

**ATTACHMENT B TO ORDINANCE**  
**Real Estate Purchase and Sale Agreement**  
**19851 -140<sup>th</sup> Avenue SE, Renton area**

## REAL ESTATE PURCHASE AND SALE AGREEMENT

THIS REAL ESTATE PURCHASE AND SALE AGREEMENT ("Agreement") is made and entered into as of JUNE 1st, 2012, by and between **KING COUNTY**, a home rule charter county and political subdivision of the State of Washington (the "Seller") and Michael Nguyen and Anne Nguyen, a married couple, residing at 19219 -138<sup>th</sup> Avenue SE, Renton, Washington 98058 (the "Buyer"). Seller and Buyer may be referred to hereinafter individually as "Party" or collectively as the "Parties."

### RECITALS

A. Seller is the owner of that certain real property located at 19851 -140<sup>th</sup> Avenue SE in the Renton area of unincorporated King County, Washington, which consists of an approximately 12,289 square foot lot and 1,020 square foot house, identified as Assessor's Parcel Number 815500-0040, and 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.

### 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.** 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 defined in Article 10.2 below) and Buyer shall buy, assume and accept from Seller on the Closing Date the following assets and properties:

(a) all the Seller's right, title and interest in the Property, as described in **EXHIBIT A**; subject to Seller's retention of any reservations as described in **EXHIBIT B** (the deed as to form;

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

(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; and

(d) all of Seller's right, title and interest in and to tangible personal property, if any, owned by the Seller and attached, appurtenant to or used in connection with the Property ("Personal 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 therefor, pay to Seller on the Closing Date a total purchase price of **ONE HUNDRED FIFTEEN THOUSAND AND NO/100ths DOLLARS (\$115,000.00)** (the "Purchase Price").

**2.2. THIS SALE IS NOT CONTINGENT UPON BUYER OBTAINING FINANCING, AND BUYER WILL PROVIDE ALL CASH AT CLOSING.**

**2.3. EARNEST MONEY.** Not later than two (2) business days following the execution of this Agreement, Buyer shall deposit with Escrow Agent (defined in Section 10.1 of this Agreement) a promissory note in the form attached hereto as **Exhibit C** the amount of **TWO THOUSAND AND NO/100 DOLLARS (\$2,000.00)** as the initial earnest money deposit (the "Earnest Money Note"). Within two (2) business days after satisfaction of the Council Approval Contingency set forth in Section 5.2 of this Agreement, the Earnest Money Note shall be replaced with cash in the same amount as the Earnest Money Note and such cash shall be deposited into escrow as the earnest money (the "Earnest Money"). Upon closing of this transaction, the Earnest Money will be applied toward the Purchase Price that is due Seller. Should Buyer default on its obligations under this Agreement, the Seller shall be entitled to retain the Earnest Money as liquidated damages.

**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 Personal Property, if any, is *de minimus*.

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**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 home rule charter county and political 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 home rule charter county and political subdivision of the State of Washington, (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 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.** To the best of Seller's knowledge, there is no pending or 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. To the best of Seller's knowledge, there is no pending or contemplated condemnation or similar proceeding with respect to the Property or any part thereof.

**3.1.4. Assessments.** To the best of Seller's knowledge, there is no contemplated local improvement district or other special assessment or charge with respect to the Property, except as may be disclosed in the Title Commitment described below.

**3.1.5. Full Disclosure.** To the best of Seller's knowledge, 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 fails to state a material fact which is necessary to make the statements set forth therein not false or misleading.

**3.1.6. Broker.** Seller agrees to pay a commission in accordance with any listing or commission agreement to which Seller is a party.

**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.

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**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 closing.

**3.1.10. Condition of the Property.** Except for the warranties, representations and indemnifications contained in this Agreement, Seller does not make and specifically disclaims any warranties, express or implied, including any warranty of merchantability or fitness for a particular purpose, with respect to the Purchased Assets and no employee or agent of seller is authorized otherwise. Without limitation, the foregoing specifically excludes, except for warranties, representations and indemnifications contained in this Agreement, any warranties or representations with respect to the structural condition of the Purchased Assets, the area of land being purchased, the existence or non-existence of any Hazardous Substances or underground storage tanks, or the actual or threatened release, deposit, seepage, migration or escape of Hazardous Substances, from or into the Purchased Assets, and the compliance or noncompliance of the purchased assets with applicable federal, state, county and local laws and regulations, including, without limitation, environmental laws and regulations and seismic/building codes, laws and regulations. For purposes of this Agreement, the term Hazardous Substances shall mean: "hazardous substance" as defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended ("CERCLA"); "hazardous waste" as defined by the Resource Conservation and Recovery Act of 1976 ("RCRA") as amended; hazardous wastes, hazardous materials, hazardous substances, toxic waste, toxic materials, or toxic substances as defined in state or federal statutes or regulations; asbestos-containing materials, polychlorinated biphenyls; radioactive materials, chemicals known to cause cancer or reproductive toxicity; petroleum products, distillates or fractions; any substance the presence of which is prohibited by statute or regulation; and any substance for which any statute or regulation requires a permit or special handling in its use, collection, storage, treatment or disposal.

**3.1.11. 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 and shall deliver to Purchaser prior to the Closing Date an affidavit, as set forth in **EXHIBIT D**, evidencing such fact, and such other documents as may be required under the Code.

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**3.1.13. Seller's Knowledge.** Any and all representations or warranties based on Seller's knowledge are made to and limited by the present, actual knowledge of Anne Lockmiller, who is an employee of King County, and is the Real Property Surplussing Agent of the Real Estate Services Section. Anne Lockmiller has made no inquiries or investigations with respect to Seller's representations and warranties prior to the making thereof and has no duty to undertake the same.

**3.2. Representations and Warranties of Buyer. BUYER REPRESENTS AND WARRANTS AS FOLLOWS:**

**3.2.1. 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.

**3.2.2. 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.

**3.2.3. Condition of Property.** Buyer acknowledges that, within the Due Diligence Period (as defined in Article 5.1 below), it will have conducted a physical inspection and made all investigations Buyer deems necessary in connection with its purchase of the Purchased Assets. Upon waiver or satisfaction by Buyer of its contingencies pursuant to Article 5, 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 noncompliance 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 and warranties in Section 3.1 of 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 including without limitation those relating to Hazardous Substances, without regard to whether such defect or deficiency was discovered or discoverable by the Buyer or Seller.

**3.2.4. Waiver of Disclosure Statement.** Buyer hereby expressly waives receipt of a Seller Disclosure Statement.

**3.2.5. Indemnification.** Buyer shall indemnify, defend and hold Seller, its officers, agents and employees 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 closing.

3.2.6. **Broker.** Buyer agrees to pay a commission in accordance with any listing or commission agreement to which Buyer is a party.

#### ARTICLE 4. TITLE MATTERS

4.1. **TITLE.** Seller shall deliver to Buyer good and marketable title, free and clear of all liens, defects and encumbrances except the Permitted Exceptions.

4.2. **Title Commitment.** Buyer shall obtain a current owner's standard policy of title insurance (the "Title Commitment") issued by First American Title Insurance Company, located at 818 Stewart Street, Suite 800, Seattle, WA 98101, (206) 728-0400 ("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.

4.2.1. **Survey.** Buyer shall have the option, at its expense, to have prepared and furnished to the Title Company and Buyer a survey (the "Survey") of the Property prepared by a licensed public surveyor. The Survey shall be certified to Buyer and the Title Company, shall be satisfactory to the Title Company so as to permit it to issue a Title Commitment, identify the Property by legal description and shall set forth the number of square feet contained within the Property, show all natural monuments, existing fences, drainage ditches and/or courses, flood plain limits, any building or other site improvements and/or objects, any rights-of-way for streets, existing driveways, alleys or highways, easements and other restriction lines existing and/or proposed which shall affect any portion of the Property, and such other items as required by Buyer.

4.2.2. **Review of Title Commitment and Survey.** Buyer shall have five (5) calendar days from the date of mutual execution of this Agreement for review of the Title Commitment (the "Title Contingency Due Date"). Any exceptions or other items that are set forth in the Title Commitment or the Survey and to which Buyer does not object shall be deemed to be permitted exceptions ("Permitted Exceptions"). Buyer shall state any objection to the Permitted Exceptions to Seller, in writing, no later than the Title Contingency Due Date. With regard to items to which Buyer does object within the Title Contingency Due Date, Seller shall notify Buyer within ten (10) days after Seller receives Buyer's notice of objections of any exceptions to title or items on the survey which Seller is not able to remove or otherwise resolve and any endorsements that Seller is not able to provide following Buyer's request within the 10 day response period, 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 at closing.

In the event the Title Commitment contingency is not satisfied or waived within the Title Contingency Due Date, Buyer may terminate this Agreement upon written notice to Seller on or before the expiration of the Title Contingency Due Date, and neither party shall have any further rights or obligations to the other hereunder.

**4.3. OWNER'S TITLE INSURANCE POLICY.** At the closing, Buyer shall cause a Title policy to be issued by the Title Company in the full amount of the Purchase Price, effective as of the Closing Date, insuring Buyer that the fee simple title to the Property is vested in Buyer, subject only to the usual printed exceptions contained in such title insurance policy, to the matters approved by Buyer as provided herein, and to any other matters approved in writing by Buyer. 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. Buyer shall pay any sum owing to the Title Company for the preparation of the preliminary and binding commitments generated by the Title Company.

**4.4. CONVEYANCE.** Seller shall convey to Buyer the title to the Property by deed, in substantially the form attached hereto as **EXHIBIT B**, subject only to the Permitted Exceptions and reservations of Seller that may be defined in **EXHIBIT B**. 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.

## **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 Buyer's approval. If Buyer approves of the condition of the Property, Buyer agrees to notify Seller, in writing, thereby removing the contingency. Buyer shall make such determination within **five (5) calendar days** following the date of mutual execution of this Agreement ("Due Diligence Period"). In the event this contingency is not satisfied or waived within the Due Diligence Period, Buyer may terminate this Agreement upon written notice to Seller on or before the expiration of the Due Diligence Period, and neither party shall have any further rights or obligations to the other hereunder.

**5.1.1. Inspections.** During the Due Diligence Period, 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 Purchaser (subject to the limitations set forth below and Paragraph 5.1.2 Right of Entry); (ii) obtain a Phase I or Phase II Environmental Assessment on the Property and perform any and all

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tests, inspections and studies deemed necessary therewith; and (iii) examine all Due Diligence materials available to Seller that Buyer may reasonably request from Seller that are not subject to attorney-client privilege or that the County 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 Buyers proposed development of the property, (V) determine whether Purchaser'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 pursuant to a County permit and conduct the tests, investigations and studies set forth in this Article 5 upon three (3) days advance written notice; provided that such right of entry will be limited to those times and dates that will not disrupt Seller's use of, or Seller's operations and activities on the Property. The Buyer will not be permitted to undertake activities that damage County property. Invasive tests of the Property, such as drilling or excavation shall be subject to Seller's prior written approval. If Buyer undertakes any invasive tests or activities disruptive to the Property, Buyer shall restore the Property to its original condition or better. In connection with such inspections, 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 caused by or arising out of any act, error or omission of Buyer, its officers, agents, contractors, subcontractors or employees in entering Seller's property for the above purposes, to the extent not caused by or arising out of any act, error or omission of Seller, its officers, agents and employees.

**5.2. COUNCIL APPROVAL CONTINGENCY.** This sale is expressly contingent upon the King County Council's adoption of an ordinance approving of this conveyance ("the Council Approval Contingency").

## **ARTICLE 6. COVENANTS OF SELLER PENDING CLOSING**

**6.1. 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.

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

**7.1. CONDUCT, NOTICE OF CHANGE.** Buyer covenants that between the date hereof 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 occur prior to the Closing Date.

**ARTICLE 8.**  
**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, and Seller shall exert its best efforts to cause each such condition to be fulfilled:

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

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

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

**8.4. TITLE.** Any and all matters shown or referred to in the Title Commitment to which Buyer has objected Title Contingency Due Date specified in Section 4.1, shall have been cured by Seller, unless such objections have been waived by Buyer. The Title Company is irrevocably committed to issue a Title Commitment containing no exceptions other than the Permitted Exceptions.

**8.5. 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 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. 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.

**9.2. 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.

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

**9.4. TITLE.** Buyer shall have caused the Title Company to be irrevocably committed to issue an owner's policy of title insurance for the full amount of the Purchase Price, effective as of the Closing Date, containing no exceptions other than the Permitted Exceptions.

**9.5. WAIVER OF CONTINGENCIES.** Buyer shall have submitted waivers of, or confirmation of the satisfaction of, all contingencies stated in this Agreement, in writing to Seller, prior to close of escrow as defined in Article 10, below.

**ARTICLE 10.**  
**CLOSING**

**10.1. ESCROW AGENT.** Upon execution of this Agreement, the Parties agree to set up an escrow account with First American Title Insurance Company, located at 818 Stewart Street, Suite 800, Seattle, WA 98101, (206) 728-0400 (the "Escrow Agent"). The Escrow Agent shall serve as closing agent for the transaction contemplated herein and the Closing shall occur in the offices of Escrow Agent in Seattle, Washington.

**10.2. CLOSING DATE.** This sale may close escrow no *earlier* than approximately twenty-five days (25) days, and no *later than* thirty-five (35) days, after satisfaction of the Council Approval Contingency.

Seller will pursue but Seller does not guarantee Council approval. Furthermore, Buyer understands and acknowledges that Seller can neither anticipate nor control the actual date by which King County Council will commence review of a proposed ordinance approving the sale.

Should the Council Approval Contingency not be met by **December 31, 2012**, the Parties may agree in writing to extend this date, or either Party may terminate without default.

Buyer will be entitled to possession of the Property upon closing.

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

**10.3.1. CLOSING COSTS.** Seller shall pay the cost of one-half (1/2) of the escrow fee charged by the Escrow Agent, one-half (1/2) the cost of preparation of the preliminary and binding commitments generated by the Title Company, any real estate excise or other transfer tax due, and its own attorneys' fees. Buyer shall pay one-half (1/2) of the escrow fee charged by the Escrow Agent, one-half (1/2) 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 this Section 10.3.1, and Section 4.3 above, all other expenses hereunder shall be paid by the Party incurring such expenses.

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

- (a) A deed conveying the Property in substantially the form of **EXHIBIT B** attached hereto;
- (b) Seller's Certificate of Non-Foreign status substantially in the form of **EXHIBIT D**, attached hereto;

**10.5. BUYER'S DELIVERY OF DOCUMENTS AND PURCHASE PRICE AT CLOSING.** At the closing, Buyer will deliver Cash or immediately available funds in the amount of the Purchase Price.

## **ARTICLE 11. TERMINATION**

**11.1. TERMINATION BY EITHER PARTY.** Either Party may terminate this Agreement if a condition to its obligation to consummate the transactions contemplated by this Agreement as set forth in Articles 8 and 9 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 and all documents delivered into escrow shall be returned to the appropriate Party.

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**ARTICLE 12.  
MISCELLANEOUS PROVISIONS**

**12.1. NATURE AND SURVIVAL OF REPRESENTATIONS AND WARRANTIES.** Each statement, representation, warranty, indemnity, covenant, and agreement made by Seller and 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 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 or entities.

**12.2. DEFAULT AND ATTORNEYS' FEES.** In the event of default by either Party to this Agreement, the non-defaulting Party shall have the right to bring an action for specific performance, damages and any other remedies available to such Party at law or in equity. In the event of any litigation hereunder, the Superior Court of King County, Washington shall have exclusive jurisdiction and venue.

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

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

**If to Buyer:** Michael Nguyen and Anne Nguyen  
19219 -138<sup>th</sup> Avenue SE  
Renton, Washington 98058  
Phone: (206) 218-5146

*With a copy to:* \_\_\_\_\_  
\_\_\_\_\_  
Phone: \_\_\_\_\_

**If to Seller:** King County Administration Building  
Real Estate Services Section  
500 4<sup>th</sup> Avenue, Room 830, Seattle, Washington 98104

*With a copy to:* King County Prosecuting Attorney  
King County Courthouse  
516 Third Avenue, Room W400  
Seattle, Washington 98104

**12.5. Onsite Sewage (Septic) System**

**12.5.1. Septic System Disclosure.** Seller has disclosed to Buyer, and Buyer acknowledges, that the Property is served by a private on-site sewage system ("OSS"), specifically a septic system.

**12.5.2. Monitoring and Performance Inspection.** Seller will retain a licensed on-site system maintainer ("OSM") to prepare an OSS monitoring inspection report ("Operation and Maintenance Report") and to complete any other applicable requirements of the King County Board of Health Code ("KCBOHC") Section 13.60.030. Upon the OSM's completion of the requirements of KCBOH Section 13.60.030, and no later than the Closing Date, Seller will deliver to Buyer a copy of the Operation and Maintenance Report and a copy of any additional OSS maintenance records, if available. Pursuant to Section 3.2.4 of this Agreement, Buyer has waived the receipt of a seller disclosure statement in accordance with chapter 64.06 RCW.

**12.5.3. Onsite Sewage System Operation and Maintenance Requirements.** Pursuant to KCBOHC Section 13.60.005, Buyer will become responsible for the operation and maintenance of the OSS upon Closing. Seller will deliver to Buyer a Seller's Notice of On-Site Sewage System Operation and Maintenance Requirements, which will be recorded on or before the Closing Date. Buyer shall deliver to Seller on or before the Closing Date a Buyer's Declaration of Receipt of a copy of the Notice of On-Site Sewage System Operation and Maintenance Requirements. In addition, Buyer shall pay the Operation and Maintenance Program Fee, as set forth in the applicable King County Board of Health fee schedule.

**12.6. MISCELLANEOUS DISCLOSURES.** By its signature on the line below, Buyer acknowledges that prior to mutual execution of this Agreement, Buyer received from Seller disclosure pamphlets regarding Lead, Mold & Moisture, and the Law of Real Estate Agency. Additionally, Buyer acknowledges that because of the age of any improvements located on the Property asbestos may be present in any such improvements.

BUYER: Michael Nguyen Dated: 5-21-2012

BUYER: Anne Nguyen Dated: 5-21-2012

**12.7. AGENCY DISCLOSURE.** Buyer is aware that Anne Lockmiller, the listing agent, is an employee of King County and that she represents the Seller, King County. Buyer acknowledges that Jeffrey Vo of Dove Realty, Inc., represents Buyer.

BUYER: Michael Nguyen Dated: 5-21-2012

BUYER: Anne Nguyen Dated: 5-21-2012

**12.8. 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.

**12.9. 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.

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

**12.11. Binding Effect.** Subject to Section 12.12 below, this Agreement shall be binding upon and inure to the benefit of each Party hereto, its successors and assigns.

**12.12. 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.

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

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

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

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

**12.17. ASSIGNMENT.** Buyer shall not assign this Agreement or any rights hereunder without Seller's prior written consent, which shall not be unreasonably withheld.

**12.18. 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.

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

|           |                                   |
|-----------|-----------------------------------|
| EXHIBIT A | Legal Description                 |
| EXHIBIT B | Deed as to form                   |
| EXHIBIT C | Promissory Note as to form        |
| EXHIBIT D | Certificate of Non-Foreign Status |

**12.20. FACSIMILE AND E-MAIL TRANSMISSIONS.** The Parties agree that facsimile and e-mail transmissions of any signed original documentation forming this Agreement shall be the same as the original, and the delivery of the original, provided that documents are emailed to both Seller and Buyer at the email addresses provided below. At the request of either Party or of the Escrow Agent, original hard copy documents bearing the original signatures shall be substituted in place of facsimiles or email transmissions.

King County as Seller, to Anne Lockmiller – anne.lockmiller@kingcounty.gov

Michael and Anne Nguyen as Buyer, [MichaelDNguyen@yahoo.com]

With copies to michaeldnguyen@yahoo.com <sup>MN</sup>

annecnguyen@yahoo.com <sup>AN</sup>

**12.21. Survival.** Unless specified otherwise in this Agreement, all warranties, representations, and indemnity obligations and restrictions made, undertaken, and agreed to by the Parties under this Agreement shall survive the closing and/or expiration of this Agreement.

SELLER'S SIGNATURE AND NOTARY BLOCKS ON PAGE 16

BUYER'S SIGNATURE AND NOTARY BLOCKS ON PAGE 17



EXECUTED as of the date and year first above written:

SELLER: KING COUNTY

Name: Stephen L. Salyer  
Stephen L. Salyer

Title:

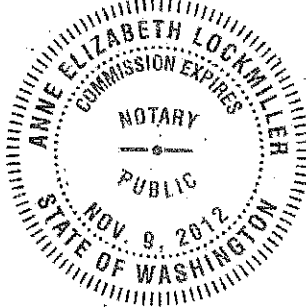
APPROVED AS TO FORM:

By: Cheryl D. Carlson  
Deputy Prosecuting Attorney

STATE OF WASHINGTON }  
COUNTY OF KING } ss.

On this day personally appeared before me Stephen L. Salyer, to me known to be the Manager of the Real Estate Services Section 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 1ST day of JUNE, 2012.



Anne Lockmiller

Printed Name: ANNE E. LOCKMILLER  
NOTARY PUBLIC in and for the State of Washington,  
residing at SEATTLE, WASHINGTON  
My Commission Expires NOVEMBER 9, 2012

MN AN

EXECUTED as of the date and year first above written:

BUYER: Michael Nguyen  
Michael Nguyen

BUYER: Anne Nguyen  
Anne Nguyen

STATE OF WASHINGTON }  
COUNTY OF KING } ss.

On this day personally appeared before me Michael Nguyen and Anne Nguyen, to me known to be the Buyer who executed the foregoing instrument, and acknowledged such instrument to be her free and voluntary act and deed for the uses and purposes therein mentioned.

GIVEN UNDER MY HAND AND OFFICIAL SEAL this 18<sup>th</sup> day of may, 2012.

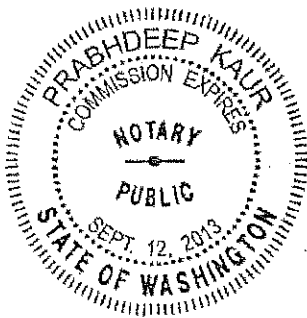
Prabdeep Kaur

Printed Name Prabdeep Kaur

NOTARY PUBLIC in and for the State of Washington,

residing at Kenton, WA

My Commission Expires sep 12, 2013



**EXHIBIT A**

**LEGAL DESCRIPTION**

to the Real Estate Purchase and Sale Agreement,

Dated JUNE 1, 2012

Between Michael Nguyen and Anne Nguyen ("Buyer") and King County ("Seller")  
Parcel 815500-0040

Lot 4, B.H. Suttle Addition, according to the plat thereof recorded  
in Volume 81 of Plats, page 31, in King County, Washington.

***LEGAL DESCRIPTION TO BE CONFIRMED BY NEW 2012 TITLE REPORT***

*MN AN*

**EXHIBIT B**

**STATUTORY WARRANTY DEED AS TO FORM**

**to the Real Estate Purchase and Sale Agreement,**

**Dated JUNE 1, 2012**

**Between Michael Nguyen and Anne Nguyen ("Buyer") and King County ("Seller")  
Parcel 815500-0040**

The Grantor herein, **KING COUNTY**, a home rule charter county and political subdivision of the State of Washington ("Grantor") for the consideration of TEN DOLLARS (\$10.00) and other valuable consideration, conveys and warrants to \_\_\_\_\_ ("Grantee"), all interest in the following described Property (the "Property"):

Lot 4, B.H. Suttle Addition, according to the plat thereof recorded in Volume 81 of Plats, page 31, in King County, Washington.

***LEGAL DESCRIPTION TO BE CONFIRMED BY NEW 2012 TITLE REPORT***

**SUBJECT TO** all rights, conditions, covenants, obligations, limitations and reservations of record, including but not limited to the following permitted exceptions:

***AS REFERENCED IN NEW 2012 TITLE REPORT***

*MN AN*

**EXHIBIT C**

**PROMISSORY NOTE as to form**

to the Real Estate Purchase and Sale Agreement,  
Dated June 1, 2012  
Between Michael Nguyen and Anne Nguyen ("Buyer") and King County ("Seller")  
Parcel 815500-0040

**\$2,000.00**

Dated: \_\_\_\_\_, 2012

Seattle, Washington

FOR VALUE RECEIVED, the undersigned, **Michael Nguyen and Anne Nguyen**, ("Maker"), hereby promise to pay to the order of **FIRST AMERICAN TITLE INSURANCE COMPANY** ("Holder"), 818 Stewart Street, Suite 800, Seattle Washington 98101, the principal sum of **TWO THOUSAND DOLLARS and NO/100ths DOLLARS (\$2,000.00)**, payable in accordance with that certain Real Estate Purchase and Sale Agreement dated JUNE 1, 2012 with King County as Seller (the "Agreement").

Maker promises to pay all costs, expenses and attorneys' fees incurred by Holder in the exercise of any remedy (with or without litigation) under this Note in any proceeding for the collection of the debt evidenced by this Note, or in any litigation or controversy arising from or connected with this Note.

This Note shall be construed according to the laws of the State of Washington and pursuant to the terms and conditions of this Agreement.

Time is of the essence of this Note and each an every term and provision hereof.

**MAKER:**

By: Michael Nguyen  
Michael Nguyen

By: Anne Nguyen  
Anne Nguyen

**EXHIBIT D**

**Certificate of Non-Foreign Status**

**to the Real Estate Purchase And Sale Agreement,**

**Dated JUNE 1, 2012**

**Between Michael Nguyen and Anne Nguyen ("Buyer") and King County ("Seller")  
Parcel 815500-0040**

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

1. Transferor is not a foreign corporation, foreign partnership, foreign trust, or foreign estate (as those terms are defined in the Internal Revenue Code and Income Tax Regulations); and
2. Transferor's United States employer identification number is 91-6001327; and
3. Transferor's office address is King County Facilities Management Division, Real Estate Services Section, Room 830 King County Administration Building, 500 Fourth Avenue, Seattle, WA 98104
4. Transferor understands that this certification may be disclosed to the Internal Revenue Service by the transferee and that any false statement contained herein could be punished by fine, imprisonment, or both.

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

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 2012.

**TRANSFEROR: KING COUNTY**

**By: \_\_\_\_\_  
STEPHEN L. SALYER**

**Title: MANAGER REAL ESTATE SERVICES SECTION**

*MN AN*

**FIRST AMENDMENT  
TO THE REAL ESTATE PURCHASE AND SALE AGREEMENT  
DATED JUNE 1, 2012, BETWEEN KING COUNTY AS SELLER  
AND MICHAEL AND ANNE NGUYEN AS BUYER  
FOR PARCEL 815500-0040**

This FIRST AMENDMENT (the "Amendment") is made as of the 9th day of July 2012, modifying that certain Real Estate Purchase and Sale Agreement dated June 1, 2012, between King County, a home rule charter county of the State of Washington, as "Seller", and Michael and Anne Nguyen as "Buyer" (the "Agreement"). Seller and Buyer may be referred to hereinafter individually as "Party" or collectively as the "Parties".

**RECITALS**

- A. The Agreement sets forth the terms and conditions for the purchase and sale of certain real property located at 19851 -140<sup>th</sup> Avenue SE, in the Renton area of unincorporated King County, Washington, also identified as Assessor's Parcel No. 815500-0040, and the legal description of which is attached in the Agreement as *Exhibit A* (the "Property").
- B. Pursuant to Section 5.1 of the Agreement, Buyer was provided a Due Diligence Period, as defined therein, to allow the Buyer an opportunity to investigate and inspect the Property to determine whether the condition of the Property for Buyer's contemplated use meets with its approval (the "Inspection Contingency"). Having undertaken such investigation and inspection, Buyer identified a number of significant repairs Buyer believes will be necessary in order for the Property to be suitable for its purposes. Due to the substantial expense associated with the anticipated repairs identified by Buyer, Buyer proposed that it be allowed a \$5,000.00 repair credit to be applied at the Close of Escrow.
- C. Seller is willing to agree to the proposed repair credit and Buyer is therefore satisfied that the Property is suitable for its purposes and agrees to waive the Inspection Contingency.

**NOW THEREFORE**, in consideration of the mutual covenants and conditions set forth herein and in the Agreement, the Parties agree to amend the Agreement as follows:

1. A new Section 2.1.1 (Repair Credit) is hereby added to the Agreement as follows:

Notwithstanding the provisions of Section 2.1 of the Agreement, Buyer will be granted a \$5,000.00 repair credit to be applied to the Purchase Price at closing as provided for in Section 10.5 of this Agreement.

2. Section 10.5 (Buyer's Delivery of Documents and Purchase Price at Closing) of the Agreement is hereby amended to read as follows:

MW / AN  
\_\_\_\_\_

At the closing, Buyer will deliver Cash or immediately available funds in the amount of the Purchase Price, less the \$5,000.00 repair credit provided for in Section 2.1.1 of this Agreement.

3. Unless otherwise provided herein, defined terms, words and phrases shall have the same meaning as provided for in the Agreement.
4. Except as specifically amended herein, all other terms and conditions of the Agreement shall remain in full force and effect. In the event any inconsistencies exist between the terms of this Amendment and the Agreement, this Amendment shall control as to those terms expressly modified herein.
5. The Parties represent and warrant that the persons that sign this Amendment are duly authorized to execute this Amendment on behalf of Buyer and Seller, respectively, and that no other signature, act or authorization is necessary to bind such entities to the provisions of this Amendment.

IN WITNESS WHEREOF, the Parties hereto have executed this FIRST AMENDMENT as of the latest date written below.

**BUYER:**

By: Michael Nguyen Date: 7/2/2012  
Michael Nguyen

By: Anne Nguyen Date: 7/2/2012  
Anne Nguyen

By: Stephen L. Salyer Date: 7/9/12  
Stephen L. Salyer  
Manager, Real Estate Services Section

**Approved as to Form:**

By: Cheryl D. Carlson Date: 7/9/12  
Deputy Prosecuting Attorney