

2006-051

REAL ESTATE PURCHASE AND SALE AGREEMENT

THIS REAL ESTATE PURCHASE AND SALE AGREEMENT ("Agreement") is made and entered into as of _____, 2005, by and between **KING COUNTY**, a municipal corporation and political subdivision of the State of Washington (the "**Seller**") and **TOUCHSTONE CORPORATION**, a Washington corporation (the "**Buyer**").

RECITALS

A. **Seller** owns that certain real property located in the City of Seattle, County of King, State of Washington, which consists of approximately 72,893 square feet of land, improved with 18,600 square feet of building, commonly identified as the North Lake Union Maintenance and Repair Facility, located at 3301 Densmore Avenue North, the legal description of which is attached hereto as **EXHIBIT A (the "Property")**.

B. **Seller** is desirous of selling the Property and **Buyer** is desirous of purchasing the Property.

C. **Buyer** is the awarded Proposer (as defined in the RFP) to a Request for Proposal (the "**RFP**") issued by the **Seller** on March 25, 2005, for the sale of the Property, a copy of which is attached hereto as **EXHIBIT B-1**. A copy of **Buyer's** RFP proposal ("**Buyer's Proposal**") is attached hereto as **EXHIBIT B-2**. To the extent of any inconsistency between the RFP, **Buyer's** Proposal, and this Agreement, the terms and conditions of this Agreement shall prevail; provided, however, the terms and conditions of this Agreement shall be interpreted in such manner as is reasonably necessary to preserve the validity of the RFP and **Buyer's** Proposal under the laws of the State of Washington.

D. Located on the Property is a facility used by the **Seller's** Power and Facilities Section, Transit Division. In **Buyer's** Proposal, **Buyer** proposed as part of the purchase price to provide a facility to replace the one currently on the Property (the "**Replacement Facility**") at a different site, as more particularly identified in **Buyer's** Proposal (the "**Replacement Site**"). **Buyer** has already executed a purchase and sale agreement for the purchase of the Replacement Site, a copy of which purchase and sale agreement is included in **Buyer's** Proposal.

E. The Property is subject to a three (3) party consent decree (the "**Consent Decree**"), dated November, 1998, between the Washington Department of Ecology ("**DOE**"), the **Seller**, and the Chevron Corporation ("**Chevron**"). The Consent Decree includes an approved plan for addressing contamination on the Property and property owned by **Seller** south of the Property (the "**Clean Up Action Plan**"). The Clean Up Action Plan has been implemented and on-going monitoring continues. The **Seller** and **Chevron** entered into an agreement in January, 1999, to allocate the cost of implementing the Clean Up Action Plan (the "**Cost Sharing Agreement**").

F. Pursuant to the Consent Decree, development of the Property, absent approval by the DOE, is limited by restrictive covenants. Furthermore, in order to develop the Property, amending the Consent Decree may be necessary before soil can be removed from the Property.

AGREEMENT

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

ARTICLE 1 PURCHASE AND TRANSFER OF ASSETS

1.1 **PROPERTY TO BE SOLD.** Subject to and upon the terms and conditions set forth in this Agreement, Seller shall sell, convey, assign, transfer and deliver to Buyer on the Closing Date (as hereinafter defined in Section 11.1 of this Agreement), and Buyer shall buy, assume and accept from Seller on the Closing Date, the following assets and properties:

- a) all of Seller's right, title and interest in the Property;
- b) all of Seller's right, title and interest in improvements and structures located on the Property, if any; and
- c) all of Seller's tenements, hereditaments, easements and rights appurtenant to the Property, including, but not limited to, all of the Seller's right, title, and interest in and to streets, alleys or other public ways adjacent to the Property, easements for public utilities, all sewers and service drainage easements, all rights of connection to the sewers, and all rights of ingress and egress, and all leases, licenses, government approvals and permits affecting the Property.

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

ARTICLE 2 PURCHASE PRICE

2.1 **PURCHASE PRICE AND PAYMENT.** In consideration of the sale, transfer, conveyance, assignment and delivery of the Purchased Assets, Buyer shall, in full payment therefore as follows:

- a) pay to Seller on the Closing Date a total cash purchase price of **THREE MILLION FIFTY THOUSAND DOLLARS AND ZERO CENTS (\$ 3,050,000.00)** (the "Cash Purchase Price").

b) transfer, convey, assign and deliver the Replacement Site with a Replacement Facility as described in the performance specifications attached hereto as **EXHIBIT C (the "Performance Specifications")**. The Replacement Facility, Replacement Site, and the Cash Purchase Price shall be referred to collectively as the **"Purchase Price"**.

2.2 EARNEST MONEY. Not later than five (5) days following the Date of this Agreement, **Buyer** shall deposit with the Escrow Agent (hereinafter defined in Section 11.1) the sum of **ONE HUNDRED THOUSAND DOLLARS (\$100,000.00)** cash as the earnest money deposit (the **"Earnest Money"**). The Earnest Money will be deposited into an interest bearing account by the Escrow Agent at a financial institution approved by **Buyer**, and all interest accruing thereon shall become a part of the Earnest Money. The Earnest Money shall become non-refundable after **Buyer's** Contingencies 6.1.1, 6.1.2, and 6.1.3 of Article 6 hereinafter described, are satisfied or waived by **Buyer**. On the Closing Date of this transaction, the Earnest Money shall be credited against the Cash Purchase Price. In the event this transaction fails to close as a result of **Seller's** default, the failure of any condition precedent to **Buyer's** obligations, or any reason other than **Buyer's** default, the Earnest Money shall be returned to **Buyer**.

2.3 INCREMENTAL COST OF CONTAMINATION CLEANUP.

2.3.1 Definition of Incremental Costs. In developing the Property, removal and off-site disposal of soil from the Property may be necessary. Due to possible contamination of the soil existing at the time of the Closing Date **Buyer** may incur costs in addition to those that would be incurred if the soil were not contaminated, including, but not limited to, costs associated with the amendment of the Consent Decree (as provided in Section 6.1.3), environmental studies, testing, and monitoring (including future environmental studies, testing, and monitoring post-development of **Buyer's** intended project, as may be required under an amendment to the Consent Decree or other applicable DOE requirements in order to undertake such development), transportation, treatment and disposal of the contaminated soil, any extraordinary engineering and design features (including the costs of materials and labor associated therewith) in **Buyer's** development of the Property for purposes of protecting the improvements to be developed by **Buyer** from contact with any contaminated soils that remain on the Property after the Closing Date and the dispute resolution proceedings of Section 2.3.3 (**"Incremental Costs"**).

2.3.2 Calculation, Documentation, and Payment of Incremental Costs. In the event the Incremental Costs during the **Buyer's** development of the Property are less than **TWO MILLION DOLLARS (\$2,000,000)** the **Buyer** will pay to the **Seller** an amount equal to 50% of the difference between the actual Incremental Costs and **TWO MILLION DOLLARS (\$2,000,000)** (**"Incremental Cost Payment"**). The initial calculation of the actual Incremental Costs (**"Initial Calculation of Incremental Costs"**) shall be determined within thirty (30) days of **Buyer** receiving a final inspection of the building foundation under the applicable development permit from the City of Seattle. The Initial Calculation of Incremental Costs shall be based upon the actual Incremental Costs incurred to such date plus the prospective Incremental Costs to be incurred by **Buyer** as set forth in a budget to be mutually agreed to by **Buyer** and **Seller**. Within thirty (30) days of **Buyer's** and **Seller's** mutual agreement to the Initial Calculation of Incremental Costs, **Buyer** shall remit the Incremental Cost Payment, if any, to **Seller**, and shall

provide regardless of whether an Incremental Cost Payment is due: (a) a detailed report of the Incremental Costs and proof of payment of the various components of the Incremental Costs that have been incurred to the date of the Incremental Cost Payment; (b) a confirmation of thermal desorption (to the extent applicable) in a form acceptable to Seller; and (c) any sampling data and analysis reports obtained by **Buyer** in connection with its remediation activity under the amended Consent Decree or other DOE requirements. **Seller** shall have the right to access and review all **Buyer** records related to the amount of soil removed and the cost of removal, handling and disposal. The final calculation of the actual Incremental Costs ("**Final Calculation of Incremental Costs**") shall be determined within thirty (30) days of **Buyer** receiving a final certificate of occupancy for the building under the applicable development permit from the City of Seattle. The Final Calculation of Incremental Costs shall be based upon the actual Incremental Costs incurred to such date plus the prospective Incremental Costs to be incurred by **Buyer**, or its successors and assigns, for future environmental studies, testing, and monitoring, as may be required under an amendment to the Consent Decree or other applicable DOE requirements (any such amounts to be based on the agreed budget therefor). To the extent the Final Calculation of Incremental Costs is lower than the Initial Calculation of Incremental Costs, **Buyer** shall remit any additional amount owing on the Incremental Cost Payment to Seller within thirty (30) days of **Buyer's** and **Seller's** mutual agreement thereto, along with a detailed report of the Incremental Costs and proof of payment of the various components of the Incremental Costs that have been incurred to the date of such supplemental Incremental Cost Payment. To the extent (a) the Final Calculation of Incremental Costs is greater than the Initial Calculation of Incremental Costs and (b) **Buyer** previously remitted an Incremental Cost Payment to **Seller**, **Seller** shall reimburse **Buyer** for any extra Incremental Cost Payment to Seller that was previously made, which reimbursement shall be made within thirty (30) days of **Buyer's** and **Seller's** mutual agreement thereto.

2.3.3 Dispute Resolution. This Section 2.3.3 is only applicable to a dispute between **Seller** and **Buyer** in connection with the terms and conditions set forth in Sections 2.3.1 and 2.3.2 above. In the event that **Seller** disagrees with **Buyer's** detailed report of the Incremental Costs, then **Buyer** and **Seller** shall attempt to resolve their differences within ten (10) days after **Seller's** notice of disapproval. If **Buyer** and **Seller** are not able to reach agreement, then **Buyer** and **Seller** shall appoint a "Neutral Consultant" (as hereinafter defined) to decide whether or not the detailed report of the Incremental Costs are accurate. If **Buyer** and **Seller** are not able to agree upon a Neutral Consultant within ten (10) days after **Seller's** notice of disapproval, then either party may request the appointment of a Neutral Consultant by the Judicial Arbitration and Mediation Services of Washington. The Neutral Consultant shall determine whether the detailed report of the Incremental Costs is accurate and make a determination of the true Incremental Costs. The Neutral Consultant's determination shall be final and binding and subject to no rights of appeal. "**Neutral Consultant**" shall mean a person with at least ten (10) years of experience as an environmental professional familiar with all aspects of the definition of Incremental Costs and calculation thereof (as defined in Section 2.3.1 above) who shall not have been employed by either party or its affiliates during the five (5) years prior to appointment of the Neutral Consultant. **Buyer** shall bear the costs of the Neutral Consultant, the Judicial Arbitration and Mediation Services or any other third-party service provider involved in this dispute resolution process and include those costs in the calculation of Incremental Costs.

2.4. **ALLOCATION OF PURCHASE PRICE.** Seller and Buyer agree that the entire Purchase Price is allocable to real property and that the value of the Seller's Personal Property, if any, is *de minimus*.

ARTICLE 3 REPRESENTATIONS AND WARRANTIES OF THE PARTIES

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

3.1.1 **Definition of Seller.** The Seller is a municipal corporation and subdivision of the State of Washington duly organized, validly existing and in good standing under the laws of the State of Washington. Seller has all requisite corporate power and authority to carry on its business as it is now being conducted in the place where such businesses are now conducted.

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 municipal corporation, (ii) 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) does not and will not violate any provision of any law, rule, regulation, order, writ, judgment, decree or award to which the Seller is a party to or which is presently in effect and applicable to Seller. This Agreement constitutes the legal, valid and binding obligation of Seller enforceable against Seller in accordance with the terms thereof.

3.1.3 **Litigation.** Other than the cause of action giving rise to the Consent Decree, there is no pending, or to the best of Seller's knowledge, threatened lawsuit or material claim against or relating to Seller with respect to the Property which shall impede or materially affect Seller's ability to perform the terms of this Agreement. There is no pending or, to the best of Seller's knowledge, contemplated condemnation or similar proceeding with respect to the Property or any part thereof.

3.1.4 **Assessments.** There is no pending, or to the best of Seller's knowledge, contemplated local improvement district or other special assessment or charge with respect to the Property, except as may be disclosed in the Title Commitment (as herein defined in Section 5.1.1. of this Agreement).

3.1.5 **Full Disclosure.** No representation or warranty by Seller in this Agreement or in any instrument, certificate or statement furnished to Buyer pursuant hereto, or in connection with the transactions contemplated hereby, contains or will contain any untrue statement of a material fact or fail to state a material fact which is necessary to make the statements set forth therein not false or misleading.

3.1.6 **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**.

3.1.7 Contracts. There are no contracts or other obligations outstanding for the sale, exchange, transfer, lease, rental or use of the Property or any portion thereof.

3.1.8 Future Agreements. From and after the date hereof, unless this Agreement is terminated in accordance with its terms, **Seller** shall not without the prior written consent of **Buyer**:

- (i) enter into any agreement, contract, commitment, lease or other transaction that affects the Property in any way; or
- (ii) sell, dispose of or encumber any portion of the Property.

3.1.9 Maintenance of the Property. **Seller** shall continue to maintain the Property in compliance with all applicable laws and pay all costs of the Property with respect to the period prior to the Closing Date.

3.1.10 Assistance with Due Diligence. **Seller** shall fully and promptly cooperate with **Buyer's** due diligence activities, provided that such cooperation is at no material additional expense or liability to **Seller**. **Seller** shall promptly deliver to **Buyer** all documents and materials concerning the Property which **Buyer** may request during the Contingency Periods (as defined in Section 6.1.5 (a) of this Agreement) that are in **Seller's** possession or control.

3.1.11 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.

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

3.1.13 Hazardous Materials. To the best of **Seller's** knowledge and ability to determine, Exhibit I includes a list of all studies, reports, tests, orders, consent decrees (including the Consent Decree), correspondence, and amendments and supplements thereof (**collectively, the "Environmental Documentation"**) prepared for **Seller** or in **Seller's** possession or control with respect to the compliance of the Property with applicable federal, state, county and local environmental laws and regulations or the presence or use of Hazardous Materials (as defined in Section 4.1) on the Property. True and complete copies of all such Environmental Documentation listed on **Exhibit I** attached hereto, have been provided to **Buyer** for **Buyer's** review.

3.2 REPRESENTATIONS AND WARRANTIES OF BUYER. Buyer represents and warrants as follows:

3.2.1 Organization. Buyer is a 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 place where such businesses are now conducted.

3.2.2 Execution, Delivery and Performance of Agreement, Authority. The execution, delivery and performance of this Agreement by Buyer (i) is within the powers of Buyer as a Corporation, (ii) has been or will be on or before the Closing Date, duly authorized by all necessary action of the Buyer's legislative authority, and (iii) does not and will not violate any provision of any law, rule, regulation, order, writ, judgment, decree or award to which the Buyer is a party to or which is presently in effect and applicable to Buyer. This Agreement constitutes the legal, valid and binding obligation of Buyer enforceable against Buyer in accordance with the terms hereof.

3.2.3 Litigation. There is no pending or, to the best of Buyer's knowledge, threatened lawsuit or material claim against or relating to Buyer that shall impede or materially affect Buyer's ability to perform the terms of this Agreement.

3.2.4 Full Disclosure. No representation or warranty by Buyer in this Agreement or in any instrument, document, certificate or statement furnished to Seller pursuant hereto, or in connection with the transactions contemplated hereby, contains or will contain any untrue statement of a material fact or fail to state a material fact which is necessary to make the statements set forth therein not false or misleading.

3.2.5 Condition of Property. Buyer acknowledges that, within the First Contingency Period described in Article 6 herein, it will have conducted a physical inspection and made all investigations Buyer deems necessary in connection with its purchase of the Purchased Assets, and that, as of the date hereof, Seller has provided Buyer with copies of all reports and other materials listed in Exhibit I. Upon waiver or satisfaction by Buyer of its contingencies pursuant to Article 6, Buyer will be deemed to have approved the physical condition of the Property and agrees to accept and purchase the same "AS IS, WHERE IS", including, without limitation, the existence or non-existence of any pollutants, contaminants, hazardous waste, dangerous waste, toxic waste, underground storage tanks or contaminated soil, or the actual or threatened release, deposit seepage, migration or escape of such substances at, from or into the Property and the compliance or non-compliance of the Property with applicable federal, state, county and local laws and regulations including, without limitation, environmental laws and regulations. Buyer acknowledges and agrees that, except to the extent of Seller's representations, warranties and indemnity obligations set forth in this Agreement, and to the extent of any fraud or deliberate misrepresentation by Seller, Seller shall have no liability for, and that Buyer shall have no recourse against the Seller for, any defect or deficiency of any kind whatsoever in the Property, without regard to whether such defect or deficiency was discovered or discoverable by the Buyer or Seller.

3.2.6 Condition of the Replacement Site. Buyer has not intentionally withheld any material information concerning environmental matters with respect to the Replacement Site. Except as otherwise disclosed by Buyer to Seller in writing, including the information on the Replacement Site delivered by Buyer to Seller, to the best of Buyer's knowledge (i) there has been no generation, treatment, storage, transfer, disposal or release of Hazardous Materials (as defined in Section 4.1 herein) on the Replacement Site at any time during Buyer's ownership or use thereof; (ii) there are no underground storage tanks on the Replacement Site nor have underground storage tanks been removed from the Replacement Site; and (iii) Buyer is not aware of any facts which would lead it to believe that there are any Hazardous Materials on the Replacement Site.

3.2.7 Property Acquisition and Redevelopment. No costs of any nature associated with the purchase of the Property or redevelopment of the Property will ever be or become an obligation of the Seller, and the Buyer shall be solely responsible for all costs associated with the acquisition of the Property and redevelopment of the Property. This is a stand-alone sale, no rights to any other property owned by the Seller are included in this Agreement.

3.2.7.1 Community Elements requirements of the development of the Property. The Buyer's development of the Property must, at a minimum: (i) meet the LEED (Leadership in Energy and Environmental Design) Green Building Rating System of Silver for either the New Construction or Core and Shell category, (ii) demonstrate a pedestrian friendly design that takes in to consideration the pedestrian needs of all four streets abutting the Property, (iii) incorporate into the development a public viewing platform per the required specifications document attached hereto as Exhibit E. In addition, the Buyer will not be allowed to apply for a height variance from the City of Seattle. If the Buyer applies for any change to the land use and zoning regulations applicable to the Property, the height limit restriction applicable to the Property at the time of such application will govern, notwithstanding any such change to the land use and zoning regulations. The community element requirements set forth in this Section 3.2.7.1 will be contained in a deed restriction and shall run with the land.

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

3.2.9 Non Discrimination Compliance. In constructing the Replacement Facility, Buyer shall comply fully with all applicable federal, state and local laws, ordinances, executive orders and regulations that prohibit discrimination. These laws include, but are not limited to, RCW Chapter 49.60, Titles VI and VII of the Civil Rights Act of 1964, the Americans with Disabilities Act, and the Restoration Act of 1987.

3.2.10 Prevailing Wage. In constructing the Replacement Facility, Buyer shall pay and require contractors and subcontractors to pay in connection with such contracts as may be let regarding the construction of the Replacement Facility the prevailing wage, as defined in

RCW Chapter 39.12, to the workmen, laborers and mechanics as may then be determined by the Washington State Department of Labor and Industries for the particular craft in the particular geographic area.

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

ARTICLE 4 HAZARDOUS MATERIAL

4.1 DISCLAIMER OF REPRESENTATION REGARDING HAZARDOUS MATERIAL.

Seller makes no representations or warranties relating to hazardous waste, which may be situated on the Property. Seller specifically disclaims representations or warranties in connection with any condition on the Property, which might be determined to be "Hazardous Materials Contamination." "Hazardous Materials" shall mean: (i) any "dangerous" or "hazardous waste" as defined in Washington Hazardous Waste Management Act (Ch. 70.105 RCW) as amended from time to time and regulations promulgated thereunder; (ii) any "dangerous" or "hazardous waste" as defined in Washington Model Toxic Control Act (Ch. 70.105D RCW) as amended from time to time and regulations promulgated thereunder; (iii) any "hazardous waste" as defined by the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 USCA §§ 9602 et seq.) as amended from time to time and regulations promulgated thereunder; (iv) any "hazardous substance" as defined by the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 USCA §§ 9602 et seq.) as amended from time to time and regulations promulgated thereunder; (v) asbestos; (vi) polychlorinated biphenyls; (vii) underground storage tanks (except septic tanks), whether empty, filled or partially filled with any substance; (viii) any substance the presence of which on the Property is prohibited by any federal, state, county, municipal or other local governmental statutes, regulations, ordinances or resolutions; and (ix) and other substances which by any federal, state, county, municipal or other local governmental statutes, regulations, ordinances or resolutions require special handling or notification in its collection, storage, treatment or disposal. For the purposes of the foregoing disclaimer, "Hazardous Materials Contamination" shall mean the contamination of improvements, facilities, soil, groundwater, air or other elements on or of the Property by Hazardous Materials, or the contamination of any other property as the result of Hazardous Materials at any time emanating from the Property.

4.2 RELEASE OF LIABILITY. Each party, for itself and its successors and assigns, hereby releases and forever discharges the other party, its successors, assigns, officers, directors, shareholders, agents, officials, attorneys and employees, from and against all claims, liabilities, damages, demands, costs, expenses, and causes of action of any kind, known or unknown, (collectively, "Claims") associated with or resulting from the presence of Hazardous Material on the Property as of the Closing Date of this Agreement, except this release shall not apply to

Claims brought in exercise of a party's right to seek indemnity from the other party pursuant to this Agreement.

4.3 INDEMNIFICATION - PROPERTY.

4.3.1 Buyer's Indemnification of Seller. Buyer, for itself and its successors and assigns, agrees to indemnify, defend and hold Seller, its successors, assigns, officers, directors, shareholders, agents, officials, attorneys and employees harmless from and against any and all Claims and agency orders or requirements relating to or arising out of, directly or indirectly: (a) Buyer's excavation, removal, transportation and disposal of material from the Property; and (b) any new release or threatened release of Hazardous Material at or onto the Property after the Closing Date of this Agreement, except to the extent such new release or threatened release is in connection with any matter that is the subject of Seller's indemnity obligations as set forth in Section 4.3.2 below.

4.3.2 Seller's Indemnification of Buyer. Seller, for itself and its successors and assigns, agrees to indemnify, defend and hold Buyer, its successors, assigns, officers, directors, shareholders, agents, officials, attorneys and employees harmless from and against any and all Claims and agency orders or requirements relating to or arising out of, directly or indirectly: (a) any Hazardous Materials that exist on the Property as of the Closing Date that migrates off the Property after the Closing Date from the Property resulting in an increase in the cost of compliance with the Consent Decree or an amendment thereto; or (b) any Hazardous Materials that migrated off of the Property prior to the Closing Date.

4.4 INDEMNIFICATION - REPLACEMENT SITE.

4.4.1 Buyer's Indemnification of Seller. Buyer, for itself and its successors and assigns, agrees to indemnify, defend and hold Seller, its successors, assigns, officers, directors, shareholders, agents, officials, attorneys and employees harmless from and against any and all Claims and agency orders or requirements relating to or arising out of, directly or indirectly, Hazardous Materials on the Replacement Site as of the Closing Date which Claims and agency orders or requirements result from Buyer's activities on the Replacement Site.

4.4.2 "As Is, Where Is" Conveyance of Replacement Site. EXCEPT AS EXPRESSLY SET FORTH IN SECTION 4.4.1 ABOVE OR IN THE CONVEYANCE DOCUMENTS CONVEYING THE REPLACEMENT SITE FROM BUYER TO SELLER, SELLER ACKNOWLEDGES AND AGREES THAT THE REPLACEMENT SITE SHALL BE CONVEYED "AS IS, WHERE IS" IN ITS PRESENT CONDITION OR SUCH OTHER CONDITION AS IS MUTUALLY AGREED TO BY BUYER AND SELLER IN WRITING DURING THE FIRST CONTINGENCY PERIOD. SELLER SHALL HAVE THE OPPORTUNITY TO INSPECT THE REPLACEMENT SITE AND DOCUMENTATION IN BUYER'S POSSESSION OR REASONABLY OBTAINABLE BY BUYER, AS PROVIDED HEREIN. EXCEPT AS EXPRESSLY SET FORTH IN THE CONVEYANCE DOCUMENTS CONVEYING THE REPLACEMENT SITE FROM BUYER TO SELLER OR SUCH OTHER MUTUALLY WRITTEN AGREEMENT BETWEEN BUYER AND SELLER, BUYER MAKES NO REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, WITH

RESPECT TO, HEREBY DISCLAIMS AND SHALL HAVE NO LIABILITY FOR THE PRESENCE OF ANY HAZARDOUS MATERIALS ON OR UNDER THE REPLACEMENT SITE. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, BUYER SHALL HAVE NO LIABILITY WITH RESPECT TO THE CONDITION OF THE REPLACEMENT SITE UNDER COMMON LAW, OR ANY FEDERAL, STATE, OR LOCAL LAW OR REGULATION, INCLUDING BUT NOT LIMITED TO THE COMPREHENSIVE ENVIRONMENTAL RESPONSE, COMPENSATION AND LIABILITY ACT OF 1980 AS AMENDED, 42 U.S.C.A. SECTIONS 9601 ET SEQ., AND THE WASHINGTON STATE MODEL TOXICS CONTROL ACT AS CODIFIED IN RCW 70.105D, AND SELLER HEREBY RELEASES AND WAIVES ANY AND ALL CLAIMS WHICH SELLER HAS OR MAY HAVE AGAINST BUYER UNDER ANY SUCH LAWS OR WITH RESPECT TO THE CONDITION OF THE REPLACEMENT SITE. SELLER ACKNOWLEDGES TO BUYER THAT SELLER IS GIVEN THE OPPORTUNITY UNDER THIS AGREEMENT TO FULLY INSPECT THE REPLACEMENT SITE, AND SELLER ASSUMES THE RESPONSIBILITY AND RISKS OF ALL DEFECTS AND CONDITIONS, INCLUDING SUCH DEFECTS AND CONDITIONS, IF ANY, THAT CANNOT BE OBSERVED BY CASUAL INSPECTION.

4.5 BUYER'S RELEASE OF CLAIMS REGARDING IMPACT TO PROPERTY'S VALUE INDEMNIFICATION. Buyer, for itself and its successors and assigns, releases Seller, its successors, assigns, officers, directors, shareholders, agents, officials, attorneys and employees from any claims for damage to the Property or the diminution of the value of real property arising from the existence of Hazardous Material on the Property or adjacent to the Property. This release will be a covenant on the deed and shall run with the land.

4.6 CONTAMINATED SOIL. Any contaminated soil removed from the Property shall be disposed of in accordance with the laws and regulations applicable to such removal and disposal; provided, however, that all contaminated soil removed from the Property containing one or more contaminants above a remediation level established as part of a new Cleanup Action Plan or, if a new Clean Up Action Plan is not required, established by the parties prior to the Closing Date in consultation with DOE shall be disposed of by an approved thermal desorption method. **All costs and liability associated with the removal and treatment of contamination, due to the future development of the Property or otherwise will be borne by the Buyer.**

4.7 CONTINUING CLEANUP OPERATIONS. The Buyer shall grant to Seller, DOE and Chevron any and all authorization necessary for the continued operation, maintenance, monitoring and inspection of any containment system, treatment system and monitoring system on the Property required pursuant to the Consent Decree, as may be amended in connection with Buyer's development of the Property.

4.8 SURVIVAL AFTER CLOSING. The provisions set forth in this Article 4 shall survive closing and shall be perpetual covenants of Buyer, Seller, and their successors and assigns. At Closing, Buyer and Seller shall deliver to each other certifications or such documentation as is reasonably necessary to evidence the continuing nature of the provisions under this Article 4 and affirmatively stating that such covenants shall survive beyond the one (1) year survival period set forth in Section 13.1.

**ARTICLE 5
TITLE MATTERS**

5.1 TITLE FOR PROPERTY.

5.1.1 Title Commitment. Within the First Contingency Period (as defined in Section 6.1.5(a) of this Agreement), **Buyer** shall obtain a current ALTA form of commitment for an owner's 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, and including legible copies of all exceptions shown in the Title Commitment.

5.1.2 Survey. Prior to the expiration of the Second Contingency Period (as defined in Section 6.1.5(a) of this Agreement), **Buyer** shall have the option, at its expense, to have prepared and furnished to the Title Company, **Buyer** and **Seller** a survey (the "**Survey**") of the Property prepared by a licensed surveyor.

5.1.3 Review of Title Commitment and Survey. **Buyer** shall have until fourteen (14) days after receipt of the last dated Title Commitment and Survey, if any has been obtained, (the "**Review Period**") in which to notify **Seller** of any objections **Buyer** has to any matters shown or referred to in the Title Commitment or Survey. Any exceptions or other items that are set forth in the Title Commitment or the Survey and to which **Buyer** does not object within the Review Period shall be deemed to be permitted exceptions ("**Permitted Exceptions**"). With regard to items to which **Buyer** does object within the Review Period, **Seller** shall notify **Buyer** within ten (10) days after **Seller** receives **Buyer's** notice of objections of any exceptions to the title or items on the Survey which **Seller** is not willing or able to remove or otherwise resolve, and **Buyer** may, at **Buyer's** option, either waive the objections not cured or **Buyer** may terminate this Agreement by written notice to **Seller**. Notwithstanding the foregoing, all monetary liens or encumbrances shall be paid by **Seller** on the Closing Date.

5.2 CONVEYANCE OF TITLE FOR PROPERTY. **Seller** shall convey to **Buyer** the title to the Property by Statutory Warranty Deed in the form attached hereto as **EXHIBIT G**, subject only to the Permitted Exceptions. Rights reserved in federal patents or state deeds, building or use restrictions general to the district, and building or zoning regulations or provisions shall be deemed Permitted Exceptions.

5.3 TITLE FOR REPLACEMENT SITE.

5.3.1 Title Commitment. Within fifteen (15) days after the date of this Agreement, **Buyer** shall obtain a current ALTA form of commitment for an owner's policy of title insurance (the "**Replacement Site Title Commitment**") issued by Chicago Title Insurance Company (the "**Title Company**"), describing the Replacement Site, listing **Seller** as the prospective named insured and showing as the policy amount of **EIGHT MILLION FIVE HUNDRED THOUSAND DOLLARS AND ZERO CENTS (\$8,500,000.00)**, and including legible copies of all exceptions shown in the Title Commitment.

5.3.2 Survey. On or before Closing, **Seller** shall have the option, at its expense, to have prepared and furnished to the Title Company, a new or updated survey (the "**Replacement Site Survey**") of the Replacement Site prepared by a licensed public surveyor.

5.3.3 Review of Replacement Site Title Commitment and Survey. **Seller** shall have thirty (30) days after receipt of the Replacement Site Title Commitment and Survey, if any has been obtained, (the "**First Replacement Site Title Review Period**") in which to notify **Buyer** of any objections **Seller** has to any matters shown or referred to in the Replacement Site Title Commitment or Survey. Any exceptions or other items that are set forth in the Replacement Site Title Commitment or the Survey and to which **Seller** does not object within the First Replacement Site Title Review Period shall be deemed to be permitted exceptions ("**Replacement Site Permitted Exceptions**"). With regard to items to which **Seller** does object within the First Replacement Site Title Review Period, **Buyer** shall notify **Seller** within thirty (30) days after **Buyer** receives **Seller's** notice of objections of any exceptions to the title or items on the Survey which **Buyer** is not willing or able to remove or otherwise resolve, and **Seller** may, at **Seller's** option, either waive the objections not cured or **Seller** may terminate this Agreement by written notice to **Buyer** delivered on or before the end of the First Contingency Period.

After the date of this Agreement and except as provided in this Agreement, **Buyer** agrees not to further alter or encumber or convey in any way **Buyer's** title to or interest in the Replacement Site in a manner which would survive the Closing Date without **Seller's** prior written consent. As soon as reasonably practical, **Buyer** shall give **Seller** written notice of any encumbrances or liens that **Buyer** (or any third party of which **Buyer** is aware) intends to place on title to the Replacement Site and to become a Replacement Site Permitted Exception (each an "**Additional Exceptions Notice**"). **Seller** shall have fourteen (14) days after receipt of any Additional Exceptions Notice within which to object to any such encumbrances or liens being included in the Replacement Site Permitted Exceptions. If **Buyer** cannot or will not cure or satisfy any such objection within thirty (30) days after **Buyer's** receipt of an objection notice (as provided in this paragraph) from **Seller**, **Seller** may, at **Seller's** option, either waive the objections not cured or terminate this Agreement by written notice to **Buyer** delivered within ten (10) days after the end of **Buyer's** 30-day cure period; provided, however, to the extent reasonably necessary to remove any such encumbrances, the Closing Date shall be extended to accommodate **Buyer's** cure period hereunder, and the Closing Date shall be automatically extended to allow all time periods in this Section to run fully. All matters of title approved or waived by **Seller** shall be deemed to be Replacement Site Permitted Exceptions. On or before the Closing Date, **Seller** shall be obligated to remove or cause the Title Company to insure over and to provide an owner's affidavit sufficient to enable Title Company to delete or remove any exceptions, other than the Replacement Site Permitted Exceptions.

5.4 CONVEYANCE OF TITLE FOR REPLACEMENT SITE. **Buyer** shall convey to **Seller** the title to the Replacement Site by Statutory Warranty Deed in the form attached hereto as **EXHIBIT H**, subject only to the Replacement Site Permitted Exceptions. Rights reserved in federal patents or state deeds, building or use restrictions general to the district, and building or zoning regulations or provisions shall be deemed to be Replacement Site Permitted Exceptions.

ARTICLE 6 CONTINGENCIES

6.1 BUYER'S CONTINGENCIES.

6.1.1 Due Diligence Inspection and Feasibility for the Property. 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. The Buyer, its designated representatives or agents shall have the right, at Buyer's expense to: (i) 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 in Section 6.1.6.); (ii) obtain a Phase I or Phase II Environmental Assessment on the Property; (iii) examine due diligence materials (including, without limitation, the reports and materials listed in Exhibit D) that Buyer may reasonably request from Seller that are not subject to attorney-client privileged or that the Seller is not otherwise prohibited from disclosing by law; (iv) 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 (v) determine whether Buyer's proposed development of the Property is economically feasible.

6.1.2 Due Diligence Inspection and Feasibility for the Replacement Site. Buyer shall satisfy itself by investigation and inspection, at its cost and expense in its sole and absolute discretion, that the condition of the Replacement Site for the Replacement Facility meets with its approval. The Buyer, its designated representatives or agents shall, at its own expense, perform any and all tests, inspections, studies, surveys or appraisals deemed necessary, to determine the viability of the Replacement Site, per the stated requirements of Performance Specifications. In connection with the contingency set forth in this Section 6.1.2, Buyer and Seller shall negotiate in good faith with each other and mutually agree upon a schedule for preparing the construction plans and specifications (the "Plans and Specifications") and for course of construction inspections not already provided for in the Performance Specifications to ensure the substantial compliance therewith.

6.1.3 Amendment of Consent Decree. The Buyer, at its sole cost, shall obtain Seller's, DOE's and Chevron's approval of a new Cleanup Action Plan and arrange for the entry of an amended Consent Decree, if required by DOE. Seller shall reasonably cooperate with Buyer and shall use its best efforts to obtain DOE's and Chevron's cooperation. Seller's approval shall not be unreasonably withheld or delayed. Buyer and Seller agree that each of them shall bear their own costs in connection with the amendment of the Consent Decree and the drafting and negotiation thereof between themselves and among the other parties; provided, however, that Buyer shall be responsible for DOE's time and expenses associated with the amendment of the Consent Decree, or other approval necessary to undertake Buyer's proposed development, that may be billed to Seller pursuant to the existing Consent Decree.

6.1.4 Project Approvals. The Buyer, at its sole cost, shall obtain the approvals and permits for Buyer's development projects on both the Property and the Replacement Site, including the issuance of all land use approvals/permits, building permits, site plan approvals,

environmental approvals, and any other governmental approvals necessary for the **Buyer** to develop and construct the proposed Property and Replacement Facility projects. The permits and approvals referred to in this Section 6.1.4 shall be referred to herein collectively as **"Project Approvals"**. For the purposes of this Section, the Project Approvals shall not be deemed to have been "obtained" until each of the same has become final and non-appealable, and any periods for challenge to the same (or other conditions to final effectiveness) shall have expired. Any conditions, requirements for on-site and off-site improvements or services, in-lieu fees or payments, dedication or reservation requirements, water rights acquisition costs, local improvement district costs, connection charges, assessments, mitigation fees, impact fees, permit fees and any other similar fees and charges imposed on either of the projects by any governmental entity or utility service provider shall be acceptable to **Buyer** and shall be subject to **Buyer's** approval in its sole and absolute discretion.

6.1.5 Contingency Periods and Extensions.

(a) The period for the contingencies described in Sections 6.1.1, 6.1.2 and 6.1.3, to be waived and/or satisfied, shall be four (4) months from the date of execution of this Agreement (**the "First Contingency Period"**). The period for the contingency described in Section 6.1.4, to be waived and/or satisfied, shall be one (1) year from the date of execution of this Agreement (**the "Second Contingency Period"**). The two periods shall run concurrently. In the event one or more of the contingencies is not satisfied or waived within the applicable period, **Buyer** may terminate this Agreement upon written notice to **Seller** on or before the expiration of the applicable period, and neither party shall have any further rights or obligations to the other hereunder. Further, in the event **Buyer** determines that the contingencies are satisfied or waived, **Buyer** shall give written notice thereof to **Seller**. In the event of **Buyer's** failure to timely deliver notice of its election to terminate or its satisfaction or waiver of the respective contingencies, **Seller** shall deliver written notice to **Buyer** that this Agreement shall automatically terminate, unless **Buyer** responds to such notice from **Seller** within ten (10) days of **Buyer's** receipt thereof. In the event **Buyer** fails to respond to such notice from **Seller**, then this Agreement shall be deemed to be terminated, the Earnest Money shall be returned to **Buyer**, and the parties shall have no further rights or obligations hereunder, except for such rights and obligations as expressly survive the termination of the Agreement.

(b) In the event **Buyer** has made substantial progress on the satisfaction of the contingencies set forth in Section 6.1.3 and is continuing to pursue the full satisfaction of that contingency with due diligence, **Buyer** shall have the right to extend the First Contingency Period for Section 6.1.3 only, by one (1) period of two (2) months by giving written notice of the exercise of such extension on or before the end of the First Contingency Period. Further, **Buyer** has the right to extend the Second Contingency Period for three (3) consecutive periods of six (6) month each by giving written notice of the exercise of such extension(s) on or before the end of the Second Contingency Period, or extended Second Contingency Period, as applicable; provided, however, in no event shall the Second Contingency Period extend beyond the Closing Date. Upon the exercise of each of the extensions of the Second Contingency Period, the **Buyer** will deposit with the Escrow Agent additional earnest money as follows: Fifty Thousand Dollars (\$50,000) with the exercise of the first extension; and Seventy-Five Thousand

Dollars (\$75,000) with the exercise of each of the second and third extensions, as applicable. The additional earnest money deposit made hereunder shall be added to and become part of the Earnest Money.

6.1.6 Right of Entry. Buyer and Buyer's designated representatives or agents shall have the right to enter the Property pursuant to a King County right of entry permit, which shall not be unreasonably withheld, delayed or conditioned and conduct the tests, investigations and studies set forth in this Article 6 upon three (3) days advance written notice. Invasive tests of the Property, such as drilling or excavation shall be subject to Seller's prior written approval. The Buyer will not be permitted to undertake activities that materially damage the Seller's property.

6.2 SELLER CONTINGENCIES.

6.2.1 Due Diligence Material. Buyer shall provide Seller, or make available to Seller for inspection as soon as possible, but in no event later than issuance of a Certificate of Occupation for the Replacement Facility unless otherwise specified herein, all materials specified in this paragraph 6.2.1 that exist and that are in Buyer's actual possession or that Buyer knows exist and to which Buyer has access (collectively, the "Due Diligence Materials"). If Buyer thereafter discovers any additional items that should have been included among the Due Diligence Material, Buyer shall promptly deliver them to Seller. Due Diligence Materials shall include:

- a) all surveys, plats or plans relating to the Replacement Site;
- b) (i) all governmental permits and approvals obtained or held by Buyer and relating to the construction, operation, use or occupancy of any part of the Replacement Site and/or Facility and (ii) any notices of violations of any such permits or approvals; and
- c) (i) all environmental assessment reports with respect to the Replacement Site that were performed or are being performed by or for Buyer, which may include a Phase 1 Environmental Site Assessment, done per the latest ASTM standards and, if subsurface contamination is identified in a Phase 1 assessment, a Phase 2 Environmental Site Assessment (ii) any raw data that relates to the environmental condition of the Replacement Site, (iii) any governmental correspondence, orders, requests for information or action and other legal documents that relate to the presence of Hazardous Material (as defined in Section 4.1 herein) on, in or under the Replacement Site, and (iv) any information material to the environmental condition or potential contamination of the Replacement Site.
- d) Provide the following for the Replacement Facility:
 - (i) Plans and Specifications
 - (ii) all permits/conditions required by the appropriate jurisdiction
 - (iii) geotechnical report

- (iv) building inspection report
- (v) utility inspection report
- (vi) equipment inspection reports
- (vii) electrical test and inspection report
- (viii) mechanical inspection report
- (ix) fire alarm inspection report
- (x) monthly construction inspection reports with photos
- (xi) a report identifying any deviations from the performance specifications
- (xii) all O&M manuals (to be delivered on or before the Closing Date)

6.2.2 Amendment of Consent Decree. Seller shall satisfy itself that Buyer has developed an acceptable Clean Up Action Plan for the Property, obtained DOE and Chevron's approval of the new Clean up Action Plan and that an amended Consent Decree has been entered if such an amendment is required by DOE.

6.2.3 Seller's Approval of the Replacement Site. Seller may satisfy itself by investigation and inspection that the condition of the Replacement Site for Seller's contemplated use meets with its approval, such determination not to be unreasonably withheld or delayed. In addition to reviewing the Due Diligence Materials, the Seller, its designated representatives, or agents may, at its own expense, perform any and all tests, inspections, studies, surveys or appraisals deemed necessary, to determine the viability of the Replacement Site, per the stated requirements of Performance Specifications. In connection with the contingency set forth in this Section 6.2.3, Buyer and Seller shall negotiate in good faith with each other and mutually agree upon a schedule for preparing the Plans and Specifications and for course of construction inspections not already provided for in the Performance Specifications to ensure the substantial compliance therewith.

6.2.4 Seller's Approval of the Replacement Facility. Seller may satisfy itself by investigation and inspection that the Replacement Facility substantially comply with the Performance Specifications and Plans and Specifications and that all mechanical and electrical systems are new and in good working condition, such determination not to be unreasonably withheld or delayed. In addition to reviewing the Due Diligence Materials, the Seller, its designated representatives, or agents may, at its own expense, perform any and all tests, inspections, studies, surveys or appraisals deemed necessary, to determine such substantial compliance of the Replacement Facility.

6.2.5 Contingency Periods.

(a) The period for the contingencies described in Sections 6.2.2 and 6.2.3 to be waived and/or satisfied shall be the First Contingency Period. Any extension of the First Contingency Period requested by Buyer for Section 6.1.3 shall also apply to the contingency in

Section 6.2.2. The period for the contingency described in Section 6.2.4 to be waived and/or satisfied shall expire one (1) business day prior to the Closing Date under this Agreement. In the event one or more of the contingencies is not satisfied or waived within the applicable period, **Seller** may terminate this Agreement upon written notice to **Buyer** on or before the expiration of the applicable period. Further, in the event **Seller** determines that the contingencies are satisfied or waived, **Seller** shall give written notice thereof to **Buyer**. In the event of **Seller's** failure to timely deliver notice of its election to terminate or its satisfaction or waiver of the respective contingencies, **Buyer** shall deliver written notice to **Seller** that this Agreement shall automatically terminate unless **Seller** responds to such notice from **Buyer** within ten (10) days of **Seller's** receipt thereof. In the event **Seller** fails to respond to such notice from **Buyer**, then the respective contingency shall be deemed to not be satisfied or waived. In the event such failure of the contingency results in a termination of this Agreement, the Earnest Money shall be returned to **Buyer**, and the parties shall have no further rights or obligations hereunder, except for such rights and obligations as expressly survive the termination of the Agreement; provided, however, if the failure of such contingency that gave rise to a notice of termination is reasonably capable of being cured by **Buyer**, then **Buyer** shall give written notice of its intent to cure such failure within three (3) business days of receipt of **Seller's** termination notice, and **Buyer** shall have a period of thirty (30) days after receipt of such termination notice from **Seller** in which to effectuate such cure and deliver evidence thereof to **Seller**; provided, however, if such cure cannot reasonably be accomplished within such 30-day period, and **Buyer** commences to make such cure within the 30-day period and is diligently pursuing the accomplishment thereof, then such cure period shall continue for a reasonable period of time as agreed to by **Buyer** and **Seller** in writing prior to the end of the 30-day period to allow the accomplishment of the cure (the "Contingency Failure Cure Period"). In the event that **Buyer** elects to cure a failed contingency as provided in the preceding sentence, all periods and dates for performance by either party under this Agreement shall be extended for the Contingency Failure Cure Period. Unless **Buyer** effectuates such cure within the Contingency Failure Cure Period, as evidenced by a notice from **Seller** retracting the termination prior to the expiration of the Contingency Failure Cure Period or by **Seller's** performance thereafter, this Agreement shall terminate, and the parties shall have the remedies otherwise set forth in this Agreement.

(b) In addition to the foregoing remedies, in the event the contingencies of Section 6.2.3 are not satisfied, as an alternative to termination, **Seller** may request an extension of the applicable contingency period of a reasonable amount of time. **Seller** shall provide written notice to **Buyer** of a request for an extension of a specific time period on or before the expiration of the applicable contingency period. Unless **Buyer** objects in writing within five (5) business days of receipt of the notice, the request shall be deemed approved. **Seller** may also request in the notice that **Buyer** propose a site other than the Replacement Site that meets the minimum qualification requirements for a replacement site as set forth in Section II(E) of the Request for Proposal. If **Buyer** approves the request, the parties shall agree on a time period by which **Buyer** shall perform. The applicable contingency period for Section 6.2.3 shall be deemed extended during negotiations of the time period for **Buyer's** performance and during the agreed upon time for performance. If **Buyer** proposes a substitute site that meets the minimum qualifications within the agreed upon time, **Seller** shall give written notice to **Buyer** of acceptance of the substitute. Upon such notice, the substitute site shall become the Replacement Site for all purposes of this

Agreement. **Seller** shall have four (4) months from sending the notice of acceptance to satisfy or waive the contingencies in Section 6.2.3 in relation to the substitute replacement site. If **Buyer** denies either request or fails to respond to a request for an substitute replacement site within five (5) business days, **Seller** shall have an additional five (5) business days or the remainder of the applicable contingency period, whichever is longer, to deliver a notice to **Buyer** of **Seller's** decision to terminate the Agreement.

6.2.6 Right of Entry. **Seller** and **Seller's** designated representatives or agents shall have the right and **Buyer** hereby grants to **Seller** and **Seller's** designated representatives the right to enter the Replacement Site and conduct the tests, investigations and studies set forth in this Section 6.2 of this Agreement upon three (3) days advance written notice. Invasive tests of the Replacement Site, such as drilling or excavation shall be subject to **Buyer's** prior written approval. The **Seller** will not be permitted to undertake activities that materially damage **Buyer's** property or the Replacement Site.

6.3. INDEMNIFICATION. To the maximum extent permitted by law, each party shall defend, indemnify and hold harmless the other party and all of its officials, employees, principals and agents from all claims, demands, suits, actions, and liability of any kind, including injuries to persons or damages to property, which arise out of, are connected with, or are due to any negligent acts or omissions of the indemnifying party, its contractors, and/or employees, agents, and representatives related to the authority granted under this Agreement; provided, however, that if (and only if) the provisions of RCW 4.24.115 apply and any such damages and injuries to persons or property are caused by or result from the concurrent negligence of the **Buyer** or its contractors, employees, agents, or representatives, and the **Seller** or its contractors, employees, agents, or representatives, each party's obligation hereunder applies only to the extent of the negligence of such party or its contractor or employees, agents, or representatives. Each party specifically assumes potential liability for actions brought by its own employees against the other party and for that purpose each party specifically waives, as to the other party only, any immunity under the Worker's Compensation Act, RCW Title 51; and the parties recognize that this waiver was the subject of mutual negotiation and specifically entered into pursuant to the provisions of RCW 4.24.115, if applicable. Unless subject to the terms and conditions of Article 4 of this Agreement, **Buyer**, its successors and assigns, agrees to indemnify, defend and hold **Seller** harmless from and against any and all claims and agency orders or requirements relating to or arising out of, directly or indirectly, the Property after the Closing Date of this Agreement.

ARTICLE 7 COVENANTS OF SELLER PENDING CLOSING

7.1 CONDUCT, NOTICE OF CHANGE. **Seller** covenants that between the date hereof and the Closing Date, **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 Date (except such representations, warranties and matters which relate solely to an earlier date), and all covenants of **Seller** set forth in this Agreement which are required to be performed by it at or prior to the Closing Date shall have been performed at or prior to the Closing Date as provided for in this Agreement. **Seller** shall give **Buyer** prompt written notice of any material

change in any of the information contained in the representations and warranties made in Article 3 or elsewhere in this Agreement which occurs prior to the Closing Date.

ARTICLE 8 COVENANTS OF BUYER PENDING CLOSING

8.1 CONDUCT, NOTICE OF CHANGE. Buyer covenants that between the date hereof and the Closing Date, 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 Date (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 Date shall have been performed at or prior to the Closing Date as provided for 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 Date.

ARTICLE 9 CONDITIONS PRECEDENT TO BUYER'S OBLIGATIONS

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

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

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

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

9.4 TITLE. Any and all matters shown or referred to in the Title Commitment to which Buyer has objected within the time specified in Section 5.1, shall have been cured by Seller, unless such objections have been waived by Buyer. The Title Company shall provide an ALTA owner's extended coverage policy of title insurance, Form B 1970 (revised 10/17/70), with survey and legal lot endorsements, insuring that fee title to the Property (together with any access easements) is vested in Buyer, subject to no defects or encumbrances except for the lien of real property taxes for the current year and such matters as approved or waived by Buyer as set forth in Section 5.1. The policy of title insurance shall be written in the amount of the Purchase Price or such other amount as Buyer may reasonably request, including provision for increases in such amount for Buyer's improvements to the Property.

9.5 CONDEMNATION. No portion of the Purchased Assets shall have been taken or damaged by any public or quasi-public body and Seller shall not have transferred any portion of the Purchased Assets to any such body in lieu of condemnation.

ARTICLE 10 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 Date, and Buyer shall exert its best efforts to cause each such condition to be so fulfilled:

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

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

10.3 APPROVAL OF COUNSEL. Seller's counsel shall have approved this document as to form as evidenced by such counsel's signature on this Agreement.

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

10.5 TITLE FOR PROPERTY. Buyer shall have caused the Title Company to be irrevocably committed to issue an owner's policy of title insurance for the Property as provided in Section 9.4, effective as of the Closing Date, containing no exceptions other than the Permitted Exceptions.

10.6 TITLE FOR REPLACEMENT SITE.

10.6.1 Buyer shall have caused the Title Company to be irrevocably committed to issue a standard owner's policy of title insurance for the Replacement Site in the amount of **EIGHT MILLION FIVE HUNDRED THOUSAND DOLLARS AND ZERO CENTS (\$8,500,000.00)**, effective as of the Closing Date, containing no exceptions other than the Replacement Site Permitted Exceptions. Seller shall have the right to request that an ALTA extended policy be issued instead of a standard owner's policy. If Seller so requests, Seller shall pay the difference between the ALTA extended policy and a standard owner's policy.

10.6.2 Any and all matters shown or referred to in the Title Commitment to which Seller has objected within the time specified in Section 5.3.3, shall have been cured by Buyer, unless such objections have been waived by Seller.

10.7 COUNTY APPROVAL OF REPLACEMENT SITE. Buyer shall have completed construction of the Replacement Facility substantially in compliance with the Performance Specifications and the Plans and Specifications, as evidenced by the issuance of a Certificate of Occupation, and Seller has approved the Replacement Facility in accordance with the terms and conditions of Section 6.2.4.

ARTICLE 11 CLOSING

11.1 CLOSING DATE. The closing of this transaction shall take place within forty (40) days after Buyer delivers to Seller notice of the issuance of a Certificate of Occupation for the Replacement Facility or within three (3) years and six (6) months following execution of this Agreement, unless the parties mutually agree in writing to another period, whichever period would expire first (the "Closing Date"). Upon execution of this Agreement, the parties agree to set up an escrow account with Chicago Title Insurance Company of Washington (the "Escrow Agent"). The Escrow Agent shall serve as a closing agent for the transaction contemplated herein and the closing shall occur in the offices of Escrow Agent in Seattle, Washington. The title, right of possession and interest to the Purchased Assets shall pass to Buyer upon the Closing Date and thereafter the risk of loss thereof shall be the responsibility of Buyer. The title, right of possession and interest to the Replacement Site and Replacement Facility shall pass to the Seller upon the Closing Date, free of any and all liens and thereafter the risk of loss thereof shall be the responsibility of the Seller.

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

11.2.1. Closing Costs. Buyer shall pay all closing costs and obtain all Title Insurance policies associated with this Agreement and the purchase and sale of the Replacement Site, including but not limited to, escrow fee charged by the Escrow Agent, the cost of the preliminary and binding title commitments from the Title Company, the recording fees for the deed and its own attorneys' fees. Except as otherwise provided in Section 11.2 of this Agreement, all other expenses hereunder shall be paid by the party incurring such expenses.

11.2.2 Taxes. Seller is exempt by law from the payment of real property ad valorem taxes, LIDs and assessments ("Taxes") on the Property.

11.3 MONETARY LIENS.

11.3.1 Property. Except as otherwise expressly provided to the contrary in this Agreement, Seller shall pay or cause to be satisfied at or before the Closing Date all monetary liens on or with respect to all or any portion of the Property. If Seller fails to satisfy said liens, the Purchase Price shall be reduced by the amounts due to satisfy and discharge the liens.

11.3.2 Replacement Site. Except as otherwise expressly provided to the contrary in this Agreement, Buyer shall pay or cause to be satisfied at or before the Closing Date

all monetary liens on or with respect to all or any portion of the Replacement Site. If Buyer fails to satisfy said liens, the Cash Purchase Price shall be increased by the amounts due to satisfy and discharge the liens.

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

(a) Seller's Certificate of Non-Foreign Status substantially in the form of **EXHIBIT D**, attached hereto;

(b) A Statutory Warranty Deed conveying the Property in the form of **EXHIBIT G** attached hereto, including all applicable covenants.

11.5. BUYER'S DELIVERY OF DOCUMENTS AND PURCHASE PRICE AT CLOSING. At the Closing, Buyer will deliver to Seller the following properly executed documents:

a) Cash or immediately available funds in the amount of the Cash Purchase Price.

b) Buyer's Certificate of Non-Foreign Status substantially in the form of **EXHIBIT F** attached hereto;

c) A Statutory Warranty Deed conveying the Replacement Site in the form of **EXHIBIT H** attached hereto.

11.6. OTHER DOCUMENTS. Buyer and Seller shall execute and deliver all other documents or instruments that may be necessary or desirable to render this Agreement and the transaction contemplated herein legally and practically effective.

ARTICLE 12 TERMINATION

12.1 TERMINATION BY EITHER PARTY. Subject to the cure rights set forth below, either party may terminate this Agreement if a condition to its obligation to consummate the transactions contemplated by this Agreement as set forth in Articles 9 and 10 has not been satisfied by the Closing Date. In that event, if neither party is in default under this Agreement, the parties shall have no further obligations or liabilities to one another, the Earnest Money shall be returned to the Buyer and all documents delivered to the Escrow Agent shall be returned to the appropriate party. Notwithstanding anything to the contrary in this Section 12.1, if the failure of any condition set forth in Articles 9 and 10 is reasonably capable of being cured by the party responsible therefor, then such party (the "**Curing Party**") shall give written notice of its intent to cure such failure within three (3) business days of receipt of the other party's termination notice, and the Curing Party shall have a period of thirty (30) days after receipt of such termination notice in which to effectuate such cure and deliver evidence thereof to the other party; provided, however, if such cure cannot reasonably be accomplished within such 30-day period,

and the Curing Party commences to make such cure within the 30-day period and is diligently pursuing the accomplishment thereof, then such cure period shall continue for a reasonable period of time as agreed to in writing by the parties prior to the end of the 30-day period to allow the accomplishment of the cure.

ARTICLE 13 MISCELLANEOUS PROVISIONS

13.1 NATURE AND SURVIVAL OF REPRESENTATIONS AND WARRANTIES. Each statement, representation, warranty, indemnity, covenant, and agreement made by Seller and Buyer in this Agreement or in any document, certificate or other instrument delivered by or on behalf of Seller or Buyer pursuant to this Agreement or in connection herewith shall be deemed the representation, warranty, indemnity, covenant and agreement of Seller and Buyer and shall survive the Closing Date for a period of one (1) year, unless a different time period is expressly provided for in this Agreement, and all such statements are made only to and for the benefit of the parties hereto and shall not create any rights in other persons.

13.2 DEFAULT.

13.2.1 SELLER'S REMEDY PRIOR TO COMMENCEMENT OF CONSTRUCTION OF REPLACEMENT FACILITY. SELLER AND BUYER HEREBY AGREE THAT THE DAMAGES THAT WOULD BE SUFFERED BY SELLER IN THE EVENT OF A DEFAULT BY BUYER HEREUNDER IN PURCHASING THE PROPERTY WOULD BE EXTREMELY DIFFICULT AND IMPRACTICABLE TO ASCERTAIN, AND THAT THE EARNEST MONEY REPRESENTS THE REASONABLE ESTIMATE BY THE PARTIES OF THE AMOUNT OF THE DAMAGES THAT SELLER WOULD SUFFER BY REASON OF BUYER'S DEFAULT AT ANY TIME PRIOR TO THE COMMENCEMENT OF CONSTRUCTION OF THE REPLACEMENT FACILITY. FOR THE PURPOSES OF THIS SECTION 13.2.1 AND SECTION 13.2.2, "COMMENCEMENT OF CONSTRUCTION" SHALL MEAN THE DATE THAT A BUILDING PERMIT IS ISSUED BY THE CITY OF SEATTLE PURSUANT TO THE PROJECT APPROVALS OBTAINED BY BUYER FOR THE REPLACEMENT SITE AS DESCRIBED IN SECTION 6.1.4 HEREIN. BUYER AND SELLER UNDERSTAND AND AGREE THAT THE VALUE OF PROPERTY IS SUBJECT TO CHANGE BY REASON OF GENERAL ECONOMIC CONDITIONS, THE LOCAL REAL ESTATE MARKET, THE AVAILABILITY OF MORTGAGE FINANCING, AND OTHER FACTORS BEYOND THE CONTROL OF BUYER AND SELLER, AND THAT THE EARNEST MONEY IS A REASONABLE LIQUIDATED DAMAGE AMOUNT UNDER THE EXISTING CIRCUMSTANCES. ACCORDINGLY, IN THE EVENT THIS AGREEMENT IS TERMINATED AS A RESULT OF BUYER'S DEFAULT HEREUNDER AT ANY TIME PRIOR TO THE COMMENCEMENT OF CONSTRUCTION OF THE REPLACEMENT FACILITY, SELLER SHALL BE ENTITLED TO RECEIVE AND RETAIN THE EARNEST MONEY THEN HELD BY THE ESCROW AGENT AS LIQUIDATED DAMAGES, AND NOT AS A PENALTY OR FORFEITURE, AS SELLER'S SOLE AND EXCLUSIVE REMEDY FOR BUYER'S

DEFAULT AT LAW OR IN EQUITY, AND UPON RECEIPT OF SUCH AMOUNT BY SELLER, BUYER AND SELLER SHALL BE RELIEVED OF ANY FURTHER OBLIGATIONS OR LIABILITY HEREUNDER, EXCEPT FOR ANY INDEMNITY OBLIGATIONS OF EITHER PARTY THAT EXPRESSLY SURVIVE THE TERMINATION OF THIS AGREEMENT. BUYER AND SELLER SHALL SIGN BELOW THIS PARAGRAPH INDICATING THEIR AGREEMENT TO THE LIQUIDATED DAMAGE CLAUSE HEREIN CONTAINED.

SELLER

BUYER

_____ JO

13.2.2 SELLER'S REMEDY AFTER COMMENCEMENT OF CONSTRUCTION OF REPLACEMENT FACILITY. SELLER AND BUYER HEREBY AGREE THAT IT IS LIKELY THAT SELLER WILL INCUR ADDITIONAL DAMAGES IN THE EVENT OF A DEFAULT BY BUYER HEREUNDER IN CONSTRUCTING THE REPLACEMENT FACILITY AND CONVEYING THE REPLACEMENT SITE TO SELLER AFTER BUYER COMMENCES CONSTRUCTION OF THE REPLACEMENT FACILITY. IN SUCH EVENT, AND IN ADDITION TO THE REMEDIES SET FORTH IN SECTION 13.2.1 ABOVE, SELLER SHALL HAVE THE RIGHT TO PURSUE A CLAIM AGAINST BUYER FOR ITS ACTUAL OR CONSEQUENTIAL DAMAGES; PROVIDED, HOWEVER, ANY SUCH DAMAGES CLAIM AND THE AWARD THEREFOR, IF APPLICABLE, SHALL NOT EXCEED SIX HUNDRED THOUSAND DOLLARS (\$600,000). SELLER SHALL HAVE NO RIGHT TO PURSUE A CLAIM FOR OR BE ENTITLED TO THE EQUITABLE REMEDY OF SPECIFIC PERFORMANCE, UNLESS AND UNTIL BUYER HAS SUBSTANTIALLY COMPLETED THE CONSTRUCTION OF THE REPLACEMENT FACILITY.

SELLER

BUYER

_____ JO

13.2.3 Buyer's Remedies. In the event of Seller's breach of this Agreement, Buyer shall have the right to pursue all rights and remedies now or hereafter available at law or in equity or by statute, including, but not limited to, enforcing specific performance of this Agreement and bringing suit for monetary damages. Additionally, in the event of such breach by Seller and without waiving any other rights or remedies, Buyer shall have the right to terminate this Agreement by notice to Seller, and upon such notice of termination the Earnest Money shall be returned to Buyer. Each remedy available to Buyer shall be cumulative and shall be in addition to any other remedy given hereunder or now or hereafter existing at law or in equity or by statute. Buyer, at its option, may elect to waive the performance of any condition, contingency or provision in Buyer's favor set forth in this Agreement.

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

13.4 NOTICES. Any and all notices or other communications required or permitted to be given under any of the provisions of this Agreement shall be in writing and shall be deemed to have been duly given upon receipt when personally delivered or sent by overnight courier or two (2) days after deposit in the United States mail if by first class, certified or registered mail, return receipt requested. All notices shall be addressed to the parties at the addresses set forth below or at such other addresses as any parties may specify by notice to all other parties and given as provided herein:

If to Buyer: Touchstone Corporation
2025 First Avenue, Suite 790
Seattle, WA 98121
Attention: James D. O'Hanlon
Fax No.: (206) 727-2399

With a copy to: Foster Pepper & Shefelman
1111 Third Avenue, Suite 3400
Seattle, Washington 98101
Attention: Thomas J. Parkes
Fax No.: (206) 749-2043

If to Seller: King County Real Estate Services
Attn: Calvin Hoggard
500 Fourth Avenue
ADM-ES-0500
Seattle, WA 98104-3856
Fax No.: (206) 296-7467

With a copy to: King County Prosecuting Attorney
Attn: Scott Johnson
900 King County Administration Building
500 Fourth Avenue
Seattle, WA 98104
Fax No.: (206) 296-0420

King County Transit Division
Dave Crippen-Managing Engineer
201 South Jackson Street
Mail Stop: KSC-TR-0433
Seattle, WA 98104
Fax No.: 206-684-1379

13.5. 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 hereto.

13.6 SEVERABILITY. In the event any portion of this Agreement shall be found to be invalid by any court of competent jurisdiction, 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.

13.7 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.

13.8 BINDING EFFECT. Subject to Section 13.14 below, this Agreement shall be binding upon and inure to the benefit of each party hereto, its successors and assigns.

13.9 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.

13.10 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.

13.11 COOPERATION. Prior to and after the Closing Date 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.

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

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

13.14 ASSIGNMENT. This Agreement may not be assigned by **Seller** without the prior written consent of **Buyer** which consent shall not be unreasonably withheld. This Agreement may not be assigned by **Buyer** to an unaffiliated third party without the prior written consent of the **Seller** which consent may not be unreasonably withheld. **Buyer** may assign, by giving thirty (30) days written notice to **Seller**, its rights under this Agreement to an affiliate entity in which **Buyer** and/or its principals have an ownership interest and management control without seeking or obtaining **Seller's** consent. Such assignment shall not become effective until the assignee executes an instrument whereby such assignee expressly assumes each of the obligations of **Buyer** under this Agreement. No assignment shall release or otherwise relieve **Buyer** from any obligations hereunder.

13.15 NEGOTIATION AND CONSTRUCTION. This Agreement and each of its terms and

provisions are deemed to have been explicitly negotiated between the parties, and the language in all parts of this Agreement will, in all cases, be construed according to its fair meaning and not strictly for or against either party. All 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, although each party must determine if they wish to obtain and pay for such legal review. Each party shall be and is separately responsible for payment of any legal services rendered on their behalf regarding legal review of the terms found in this Agreement.

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

EXHIBIT A	Legal Description of Property
EXHIBIT B-1	Request for Proposal
EXHIBIT B-2	Buyer's Proposal
EXHIBIT C	Performance Specifications
EXHIBIT D	Seller's Certificate of Non-Foreign Status
EXHIBIT E	Viewing Platform Specifications
EXHIBIT F	Buyer's Certificate of Non-Foreign Status
EXHIBIT G	Statutory Warranty Deed for Property
EXHIBIT H	Statutory Warranty Deed for Replacement Site
EXHIBIT I	List of Due Diligence Reports and Materials

[SIGNATURES ON THE FOLLOWING PAGE.]

EXECUTED as of the date and year first above written:

SELLER:

KING COUNTY,

a municipal corporation and political
subdivision of the State of Washington


By: _____
Name: _____
Title: _____

APPROVED AS TO FORM:

By _____
Deputy Prosecuting Attorney

BUYER:

TOUCHSTONE CORPORATION,
a Washington corporation

By: 
Name: James D. O'Hanlon
Title: V. P.

STATE OF WASHINGTON

COUNTY OF KING



ss.

On this day personally appeared before me _____, to me known to be the _____ of KING COUNTY, the municipal corporation and political subdivision of the State of Washington that executed the foregoing instrument, and acknowledged such instrument to be the free and voluntary act and deed of such municipal corporation and political subdivision, for the uses and purposes therein mentioned, and on oath stated that he was duly authorized to execute such instrument.

GIVEN UNDER MY HAND AND OFFICIAL SEAL this _____ day of _____, 2005.

Printed Name _____
NOTARY PUBLIC in and for the State of Washington,
residing at _____
My Commission Expires _____

STATE OF WASHINGTON

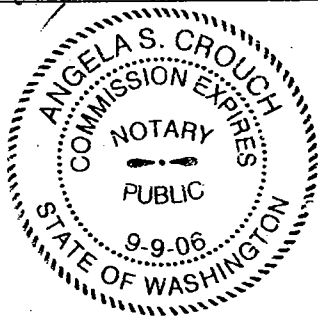
COUNTY OF KING



ss.

On this day personally appeared before me James D. O'Hanlon, the Vice President of Touchstone Corporation, known to me to be the Buyer that executed the foregoing instrument, and acknowledged such instrument to be [his/her] free and voluntary act and deed for the uses and purposes therein mentioned, and on oath stated that [he/she] was duly authorized to execute such instrument.

GIVEN UNDER MY HAND AND OFFICIAL SEAL this 28th day of July, 2005.



Angela S. Crouch
Printed Name Angela S. Crouch
NOTARY PUBLIC in and for the State of Washington,
residing at Seattle, King Co.
My Commission Expires 9-9-06