing. Payments number 2 through 10 shall be due on the first day of the calendar month that follows the anniversary date of Equitable Closing.

Payment Number	Year of Payment	Amount of Payment
1	2024	\$80,000
2	2025	\$84,000
3	2026	\$88,200
4	2027	\$92,610
5	2028	\$97,241
6	2029	\$102,103
7	2030	\$107,208
8	2031	\$112,568
9	2032	\$118,196
10	2033	\$124,106
	Total amt. paid:	\$1,006,231

SCHEDULE 2
STATEMENT OF FAIR MARKET VALUE

The attached appraisal is adopted by the Buyer and Seller as the initial basis for establishing fair market value for the Property. The Parties have reduced the appraised value to account for certain building conditions excluded from consideration by the appraiser. The Fair Market Value of the Property at Equitable Closing, as defined in the Memorandum of Real Estate Contract, is agreed to be Five Million, Seven Hundred Ninety Thousand and No/100 Dollars (\$5,790,000.00).

EXHIBIT F.

CONSIDERATION AGREEMENT BETWEEN KING COUNTY AND HEALTHPOINT Federal Way Public Health Property Redevelopment

This Consideration Agreement (“**Agreement**”) is entered into by HEALTHPOINT, a Washington nonprofit public benefit corporation (“**HealthPoint**”), and KING COUNTY, a political subdivision of the State of Washington (the “**County**” or “**King County**”, and together with HealthPoint, collectively, the “**Parties**”). This Agreement has an Effective Date of _____, 2024.

RECITALS

A. This Agreement sets forth the basic terms for the renovation and operation of certain real property located at 33431 13th Place South in Federal Way, King County, State of Washington, and legally described on Exhibit A (the “**Property**”).

B. HealthPoint and King County both use the Property to provide certain medical and health related services for persons of lower incomes and other underserved populations with more limited access to quality health care.

C. HealthPoint is a community-based, community-supported, and community-governed network of non-profit health centers which qualify as a Federally Qualified Health Center, as that term is defined in 42 USC § 1395x(aa)(4) and is dedicated to providing high quality care to all who need it, regardless of circumstances (together with the direct health care services delivered by the County and described below shall be referred to herein as the “**Health Services**”).

D. King County, through King County Public Health, serves poor and underserved populations through the provision of medical and related care and health services in King County.

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

F. The Property is in need of substantial repairs in order for it to be able to continue to deliver Health Services and the Parties envision that, by making strategic renovations to the Property in addition to the necessary repairs, an integrated center for health and wellness in south King County could result at that location that would increase capacity for services to the community into the coming decades in a renovated facility that is modern and welcoming.

G. HealthPoint is willing to make the necessary Property repairs, Property renovations, and other investments in the development of the integrated health and wellness center on the Property but requires an ownership interest in the Property in order to accomplish these objectives.

H. King County intends to convey the Property to HealthPoint under the terms of that certain Purchase and Sale Agreement dated _____, 2024 (the “PSA”).

I. The PSA expressly and purposely manifests the intent of the Parties to enter into a “real estate contract” sale, as that phrase is defined in RCW 61.30.010.

J. Contemporaneous with conveyance of equitable title under the PSA, the Parties will enter into a Memorandum of Real Estate Contract Sale to be recorded against the Property and memorializing certain terms and conditions in accordance therewith including the fulfillment of the Purchase Price under the PSA and other key terms of the “real estate contract” sale (the “**Memorandum**”).

K. In addition to the Purchase Price under the PSA, the Parties have agreed to certain additional consideration that is part of the overall public purpose for King County agreeing to convey the Property under the terms of the PSA and the Memorandum.

L. The parties intend that such additional consideration beyond payment of the Purchase Price under the PSA and Memorandum for the Property include (i) HealthPoint spending eight million dollars (\$8,000,000) on the initial repair, construction, and redevelopment of the Property in support of the shared vision for an integrated health and wellness center at the site of the Property (the “**Project**”) as more particularly described in the definition of HealthPoint’s Project Development Obligations below; (ii) HealthPoint’s leasing back, as lessor, to King County, as lessee, of certain premises within the Property to be improved as part of the Project for an initial term of ten (10) years on the terms and conditions of a that certain Lease Agreement dated on or about the date hereof (the “**Lease Agreement**”), (iii) the operation of the Property, by King County and HealthPoint, as an integrated health and wellness center (the Integrated Health and Wellness Center defined in Section 4 herein), and (iv) recording the Declaration of Restrictive Covenant against the Property (the “**Covenant**”, and together with the Lease Agreement, the PSA and the Memorandum, the “**Related Agreements**”) obligating the operation of a community health center clinic eligible for funding as a Federally Qualified Health Center for a period of fifteen (15) years from the Effective Date of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants, terms, and conditions set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

1. Purpose.

(a) The purposes of this Agreement are:

(i) to set forth the Parties’ agreement on certain material terms in the overall fulfillment of the Project and the transactions underlying it that are outside the scope of the Related Agreements, and which shall be binding upon the Parties as conditions of the fulfillment of the contract of sale described in the Memorandum;

(ii) to specify terms and conditions of HealthPoint’s Property development obligations with respect to the Project as set forth in Section 3 herein;

(iii) to document expectations for the Parties' collaboration on the development of an integrated health and wellness center for south King County at the Property as set forth in Section 4(a) herein; and

(iv) to describe the Parties' respective rights and obligations for the operation of the Property prior to completion of the Project.

(b) The fulfillment of the above purposes on the further terms and conditions set forth herein and in accordance with the Related Agreements forms the non-monetary consideration for the County's conveyance of the Property to HealthPoint (the "**Additional Consideration**"). The Additional Consideration is an integral and material rationale for the County's agreement to convey the Property to HealthPoint on the terms and conditions set forth herein and in the Additional Agreements.

2. Reserved.

3. Development Project.

(a) **Project Scope and HealthPoint Project Development Obligations.** The Parties acknowledge that the scope of the property redevelopment project required by this Agreement will be defined through the planning process described below (the "Project Scope"). The Parties further acknowledge that the redevelopment plan is anticipated to provide for repair and renovation work to be completed in phases to allow for the continued delivery of Health Services at the Property and that only those initial phases explicitly required by this Agreement shall be within the Project Scope. HealthPoint may make further improvements to the Property after completion of the Project Scope which, although during the term of this Agreement, are not subject to the requirements of this Section 3. The Parties further acknowledge that the redevelopment plan may sequence the work such that not all major repairs and deferred maintenance are completed prior to the renovation work if such repairs would be duplicated as part of the renovation work. Based on these mutual understandings, the Parties hereby agree that HealthPoint's "**Project Development Obligations**" for purposes of this Agreement and to satisfy its construction and redevelopment of the Property obligations under the Memorandum are defined as follows:

(i) Complete the Project milestones described in sub-paragraph (b) of this section on the timelines described therein or as modified by mutual signed agreement of the Parties subsequent to the execution of this Agreement; and

(ii) Spend not less than eight-million dollars (\$8,000,000) on designing, planning, financing, pre-construction, and construction-related costs as evidenced by periodic reports in a form approved by King County prepared by HealthPoint and delivered to King County.

The County acknowledges that HealthPoint will have satisfied its Project Development Obligations under this Agreement and its construction and redevelopment of the Property

obligations under the Memorandum so long as the two requirements described above are satisfied.

(b) **Project Milestones.** All timeframes identified below are calculated from the Effective Date of this Agreement. All deadlines are subject to change by mutual written agreement of the Parties.

(i) **Phase 1 Design.** HealthPoint shall prioritize renovation of the Premises (as such term is defined in the Lease Agreement) as Phase 1 of the Project. Within _____ () months [to be agreed upon and completed prior to execution], HealthPoint shall develop and secure all reasonable and necessary approvals from the City of Federal Way of a comprehensive set of plans and specifications for redevelopment of the Premises.

(ii) **Phase 1 Project Budget and Funding.** Within _____ () [to be agreed upon and completed prior to execution], HealthPoint will share with County a budget demonstrating completion values with the plans and specifications for Phase 1 of the Project and confirm with County that it has the necessary funds to complete the improvements to the Premises as approved through the process described above.

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

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

(v) **Phase 1 Substantial Completion.** Within thirty-six (36) months, HealthPoint will have substantially completed construction on Phase 1 of the Project, as evidenced by the delivery of a copy to King County of a certificate of occupancy or equivalent issued by the Buildings Division of the City of Federal Way or equivalent jurisdictional authority.

(vi) **Satisfaction of HealthPoint Project Development Obligations.** Phase 2 of the Project shall be HealthPoint's repair, improvement, and/or redevelopment of other portions of the Property not included in Phase 1 of the Project in satisfaction of that portion of its Project Development Obligations described in Section 2(a)(ii) of this Agreement. HealthPoint may, at its election, design, finance, and construct Phase 2 contemporaneously with Phase 1 or at any time after such work has begun on Phase 1 so long as its Project Development Obligations under subparagraphs (b)(i) through (b)(v) of this Section 3 are satisfied within thirty-six (36) months of the Effective Date.

(c) **Pre-Construction, Construction Periods, and Post-Project facility operations:**

(i) **Pre-Construction:** On the Closing Date of the PSA, HealthPoint will obtain equitable title to the Property and assume responsibility for costs associated with the Property limited only by lessee costs assumed by the County under the Lease Agreement, if any, as amended from time to time. The County will cooperate with HealthPoint's management and operation of the Property during a transition period of not more than one (1) year by providing access to staff familiar with the Property, making introductions as appropriate to vendors providing services to the Property, and other information to assist HealthPoint's transition to ownership and management of the Property. The Parties will continue to provide Health Services on the Property consistent with past practice except as modified by the terms of the Lease Agreement. The Parties will also cooperate in the planning for the Integrated Health and Wellness Center at the Property and implement any preliminary changes that can reasonably and successfully be implemented prior to the modernization of the building facilities.

(ii) **Construction Periods:** The Parties will cooperate in their development and approval of phased Project construction activities, consistent with Project expectations and the terms and conditions of the Lease Agreement, to minimize the impact of the construction on the delivery of Health Services to the community and the continuing implementation of the strategies for creating the Integrated Health and Wellness Center on the Property. The Parties agree to use best efforts to coordinate space use during construction to allow each Party to continue to provide services out of the Property during the Construction Periods. The Parties agree to hold standing meetings on not less than a bi-weekly basis during all active periods of Project planning and construction. The meetings shall include, when appropriate, the Project architect and/or general contractor (or authorized decision-making designee thereof). It is the intent of the Parties that the County, through King County Public Health, shall be reasonably able to maintain the same or substantially the same level of service during construction; shall have substantially equivalent examination room space; shall have sufficient health space to continue to provide equivalent WIC services; shall have sufficient office and health spaces to continue to be able to provide First Steps services; and that a space for a navigator for enrollment services shall at all times be clear and available. In furtherance of Phase 1 and Phase 2 and in meeting the objectives set forth in this subsection (ii), HealthPoint may identify temporary space for one or both Parties to use in the delivery of Health Services during the periods of construction, such temporary space which may be on-site or off-site. HealthPoint agrees to pay for all costs incurred in moving and in otherwise accommodating both Parties' use of any such temporary facilities, including but not limited to IT and network requirements of both Parties, establishing appropriate examination rooms, furniture, fixtures, and equipment that are ordinary and typical in the delivery of the contemplated Health Services and commercially reasonable in availability and cost.

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

related rights and obligations will be as described in the Lease Agreement as amended from time to time.

(d) **Payment and Performance Bond.** HealthPoint expressly agrees that prior to any redevelopment of any portion of the Property, where such work exceeds one hundred thousand dollars (\$100,000.00), HealthPoint shall cause its general contractor or construction manager to provide a performance and payment bond covering the total GC/CM contract cost of such project, and for subcontractors performing any work on any project on the Property where the contract amount exceeds \$100,000.00 to provide performance and payment bonds for the value of the subcontract.

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

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

(g) **Public Works.** In the event that the Project is determined or otherwise agreed to be a "Public Work" and subject to public works procurement requirements including those specific requirements set forth in Chapters 39.04 RCW (general public works requirements), 39.12 (prevailing wage), 36.32 (County-specific requirements), together with any King County Code or other relevant policies, HealthPoint will, as appropriate, follow a competitive, qualifications based contractor selection process, pay prevailing wages, and adhere to bonding and workforce requirements. Nothing contained in this Agreement or any of the Related Agreements shall be interpreted to require compliance with the requirements set forth in this Section 3(g) where compliance with such requirements would not otherwise be required.

(h) **Good faith and cooperation.** At all times under this Agreement, HealthPoint will communicate with King County all material issues and concerns related to the Project, cooperate with King County toward all public health delivery goals, and the Parties mutually agree to act fairly and in good faith in accordance with this Agreement and the Related Agreements.

4. Delivery of Public Health Services

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

that King County Public Health provides in the Federal Way community; (c) serves as a vehicle for implementing programs and services in response to periodic community health needs assessments conducted by the Parties from time to time; (d) serves as a vehicle for partnerships with other organizations that provide services needed by Federal Way residents, including services that address social determinants of health; and (e) provides more effective services to Black, Indigenous, and other People of Color (BIPOC) and other marginalized communities to counter racism and to address persistent health disparities. HealthPoint commits to working diligently with the County toward their shared vision of the Integrated Health and Wellness Center throughout the term of this Agreement.

(b) **Use of the Property for Public Health Delivery Goals.** HealthPoint will operate a community health center clinic providing services qualifying for recognition as a federally qualified health center on the Property, as that term is defined in Section 330 of the Public Health Service Act and as set forth in the Covenant. Such operation shall include services such as primary health care services, dental services, behavioral health services, maternity and early child health services, and reproductive health services. HealthPoint will further ensure that the Property is operated in furtherance of certain public health delivery goals, including culturally responsive integrated services with King County Public Health, whole person healthcare, and community outreach.

5. Term; Termination; and Satisfaction of Conditions Necessary for Closing Contract of Sale Transaction.

(a) **Term.** The term of this Agreement shall commence on the Effective Date and expire upon the transfer of legal title to the Property pursuant to the terms in Section 4.a of the Memorandum unless terminated under the terms of this Agreement prior to Closing.

(b) **Termination.** This Agreement shall terminate prior to the expiration of the Term only in the event of: (i) County's election to terminate the Agreement for default pursuant to Section 6(d) of this Agreement; (ii) termination of the Memorandum according to its terms prior to Closing and the transfer of legal title to HealthPoint; or (iii) the mutual agreement of the Parties.

(c) **Satisfaction of Conditions of Contract of Sale.** HealthPoint shall be deemed to have satisfied the conditions of this Agreement necessary to comply with the obligations of the contract of real estate sale described in the Memorandum upon completion of Project Development Obligations described in Section 3 of this Agreement so long as at such time HealthPoint has diligently pursued operation of the Integrated Health and Wellness Center described in Section 4(a) in reasonable compliance with this Agreement and is not otherwise in default with its obligations hereunder.

6. Miscellaneous Provisions.

(a) **Incorporation of Recitals.** The foregoing recitals are true and correct and are hereby incorporated herein.

(b) **Related Agreements; Conflict with Related Agreements.** In the event of any conflict between the terms of this Agreement and the terms of the Lease Agreement, the terms of this Agreement shall control. In the event of any conflict between the terms of this Agreement and the terms of the PSA, the terms of this Agreement shall control. In the event of any conflict between the terms of this Agreement and the terms of the Memorandum, the terms of the Memorandum shall control. In the event of any conflict between the terms of this Agreement and the terms of the Covenant, the terms of the Covenant shall control.

(c) **No Assignment.** This Agreement shall not be assignable or transferable by operation of law, or by any process or proceeding of any court or otherwise without the prior written consent of the Parties hereto, which consent shall be at each Party's sole and absolute discretion. Notwithstanding the foregoing, HealthPoint may assign this Agreement to a wholly-owned single-purpose affiliate entity in accordance with a concurrent assignment of the Memorandum upon the reasonable approval of the County.

(d) **Default.** HealthPoint shall be in default of this Agreement if HealthPoint (a) fails to timely and fully observe or perform any term, covenant, condition herein set forth including but not limited to its obligation to secure sources of funding for the Project as required by Section 3(b)(ii) of this Agreement and, except as otherwise provided herein, fails to cure any such default within one hundred eighty (180) days after notice thereof from County; or (b) becomes or is declared insolvent or makes an assignment for the benefit of creditors, or files any debtor's petition or any petition is filed against HealthPoint under any bankruptcy, wage earners, reorganization or similar act.

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

(f) **Non-Discrimination.** HealthPoint shall not discriminate on the basis of race, color, marital status, national origin, religious affiliation, disability, sexual orientation, gender identity or expression or age except by minimum age and retirement provisions, unless based upon a bona fide occupational qualification, in the employment or application for employment or in the administration or delivery of services or any other benefits under King County Code Ch. 12.16.125. HealthPoint shall comply fully with all applicable federal, state and local laws, ordinances, executive orders and regulations that prohibit such discrimination. These laws include, but are not limited to, chapter 49.60 RCW, and Titles VI and VII of the Civil Rights Act of

1964. Any violation of this provision shall be considered a default of this Agreement and shall be grounds for cancellation, termination, or suspension, in whole or in part, of this Agreement and the Related Agreements and may result in ineligibility for further agreements with King County.

(g) **Applicable Law; Jurisdiction 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.

(h) **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.

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

If to HealthPoint: HealthPoint
955 Powell Avenue SW
Renton, Washington 98057
Attention: Chief Executive Officer

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

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

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

(j) **Dispute Resolution.** The Parties agree to negotiate in good faith to resolve any disputes arising under this Agreement so that the purposes of this Agreement are not frustrated, and before seeking to resolve disputes in a court of law or any other forum. Neither Party may seek relief in a court of law until and unless the dispute resolution process set forth in this Section 6(j) has been completed in good faith.

(i) The Parties shall designate representatives for purposes of managing this Agreement and the dispute resolution process under this Section 6(j). The Parties' initial Designated Representatives shall be the Chief Administrative Officer for Public Health for the County and the Chief Financial Officer for HealthPoint, or such other persons as the Parties may designate in writing from time to time by giving notice. The Parties' Designated Representatives shall communicate regularly to discuss the status of the tasks and services to be performed and to prevent disputes from arising.

(ii) If a dispute arises, then

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

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

(iii) If the Parties cannot resolve the dispute utilizing the process in Section 6(j)(ii), the Parties may, by agreement, submit the matter to non-binding mediation. The Parties shall split the mediator's fees, costs and expenses on an equal basis. Each Party shall pay its own costs to prepare for the mediation, including any attorney fees or costs.

(iv) During the course of conflict or dispute resolution efforts, the Parties agree to continue to diligently perform their respective responsibilities under this Agreement.

(k) **Amendment.** Except as otherwise provided herein, this Agreement may only be amended in a writing signed by the Parties hereto. Notwithstanding the foregoing, the Parties

acknowledge that it is the intent of the Parties that modifications to the timing of the Project Milestones described in Section 3(b) and modification of the objectives of the Integrated Health and Wellness Center described in Section 4(a) may be modified without formal amendment to this Agreement so long as documentation of the mutual intent of the Parties to such changes is available to document the agreed modifications.

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

(m) **Non-Waiver.** No action or failure to act by HealthPoint or County shall constitute a waiver of any right or duty afforded it under this Agreement.

(n) **Captions.** The captions in this Agreement are for convenience only and do not in any way limit or amplify the provisions set forth herein.

(o) **Definitions.** Capitalized terms not defined in this Agreement shall have the meaning given to them under the Related Agreements.

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

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of the Effective Date.

HealthPoint,
a Washington nonprofit corporation

King County,
a political subdivision of the State of Washington

By: _____
Lisa Yohalem,
President and Chief Executive Officer

By: _____
Drew Zimmerman,
Director, Facilities Management Division

APPROVED AS TO FORM:

By: _____
Ryan W. Ridings,
Senior Deputy Prosecuting Attorney

APPROVED BY CUSTODIAL AGENCY:

By: _____
Michael Gedeon,
Chief Administrative Officer,
King County Public Health

EXHIBIT G.

LEASE AGREEMENT

BY AND BETWEEN

KING COUNTY, A POLITICAL SUBDIVISION OF THE STATE OF WASHINGTON

AND

HEALTHPOINT, A WASHINGTON NONPROFIT PUBLIC BENEFIT CORPORATION

DATED: _____, _____ 2024

BASIC LEASE PROVISIONS

The words and figures set forth in Paragraphs A to O shall have the following meanings throughout the Lease except as expressly modified elsewhere in the Lease.

- A. Landlord: HealthPoint
- B. Tenant: King County
- C. Property Address: 33431 13th Place South, Federal Way, Washington
- D. Premises: the approximately 7,500 square feet of dedicated space (see Exhibit B-1) and approximately 1,990 square feet of shared space with HealthPoint (see Exhibit B-2)
- E. Permitted Use: Primary medical and dental care; other health and human services and other public health services; all consistent with restrictive covenant against the property.
- F. Term: An initial term of one hundred twenty (120) months beginning on the Commencement Date and terminating on the last day of the month of the day in which the 120-month period expires.
- G. Optional Renewal Terms: two (2) consecutive five (5) year tenant options to extend.
- H. Commencement Date: [_____, 2024]
- I. Monthly Base Rent for Initial Term: zero dollars (\$0.00)
- J. Additional Rent for Initial Term: n/a
- K. Security Deposit: none
- L. Prepaid Rent: none
- M. Renewal Option Notice Date(s): [_____, 2033 and _____, 2038]
(twelve months before the end of term)
- N. Landlord's Address for Notices:
HealthPoint
955 Powell Avenue SW
Renton, Washington 98057
Attention: Chief Executive Officer
- O. Tenant's Address for Notices:
King County Real Estate Services Section
King County Administration Building
500 4th Avenue, Suite 830
Seattle, WA 98101

LEASE AGREEMENT

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

RECITALS

- A. Landlord, a public benefit nonprofit corporation, is a community-based, community-supported, and community-governed network of non-profit health centers dedicated to providing high quality care to all who need it, regardless of circumstances which qualifies as a Federally Qualified Health Center, as that term is defined in 42 USC § 1395x(aa)(4); and provides access to medical care to poor and underserved populations in King County.
- B. Tenant, through King County Department of Public Health, serves low income, marginalized, and underserved populations through the provision of medical and related care and health services in King County.
- C. Landlord is the owner of the real property located at 33431 13th Place South in Federal Way, King County, State of Washington, and legally described on Exhibit A (the “Property”) pursuant to a real estate contract sale (as that phrase is defined in RCW 61.30.010) for the sale of the Property by Tenant, as Seller, to Landlord, as Buyer, memorialized under that certain Memorandum of Contract Sale and recorded against the Property under KC Rec No. _____ (the “Memorandum of Contract Sale”).
- D. The terms of the Memorandum of Contract Sale require that Landlord perform certain improvements upon the Property (the “Project”) resulting in an integrated health and wellness center to be operated by Landlord and Tenant as King County Public Health.
- E. Landlord and Tenant have entered into that certain consideration agreement dated on or about the date hereof (the “Consideration Agreement”) which provides, among other things, (i) that Landlord will complete Phase 1 of the Project (herein “Phase 1”) and Phase 2 of the Project (herein “Phase 2”) as those terms are defined and on certain terms and conditions set forth therein and (ii) that Landlord will thereafter provide health services to Medically Underserved Populations with King County Public Health (the “Health Services”).
- F. The costs of completing the Project are a portion of the consideration provided by Landlord to Tenant for the sale of the Property.
- G. The Project contains certain demised premises (the “Premises”, as set forth and defined herein) within the Property for the exclusive use and control by King County Public Health, and certain shared spaces (“Shared Space”, as set forth and defined herein) within the Property to be used jointly by Tenant and Landlord in the provision of Health Services.

H. Tenant's leasehold in the Premises and the Shared Space is an additional part of the consideration provided by Landlord to Tenant for the sale of the Property.

AGREEMENT

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

1. PREMISES; USE:

- 1.1. Premises and Shared Space. Landlord does hereby lease to Tenant, and Tenant does hereby lease from Landlord, those certain premises consisting of approximately 7,500 square feet of dedicated space shown and defined on Exhibit B-1 (the "Premises") within the building located on the Property (the "Building"). In addition, Tenant shall have the right to use, on a non-exclusive basis in collaboration with Landlord, that shared space shown on Exhibit B-2 (the "Shared Space"). Tenant's Share (as defined below) of the Shared Space consists of approximately 1,190 square feet, for a total leased area of approximately 8,690 square feet. Tenant's total leased square feet is 8,690 as shown on Exhibit B-2. For the purposes of this Lease, the Parties agree that the total leased square feet means a rental area as determined by [ANSI/BOMA] Standard of Measurement.
- 1.2. Provision of the Premises and Shared Space. Upon commencement of the Term of this Lease, and subject to Landlord's ongoing maintenance and repair obligation set forth in this Lease, Landlord shall not be obligated to perform any alterations or improvements to the Premises, the Shared Space or elsewhere, provided only that Landlord agrees to complete the Project pursuant to Section 3 of the Consideration Agreement. Upon completion of Phase 1, as provided under Section 3 of the Consideration Agreement, Landlord shall provide and maintain Building-wide standard furniture (including, without limitation, desks, chairs, book cases, and file cabinets but specifically excluding art decorations, computers, telephones, copy machines, IT systems or other equipment specific to Tenant) for the Premises and the Shared Space (defined below) as set forth on the Schedule of Furniture, Fixtures and Equipment attached hereto as Exhibit D (collectively, the "Initial Furniture"). Tenant shall have meaningful opportunity to review the Initial Furniture and to set forth certain ergonomic requirements.
- 1.3. Use. Tenant may use the Premises for the purpose of primary medical and dental care, and to provide other health and human services and public health services that are complementary thereto for persons of lower incomes and other underserved populations with more limited access to quality health care in King County together with all reasonably related office and administrative uses and any other legally permissible use consistent with the Restrictive Covenant dated [_____], 2024] recorded against the Property.
- 1.4. Project Delivery. Landlord and Tenant acknowledge and agree that they are committed to integrated service delivery within the Project and agree that one (1) or more representative(s) appointed by Landlord and one (1) or more representatives appointed by

Tenant shall participate in a committee intended to establish policies and procedures for the shared provision of Health Services, including without limitation the use of the Shared Space.

2. TERM

2.1. Initial Term. The Term of this Lease shall be for one hundred twenty (120) full calendar months (“Term”), commencing on the date that Tenant shall have conveyed to Landlord equitable title to the Property and the Memorandum of Contract Sale shall have been duly executed by both Parties (the “Commencement Date”), and terminating on the last day of the 120th full calendar month thereafter.

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

3. RENT:

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

3.2. Extended Term Rent. During any Extended Term, the Parties anticipate that this Lease shall convert to a triple net agreement in accordance with prevailing market terms at such time.

3.3. Improved Premises as Consideration. It is the shared understanding and intent of the Parties that the Tenant shall enjoy Premises and Shared Space that are renovated upon Landlord’s completion of Phase 1 in accordance with the Consideration Agreement. In any event where Landlord shall not have substantially completed Phase 1 prior to the end of the thirty-sixth (36th) month of this Lease, Landlord shall grant Tenant the right to either (i) a rent payment credit of not less than Twenty Dollars and No/100 (\$20) per square foot, as adjusted to the day for each day that shall pass until substantial completion of Phase 1 of the Project as set forth under Section 3(b) of the Consideration Agreement; or (ii) a lease term credit providing an according number of days at the Initial Term Rent rate set

forth in Section 3.1 to be added to the end of the Initial Term for each day that shall pass until substantial completion of Phase 1 of the Project as set forth under Section 3(b) of the Consideration Agreement.

4. UTILITIES AND SERVICES: So long as Tenant is not in default under this Lease, Landlord shall provide gas, steam, electricity, heat, ventilation, air-conditioning, water, elevator service, trash removal, snow and ice removal, medical facility janitorial services, sewer and storm water, and other customary services or utilities without interruption. Landlord shall pay all real estate and ad valorem taxes, as may be applicable. All other costs necessary for Tenant to do business in the Premises will be paid directly by Tenant, including expressly telephone and internet connection. Landlord agrees to provide third-party security at the Building for the benefit of both Landlord and Tenant's operations, and shall maintain electronic security measures, including but not limited to access controls, cameras and intrusion systems as described on Exhibit C attached hereto.
5. COMMON AREAS: Landlord also grants Tenant a nonexclusive license to use, in common with Landlord, other lessees (if any), and their respective guests and invitees, those portions of the Building and the Property incident to and necessary for Tenant's use of the Premises and Shared Space, including but not limited to any utility rooms, cable and communication closets, or other spaces containing operational infrastructure, and which shall be accessible to Tenant at all times (the "Common Areas").
6. REPAIRS AND MAINTENANCE: Landlord shall keep the Premises, Shared Space, and the Common Areas of the Building in operating condition and repair at least as good as the condition of the Building on the Commencement Date, the completion of Phase 1 or the completion of Phase 2, as the case may be, including but not limited to walks, landscaping, service areas, mechanical rooms, loading areas, and the roof and the exterior of the Building, reasonable use and wear and tear and damage by fire and other casualty excepted, Landlord shall promptly repair malfunctioning fixtures, plumbing, HVAC and electrical systems in the Premises, Shared Space and public and common areas. Landlord shall further maintain in condition and operating order at least as good as the condition of the Building on the Commencement Date and reasonably keep in repair consistent with plans for renovation of the Building (a) the structural portions of the Building, including the foundation, floor/ceiling slabs, roof, curtain wall, exterior glass and mullions, columns, beams, shafts (including elevator shafts), base Building stairs and stairwells, Landlord's art work, Building mechanical, electrical and telecom closets (collectively, the "Building Structure"), (b) the base building mechanical, electrical, life safety, plumbing, sprinkler and HVAC systems of the Building (collectively, the "Building Systems"), and (c) the common areas and signage. In the event that such repairs are required as a result, in whole or in part, of the act or neglect of any duty by Tenant its agents, servants, employees, or invitees, then Tenant shall pay to Landlord the reasonable and actual cost of such maintenance and repairs. Landlord shall provide janitorial service for the Premises. Tenant shall, at its own expense and at all times, keep the Premises neat, clean and in a sanitary condition. Tenant shall permit no waste, damage or injury to the Premises. Tenant shall promptly provide Landlord with written notice of the need for any repairs or maintenance to the Premises or the Building. Landlord shall be responsible for the maintenance and repairs to the Premises, the Building, Building systems, and common areas which shall include but not limited to interior lighting (including replacement of

light bulbs, ballasts and starters as required); electrical, plumbing, heating, ventilating and air-conditioning systems (including replacement of filters as recommended in equipment service manual); floor coverings; window coverings; inside and outside walls (including windows and entrance and exit doors); all structural portions of the Building (including the roof and the watertight integrity of same); restrooms, common area hallways, porches, stairways; sidewalks; exterior lighting; parking lot (including snow removal, cleaning and restriping as required); wheel bumpers; drainage; landscaping and continuous satisfaction of all governmental requirements (example: fire, building energy codes, indoor air quality and requirements to provide architecturally barrier-free premises for persons with disabilities, etc.).

7. ALTERATIONS: Tenant shall be entitled to perform alterations and/or improvements to the Premises (including, without limitation, the installation of fixtures and signs) subject to Landlord's consent, which shall not be unreasonably withheld, conditioned or delayed. Upon Tenant's request, Landlord agrees to perform such alterations or improvements on Tenant's behalf, subject to reimbursement from Tenant for Landlord's actual and reasonable costs. Tenant may from time to time remove any fixtures, alterations or improvements installed by Tenant in or to the Premises; provided that Tenant agrees to repair any damage caused by such removal. Notwithstanding the foregoing, Tenant may perform alterations and/or improvements to the Premises without obtaining Landlord's prior consent so long as such alterations and/or improvements: (i) do not exceed \$25,000 per project, (ii) are not visible from the exterior of the Building or from the Shared Space or Common Areas, (iii) do not adversely affect any Building system or the structural strength of the Building, and (iv) do not require penetrations into the roof of the Building. As an alternative, upon mutual agreement, Tenant may request work to be completed by Landlord, and Tenant shall be billed at the pre-approved, mutually agreed upon amount. In such instance(s), Tenant shall have the right to approve in advance the scope and estimated costs of such work to be completed.
8. CONDEMNATION OR DAMAGE TO THE PROPERTY: In the event a substantial part of the Premises is taken by the right of eminent domain, or purchased by the condemnor, in lieu thereof, or damaged by casualty, so as to render the remaining Premises economically untenable as a result of any of the foregoing, then this Lease shall be canceled as of the time of taking at the option of either party. The Parties shall refer to the Consideration Agreement for the allocation of rights in the property if any such event occurs prior to Landlord's satisfaction of the terms and conditions of the Consideration Agreement.
9. PARKING: Tenant shall have an exclusive right to dedicated parking stalls numbered _____ as shown on Exhibit B-3 attached hereto for fleet parking. In addition, Tenant shall have the non-exclusive right, during the Term of the Lease, to use the shared parking spaces shown on Exhibit B-3 attached hereto.
10. LIENS AND INSOLVENCY: Tenant shall keep the Premises free from any liens arising out of any work performed for, materials furnished to, or obligations incurred by Tenant and shall hold Landlord harmless against the same. In the event Tenant becomes insolvent, bankrupt, or if a receiver, assignee or other liquidating officer is appointed for the business of Tenant, Landlord may cancel this Lease at its option.

11. DISPUTE RESOLUTION: The Parties agree to negotiate in good faith to resolve any disputes arising under this Agreement so that the purposes of this Agreement are not frustrated, and before seeking to resolve disputes in a court of law or any other forum. Neither Party may seek relief in a court of law until and unless the dispute resolution process set forth in this Section 11 has been completed in good faith.
- 11.1. Designated Representatives. The Parties shall designate representatives for purposes of managing this Agreement and the dispute resolution process under this Section 11. The Parties' initial Designated Representatives shall be the Chief Administrative Officer for Public Health for the County and the Chief Financial Officer for HealthPoint, or such other persons as the Parties may designate in writing from time to time by giving notice. The Parties' Designated Representatives shall communicate regularly to discuss the status of the tasks and services to be performed and to prevent disputes from arising.
- 11.2. Informal Dispute Resolution Process. If a dispute arises, then:
- Step One: The Parties' Designated Representatives shall confer and attempt to resolve the dispute within ten (10) business days of written notification by either Party.
- Step Two: If the Parties' Designated Representatives are unable to resolve the dispute within ten (10) business days, either Party may refer the dispute to HealthPoint's Chief Executive Officer and the County's Division Director for Administrative Services or their designees. HealthPoint's Chief Executive Officer and the County's Division Director for Administrative Services shall confer and attempt to resolve the dispute within ten (10) business days of receiving the referral. The conference may be in person or by other means, such as telephone conference, videoconference, etc.
- 11.3. Non-Binding Mediation. If the Parties cannot resolve the dispute utilizing the process in Section 11.2, the Parties may, by agreement, submit the matter to non-binding mediation. The Parties shall split the mediator's fees, costs and expenses on an equal basis. Each Party shall pay its own costs to prepare for the mediation, including any attorney fees or costs.
- 11.4. Continued Diligence. During the course of conflict or dispute resolution efforts, the Parties agree to continue to diligently perform their respective responsibilities under this Agreement.
12. SUBLETTING OR ASSIGNMENT: Tenant may assign this Lease in whole or in part or sublet all or any portion of the Premises to a related entity or affiliate upon notification to Landlord. In addition, Tenant shall have the right to assign this Lease in whole or in part or sublet all or any portion of the Premises to unrelated entities with the prior written consent of Landlord, which may be withheld or conditioned as set forth: Landlord will agree to the sublease and assignment provided that (a) the use of the Premises by said related entity or affiliate must be similar to Tenant's use and consistent with the Permitted Uses described herein, (b) such sublessee or

assignee organization and clientele shall not be incompatible with HealthPoint's market space or business practices, and (c) the subtenant or assignee must not use the Premises in any way that will create a nuisance to Landlord or any other tenants of the Building. Landlord shall not have the right to recapture any sublease or assignment space without Tenant's express written consent. Landlord acknowledges that Tenant is a home rule charter county and political subdivision of the State of Washington and is comprised of many separate departments and divisions. As such, use or occupancy of the Premises by any Tenant department or division shall not constitute a sublease or assignment under this Section 12.

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

14. INDEMNIFICATION; INSURANCE:

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

14.2. Landlord Insurance: Landlord shall maintain throughout the Term insurance as set forth in Section 12(b) of the Memorandum of Contract.

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

that would otherwise be available against such claims under the industrial insurance provisions of Title 51 RCW. In the event that any of the Parties incurs any judgment, award, and/or cost arising therefrom, including attorney fees, expenses, and costs shall be recoverable from the responsible Party to the extent of that Party's negligence.

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

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

17. HAZARDOUS MATERIALS.

17.1. Definitions. For purposes of this Lease, the term "Environmental Law" shall mean: any federal, state or local statute, regulation, code, rule, ordinance, order, judgment, decree, injunction or common law pertaining in any way to the protection of human health, safety, or the environment, including without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. § 9601 et seq. ("CERCLA"); the Resource Conservation and Recovery Act of 1976, 42 U.S.C. § 6901 et seq. ("RCRA"); the Washington State Model Toxics Control Act, RCW ch. 70A.305 ("MTCA"); the Washington Hazardous Waste Management Act, RCW ch. 70A.300; the Federal Water Pollution Control Act, 33 U.S.C. § 1251 et seq., the Washington Water Pollution Control Act, RCW ch. 90.48, and any laws concerning above ground or underground storage tanks. For the purposes of this Lease, the term "Hazardous Material" shall mean: any waste, pollutant, contaminant, or other material that now or in the future becomes regulated or defined under any Environmental Law.

17.2. Landlord Representations and Warranties. Landlord represents and warrants to Tenant that there is no Hazardous Material on, in, or under the Premises or the Real Property as of the Commencement Date. If there is any Hazardous Material on, in, or under the Premises or the Real Property which has been or thereafter becomes released, then Landlord (i) shall be solely responsible, at its sole cost, for promptly remediating the same to the extent required by Environmental Law and (ii) shall indemnify, defend and hold Tenant harmless from any and all claims, judgments, damages, penalties, fines, costs, liabilities or losses including without limitation sums paid in settlement of claims,

attorneys' fees, consultant fees and expert fees, incurred either during or after the Lease term as the result of such release.

- 17.3. Hazardous Waste Restrictions. Tenant shall not cause or permit any Hazardous Material to be brought upon, kept, or used in or about, or disposed of on the Premises or the Property by Tenant, its employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees, except in strict compliance with all applicable federal, state and local laws, regulations, codes and ordinances. If Tenant breaches the obligations stated in the preceding sentence, then Tenant shall indemnify, defend and hold Landlord harmless from any and all claims, judgments, damages, penalties, fines, costs, liabilities or losses including without limitation sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees, incurred either during or after the Lease term ("Claims") to the extent that said Claims are a result of said breach. Tenant shall promptly notify Landlord of any inquiry, investigation or notice that Tenant may receive from any third Party regarding the actual or suspected presence of Hazardous Material on the Premises or the Property.
- 17.4. Tenant Remediation. Without limiting the foregoing, if the presence of any Hazardous Material brought upon, kept or used in or about the Premises or the Property by Tenant, its employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees, results in any release of any Hazardous Material on the Premises or the Real Property, Tenant shall be solely responsible, at its sole cost, for promptly remediating the same to the extent required by Environmental Law. Landlord's approval of such remediation shall first be obtained, which approval shall not be unreasonably withheld, conditioned or delayed, provided, however, that Tenant shall be entitled to respond immediately to an emergency without prior approval from Landlord, including but not limited to taking actions necessary to prevent the release from migrating, leaching or otherwise spreading, and actions necessary to respond to any immediate obligations imposed on Tenant by Environmental Law. To the extent such Hazardous Material becomes comingled with Hazardous Material released by Landlord or other Parties, nothing in this Lease shall prevent Tenant from seeking to recover costs, expenses or any other damages incurred as a result of the presence of such Hazardous Material that was released by Landlord or other Parties.
- 17.5. Landlord Remediation. Landlord shall remediate any Hazardous Material discovered in the course of carrying out Landlord's Work at Landlord's sole cost and expense.
- 17.6. Title 51 Waiver. Each of the Parties agrees that its obligations under this Section 17 extend to any claim, demand, cause of action and judgment brought by, or on behalf of, any of its employees or agents. For this purpose, each of the Parties, by mutual negotiation, hereby waives, with respect to each of the other Party's only, any immunity that would otherwise be available against such claims under the industrial insurance provisions of Title 51 RCW.
- 17.7. Survival. The provisions of this Section 17 shall survive expiration or earlier termination of this Lease.

- 17.8. Indemnification. All claims, judgements, damages, penalties, fines, costs, liabilities and losses involving the release or presence of Hazardous Material shall be subject to this Section 17, and not the indemnity and liability provisions of Section 14.
18. NO WAIVER OF COVENANTS: Any waiver by either party of any breach hereof by the other shall not be considered a waiver of any future similar breach. This Lease contains all the agreements between the parties with respect to the Lease except to the extent other agreements between the Parties are expressly referenced herein; and there shall be no modification of the agreements contained herein except by written instrument.
19. SURRENDER OF PREMISES: Subject to Section 2.2, Tenant agrees, upon expiration of the Term or other termination of this Lease, to peacefully quit and surrender the Premises without notice, remove all of Tenant's personal property, leave the Premises neat and clean and to deliver all keys to the Premises to Landlord.
20. HOLDING OVER: If Tenant, with the implied or express consent of Landlord, shall hold over after the expiration of the term of this Lease, Tenant shall remain bound by all the covenants and agreements herein, except that the tenancy shall be from month to month and Monthly Rent shall be at rate established under any "Extended Term" above.
21. BINDING ON HEIRS, SUCCESSORS AND ASSIGNS: The covenants and agreements of this Lease shall be binding upon the heirs, executors, administrators, successors and assigns of both parties hereto, except as hereinabove provided.
22. NOTICE: All notices hereunder shall be in writing and shall be delivered personally or by recognized overnight courier addressed as follows:

To Tenant:

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

Copy to:

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

To Landlord:

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

Copy to:

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

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

23. BROKERS. Landlord and Tenant each warrant to the other that it has had no discussions, negotiations and/or other dealings with any real estate broker or agent in connection with the negotiation of this Lease, and that it knows of no other real estate broker or agent who is or may be entitled to any commission or finder's fee in connection with this Lease. Landlord and Tenant each agree to indemnify and hold the other harmless from and against any and all claims, demands, losses, liabilities, lawsuits, judgments, costs and expenses (including without limitation, attorneys' fees and costs) with respect to any leasing commission or equivalent compensation alleged to be owing on account of such party's discussions, negotiations and/or dealings with any real estate broker or agent. This Section is not intended to benefit any third parties and shall not be deemed to give any rights to brokers or finders. No commission(s) or finder's fee(s) shall be paid to Tenant, employee(s) of Tenant or any unlicensed representative of Tenant.
24. CONSENT. Whenever Landlord's or Tenant's prior consent or approval is required by this Lease, the same shall not be unreasonably withheld, conditioned or delayed, unless otherwise specifically provided by this Lease. All requests for Tenant consents or approvals required under this Lease shall be submitted to the Facilities Management Director or his or her functional successor. Whenever the consent of Tenant to any act to be performed under this Lease, Landlord must obtain the consent or approval expressly for purposes of this Lease, regardless of whether a consent or approval shall have been granted by Tenant in its regulatory, public utility, or other capacity. No permission, consent, or approval of Tenant contained herein or given pursuant to this Lease is, or shall be construed as, a representation or assurance that the matter consented to or approved complies with applicable laws, regulations, ordinances or codes, nor shall any such consent or approval be construed to authorize any failure to comply with any of the foregoing.

25. RELATIONSHIP TO LANDLORD AND TENANT. Nothing contained herein shall be deemed or construed as creating the relationship of principal and agent, partnership, or joint venture partners, and no provision contained in this Lease, nor any acts of Landlord or Tenant shall be deemed to create any relationship other than that of Landlord and Tenant.
26. TIME. Time is of the essence of each and every one of each Party's obligations, responsibilities and covenants under this Lease.
27. ANTI-DISCRIMINATION. Landlord shall not discriminate on the basis of race, color, marital status, national origin, religious affiliation, disability, sexual orientation, gender identity or expression, sex, status as a family caregiver, military status or status as a veteran who was honorably discharged or who was discharged solely as a result of the person's sexual orientation or gender identity or expression, or age except by minimum age and retirement provisions, unless based upon a bona fide occupational qualification, in the employment or application for employment or in the administration or delivery of services or any other benefits under King County Code Ch. 12.16. Landlord shall comply fully with all applicable federal, state, and local laws, ordinances, executive orders, and regulations that prohibit such discrimination. These laws include, but are not limited to, King County Charter Section 840, chapter 49.60 RCW, and Titles VI and VII of the Civil Rights Act of 1964. Any violation of this provision shall be considered a default of this Lease and shall be grounds for cancellation, termination, or suspension, in whole or in part, of the Lease and may result in ineligibility for further agreements with King County. Notwithstanding anything to the contrary, Tenant shall be entitled to terminate this Lease effective upon written notice to Landlord in the event that Landlord violates the requirements of this Section 27.

28. DEFAULTS/REMEDIES

- 28.1. Termination. Should an Event of Default exist, as defined in Section 28.2 below, Landlord may, unless otherwise provided in this Lease, terminate the Lease. Notwithstanding anything to the contrary contained in this Lease, if Landlord elects to terminate this Lease in accordance with this Section 28.1, Tenant shall have no liability for any obligations under this Lease which arise from and after the date of termination of this Lease.
- 28.2. Breach and Default by Tenant. Each of the following events shall be an "Event of Default" by Tenant and a "breach" of this lease:
- (a) Failure to perform any term, condition, covenant, or requirement of this Lease;
 - (b) The appointment of a receiver to take possession of the Premises or of Tenant's interest in, to, and under this Lease, the leasehold estate or of Tenant's operations on the Premises for any reason, including, without limitation, assignment for benefit of creditors or voluntary or involuntary bankruptcy proceedings, when not released within ninety (90) days; and
 - (c) The subjection of any right or interest of Tenant to or under this Lease to attachment, execution, or other levy, or to seizure under legal process when the claim against Tenant is not released within ninety (90) days.

- 28.3. Notice as a Precondition to Landlord's Remedies. As a precondition to pursuing any remedy for an Event of Default by Tenant, Landlord shall, before pursuing any remedy, (a) where the alleged default is a failure to pay any installment of Rent or other sum when due pursuant to this Lease, give Tenant a thirty (30) day written notice of default and opportunity to cure, specifying in reasonable detail the amount of money not paid and the nature and calculation of each such payment, or (b) where the alleged default is the failure to perform or observe any covenant, condition, or agreement to be performed by Tenant under this Lease, other than a failure to pay rent or any other sum when due, give Tenant a sixty (60) day written notice of default, providing details of the default, and provide Tenant a reasonable opportunity to cure. Where such default other than the failure to pay any installment of Rent or other sum cannot, with reasonable diligence, be cured within such sixty (60) day period, Landlord shall not pursue any remedy provided curative action is commenced within such sixty (60) day period and thereafter pursued with due diligence to completion.
- 28.4. Waiver of Breach. The waiver by Landlord of any breach by Tenant of any of the provisions of this Lease shall not constitute a continuing waiver or a waiver of any subsequent breach by Tenant of either the same or a different provision of this Lease.
- 28.5. Landlord's Default. Landlord shall be in default under this Lease if Landlord fails to cure any breach of its obligations under this Lease within sixty (60) days after receipt of written notice from Tenant specifying in reasonable detail the nature of Landlord's breach; provided, however, that if the nature of Landlord's breach is such that more than sixty (60) days are required for performance, then Landlord shall not be in default if Landlord commences the cure of such breach within sixty (60) days of the receipt of such notice from Tenant. If any Landlord breach is not cured within any required time period under such notice, Tenant may terminate this Lease and have no further obligations hereunder by providing written notice as required herein.
29. SEVERABILITY. Any provision of this Lease which shall prove to be invalid, void, or illegal shall in no way affect, impair, or invalidate any other provision of this Lease.
30. DAMAGE OR DESTRUCTION.
- 30.1. During the Initial Term, all provisions for damage or destruction of the Premises, Shared Space or the Building shall be set forth in Section 24 of the Memorandum.
- 30.2. During any Extended Term, in the event the Premises, or Building are destroyed or damaged by fire, earthquake or other casualty so as to render the Premises or Building, in Tenant's sole judgment, unfit for occupancy or Tenant's intended purpose, and the Landlord neglects or refuses to restore the Premises to its former condition within ninety (90) days of such damage or destruction, Tenant may terminate this Lease upon thirty (30) days written notice to Landlord. In the event of such termination, Landlord and Tenant shall have no further obligations hereunder, except those obligations that expressly survive the expiration or earlier termination of the Lease. In the event the Premises are damaged by any of the aforesaid events, the Rent shall be abated in proportion to the percentage of untenable space in the Premises as relates to the total square footage of the Premises until such time that Landlord restores the Premises to its pre-casualty condition. If, in the sole discretion of

Tenant, the untenable portion of the Premises or the Building renders the Premises unusable for the Permitted Use, Tenant may unilaterally terminate this Lease upon thirty (30) days written notice to Landlord.

31. FORCE MAJEURE. Time periods for either Party's performance under any provision of this Lease shall be extended for periods of time during which the Party's performance is prevented due to circumstances beyond such Party's control, including without limitation, fires, floods, earthquakes, lockouts, pandemic, strikes, embargoes, governmental regulations, acts of God, public enemy, war, or other strife.
32. GOVERNING LAW. This Lease shall be governed by and construed in accordance with the laws of the State of Washington without giving effect to its conflicts of law rules or choice of law provisions.
33. COUNTERPARTS. This Lease may be executed in counterparts, each of which shall constitute an original and all of which constitute but one original. Execution copies of this Lease may be delivered by email, and the Parties hereto agree to accept and be bound by scanned signatures transmitted via email hereto, which signatures shall be considered as original signatures with the transmitted Lease having the binding effect as an original signature on an original document. Neither Party may raise the use of a scanned document or the fact that any signature was transmitted through the use of email as a defense to the enforcement of this Lease.

[No further text]

IN WITNESS WHEREOF, this Lease has been executed the day and year first above set forth.

LANDLORD:

HealthPoint,
a Washington nonprofit corporation

By: _____
Name: Lisa Yohalem
Title: President and Chief Executive Officer

TENANT:

King County,
a political subdivision of the State of
Washington

By: _____
Name: Drew Zimmerman
Title: Director, Facilities Management Division

APPROVED AS TO FORM:

By: _____
Name: Ryan W. Ridings
Title: Senior Deputy Prosecuting Attorney

APPROVED BY CUSTODIAL AGENCY:

By: _____
Name: Michael Gedeon
Title: Chief Administrative Officer,
Department of Public Health

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me, and said person acknowledged that ___ signed this instrument, on oath stated that ___ was authorized to execute the instrument and acknowledged it as the _____ of KING COUNTY, a political subdivision of the State of Washington, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

GIVEN UNDER MY HAND AND OFFICIAL SEAL this _____ day of _____, 2024.

Notary Public: _____
Print Name: _____
My commission expires: _____

(Use this space for notarial stamp/seal)

Exhibit A
Legal Description

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

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

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

Exhibit B-1
Depiction of the Premises
[to be completed prior to execution]

Exhibit B-2
Shared Space
[to be completed prior to execution]

Exhibit B-3
Parking Plan
[to be completed prior to execution]

Exhibit C
Property Security Requirements
[to be completed prior to execution]

Exhibit D
Schedule of Furniture Fixtures and Equipment
[to be completed prior to execution]

EXHIBIT H.

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

WASHINGTON STATE COUNTY AUDITOR/RECORDER INDEXING FORM

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

DECLARATION OF RESTRICTIVE COVENANT

Reference Number(s) of Documents assigned or released:

Additional reference numbers on page ____ of document

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

1. **HEALTHPOINT**

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

1. **KING COUNTY**

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

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

Additional legal is on Exhibit A of document

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

768190-0070

Documents Referenced _____

DECLARATION OF RESTRICTIVE COVENANT

THIS DECLARATION OF RESTRICTIVE COVENANT (“Covenant”) is made, established, and executed as of _____, 2024, by HealthPoint, a Washington nonprofit public benefit corporation (“HealthPoint”).

RECITALS

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

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

C. Pursuant to a Memorandum of Real Estate Contract Sale executed between HealthPoint and King County on this same date and Recorded under King County Rec. No. _____ (the “Memorandum of Contract Sale”), HealthPoint is acquiring the Federal Way Property in a transaction pursuant to which a portion of the consideration is HealthPoint’s commitment to maintain operation of a federally qualified health center on the Federal Way Property on the terms and conditions of this Covenant.

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

1. Operation of a Community Health Center on the Federal Way Property. Except as otherwise expressly authorized under Section 3 of this Covenant, at all times during the term of this Covenant, a community health center recognized as within the scope of a federally qualified health center grant as defined by Section 330 of the Public Health Service Act (“FQHC”), or any successor federal act, shall be operated at the Federal Way Property. The specific services to be provided at the Federal Way Property shall include one or more of the services within the scope of services funded by Section 330 of the Public Health Service Act as of the date of this Covenant or as amended from time to time such as primary care services, dental services, and/or behavioral health services.

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

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

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

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

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

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

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

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

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

[Signature Page Follows]

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

HealthPoint, a Washington nonprofit public benefit corporation

By: _____

Lisa Yohalem
President and Chief Executive Officer

Dated: _____

STATE OF WASHINGTON)

COUNTY OF KING) :ss
)

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

Dated this _____ day of _____, 2024.

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

My commission expires:

EXHIBIT “A”

LEGAL DESCRIPTION OF PROPERTY

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

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

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