

**ATTACHMENT A:**

**PURCHASE AND SALE AGREEMENT**

## REAL ESTATE PURCHASE AND SALE AGREEMENT

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

### RECITALS

A. The Central Puget Sound Regional Transit Authority (“Sound Transit”) is constructing a voter-approved Link light rail extension to Federal Way, Washington, including a light rail station located at the site of the former Star Lake Park and Ride in the city of Kent, Washington.

B. Sound Transit’s Link extension project will impact the Mark Twain Elementary School property located at 2450 S Star Lake Road in Federal Way, an elementary school owned and operated by Federal Way Public Schools.

C. Seller is the owner of that certain real property located at 27454 Pacific Highway South, King County, State of Washington, commonly known as the Redondo Heights Park and Ride, the legal description of which is attached hereto as EXHIBIT A (the “Real Property”).

D. Sound Transit entered into a lease agreement with Seller to utilize the Real Property for replacement parking to mitigate the impacts of its closure of the Star Lake Park and Ride while the new Link station is under construction. Sound Transit is aware that the Redondo Heights Park and Ride is historically underutilized for parking and could be repurposed.

E. Buyer has determined that the Real Property is a desirable location to build a replacement for the Mark Twain Elementary School. Sound Transit supports Buyer’s efforts to relocate the school to the Real Property.

F. Buyer, Seller, and Sound Transit entered into a Memorandum of Agreement dated January 26, 2017 (the “MOA”), memorializing their mutual commitments to share information and work cooperatively to accomplish due diligence tasks and resolve any issues as they arise, to facilitate a transaction wherein Buyer can purchase the Real Property from Seller.

G. Buyer, Seller, and Sound Transit have been working cooperatively to accomplish the tasks identified in the MOA and to satisfy all relevant governing authorities, statutes, and policies, in order to transfer ownership of the Real Property from Seller to Buyer.

H. Acquisition of the Real Property would enable Buyer to provide open dedicated space in the Real Property for the purposes of supporting community access to youth soccer fields, softball and other related outdoor activities for the public benefit, meeting Buyer’s desire to continue its practice of encouraging such community engagement in its facilities and fields.

I. Seller desires to sell the Real Property and Buyer desires to purchase the Real

Property. The Parties are entering into this Agreement pursuant to the authority granted in the Intergovernmental Disposition of Property Act, RCW ch. 39.33.

## **AGREEMENT**

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

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

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

**1.1.1.** all the Seller's right, title and interest in the Real Property as legally described in **EXHIBIT A**;

**1.1.2.** all of Seller's right, title and interest in improvements and structures located on the Real Property, if any;

**1.1.3.** all of Seller's right, title, and interest in and to tangible personal property, if any, owned by the Seller and attached, appurtenant to or used in connection with the Real Property ("Personal Property");

**1.1.4.** all of Seller's easements and other rights that are appurtenant to the Real Property, including, but not limited to, Seller's right, title, and interest in and to streets, alleys, or other public ways adjacent to the Real Property, sewers and service drainage easements, rights of connection to the sewers, rights of ingress and egress, and leases, licenses, government approvals and permits affecting the Real Property.

**1.1.5.** all of Seller's interest in those certain contracts, agreements or other arrangements identified in **SCHEDULE 1.1.5**, under which Seller is obligated to sell, exchange, transfer, lease, rent, or allow the use or occupancy of the Real Property or any part thereof, now or in the future, or under which any person or entity has the right to possess or occupy the Real Property or any part thereof now or in the future (including any amendments thereto, and guaranty or other agreements ancillary to same, the "Leases").

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

### **ARTICLE 2. PURCHASE PRICE**

**2.1. PURCHASE PRICE AND PAYMENT.** In consideration of the conveyance of the Property, Buyer shall, in full payment therefor, pay to Seller on the Closing Date a total purchase price of **Five million, two hundred thirty thousand dollars (\$5,230,000.00)** (the "Purchase

Price”), based on the Appraised Value as described in Section 2.1.1. and which includes a deduction based on the Estimated Cleanup Cost as described in Section 2.1.2.

**2.1.1. APPRAISED VALUE.** The Parties engaged Anthony Gibbons of Gibbons & Riely PLLC to produce a completed, self-contained appraisal report to determine the fair market value of the Property (“Appraisal”). The Appraisal considers the presence of contamination on the Property. The Appraisal, attached as **EXHIBIT H**, established a fair market value of the Property of FIVE million, TWO hundred THIRTY thousand dollars (\$5,230,000.00), which amount includes a deduction for the Estimated Cleanup Cost (defined in Section 2.1.2, below).

**2.1.2. ESTIMATED CLEANUP COST.** Buyer and Seller each engaged, at their own respective cost, environmental consultants to conduct independent environmental assessments of the Property. The Buyer’s consultant, PBS (“Buyer’s Environmental Consultant”) and the Seller’s consultant, Parametrix (“Seller’s Environmental Consultant”), each conducted an independent assessment (an “Environmental Assessment”) to determine the nature and extent of any environmental contamination of the Property and developed a preliminary remediation cost estimate (“Estimated Cleanup Cost”) to support a potential property transaction. Based on the Seller’s Environmental Assessment, the Buyer’s Environmental Assessment, and discussions between the Buyer’s Environmental Consultant, Seller’s Environmental Consultant, Buyer and Seller, the Parties established an Estimated Cleanup Cost of FIVE million, SIX hundred thousand dollars (\$5,600,000.00). Buyer and Seller agree that the Estimated Cleanup Cost is the total extent of Seller’s liability for and contribution to any cleanup of the Property.

### **2.3. ADDITIONAL CONSIDERATION.**

**2.3.1. ADDITIONAL IMPROVEMENTS.** In addition to payment of the Purchase Price, and in further consideration of Seller’s consent to enter into the transaction contemplated in this Agreement, consistent with King County Code Section 4.56.100.A.12 Buyer covenants that after Closing Buyer shall construct, operate, and maintain the additional public benefits substantially as conceptually described and illustrated in **EXHIBIT E** to this Agreement (the “Additional Improvements”), or Buyer shall cause others to do the same. As between Seller and Buyer, all cost, expense, and liability to construct, operate, and maintain the Additional Improvements shall be borne solely by Buyer and not by Seller.

**2.3.2. RESERVED EASEMENT; VALUE DEDUCTED FROM PURCHASE PRICE AT CLOSING.** IN further consideration of Seller’s consent to enter into the transaction contemplated in this Agreement, at Closing, Buyer shall acquire the Property subject to Seller’s reservation of an easement for bus passenger facilities and related Transit purposes, as illustrated in and for which the legal description is attached hereto as **Exhibit F** (the “Reserved Easement”). Seller shall retain exclusive use and possession of the Reserved Easement. As the Appraised Value and Purchase Price were prepared to include the value of the Reserved Easement, Seller shall not be responsible for any additional payment, offset, or deduction to the Purchase Price for or related to the Reserved Easement. The Reserved Easement shall be recorded at Closing.

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

is *de minimis*.

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

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

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

**3.1.2. EXECUTION, DELIVERY AND PERFORMANCE OF AGREEMENT, AUTHORITY.** The execution, delivery, and performance of this Agreement by Seller (i) is within the powers of Seller as a political subdivision of the State of Washington, and (ii) subject to the contingency in section 5.2 of this Agreement, has been or will be on or before the Closing Date, duly authorized by all necessary action of the Seller's legislative authority. This Agreement constitutes the legal, valid, and binding obligation of Seller enforceable against Seller in accordance with the terms herein.

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

**3.1.4. LEASES.** Except as set forth on SCHEDULE 1.1.5, to Seller's knowledge, there are no leases, licenses, options, contracts, agreements, or other arrangements relating to the leases, license, option, or occupancy of the Property or any part thereof, now or in the future, or under which any person or entity has the right to possess or occupy the Property or any part thereof now or in the future. No default exists with respect to any Lease. Copies of the Leases furnished by Seller to Buyer under Section 5.1.1 of this Agreement or otherwise shall be true and correct copies thereof. There are no oral agreements, course of dealing or agreements that are not otherwise expressly reflected in the written Leases. To Seller's knowledge, the Leases are in full force and effect and are valid, binding, and enforceable in accordance with their terms.

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

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

**3.2.1. ORGANIZATION.** Buyer is a Washington public school district 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 Washington public school district and (ii) has been or will be on or before the Closing Date, duly authorized by all necessary action of the Buyer's governing authority. This Agreement constitutes the legal, valid, and binding obligation of Buyer enforceable against Buyer in accordance with the terms hereof.

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

### **3.3. CONDITION OF PROPERTY.**

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

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

- (a) The water, soil, and geology;
- (b) The income to be derived from the Property;

(c) The suitability of the Property for all activities and uses that Buyer or anyone else may conduct thereon;

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

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

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

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

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

### **3.3.3. BUYER ACCEPTANCE OF CONDITION OF PROPERTY.**

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

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

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

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

**3.3.4. INDEMNIFICATION.** From and after the Closing Date, Buyer shall indemnify, defend and hold Seller, its officers, agents and employees harmless from and against any and all Losses, liability, claim, agency order or requirement, damage and expense (including, all legal fees, experts fees and disbursements), including but not limited to removal, remedial action, or other costs recoverable under CERCLA or MTCA (collectively, "Claims"), relating to or arising out of, directly or indirectly, the Property, including without limitation those relating to the actual or threatened release, disposal, deposit, seepage, migration or escape of Hazardous Substances at, from, into or underneath the Property, pre-existing contamination at 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. Without limiting the generality of the foregoing, the Parties acknowledge that Claims, as defined herein, are not limited to third party Claims, but include Claims made or incurred by the Seller.



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

#### **ARTICLE 4. TITLE MATTERS**

**4.1. CONVEYANCE.** Seller shall convey to Buyer the title to the Property by bargain and sale deed in substantially the form attached hereto as **EXHIBIT B**, subject only to the Permitted Exceptions (as defined below) and the Seller's Reserved Easement, the lien of current real property taxes, fees and/or charges not yet due and payable, rights reserved in federal patents or state deeds, building or use restrictions general to the governing jurisdiction, and the matters excluded from coverage by the printed exceptions and exclusions contained in the form of title insurance policy required by Section 4.4 of this Agreement.

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

**4.3. REVIEW OF TITLE COMMITMENT.** Buyer shall have until twenty-five (25) days after the Effective Date (the "Review Period") in which to notify Seller in writing of any objections Buyer has to any matters shown or referred to in the Title Commitment ("Buyer's Objections"). Any exceptions or other items that are set forth in the Title Commitment and to which Buyer does not object within the Review Period shall be deemed to be permitted exceptions ("Permitted Exceptions"). With regard to items to which Buyer does object within the Review Period, Seller shall notify Buyer within ten (10) days after Seller receives Buyer's Objections of any exceptions to title which Seller will not remove or otherwise resolve ("Seller's Response"), and Buyer may, at Buyer's option, either proceed to Closing and thereby waive the Buyer's Objections not cured, in which case such exceptions to title shall be Permitted Exceptions, or Buyer may terminate this Agreement by notice to Seller within ten (10) days after receipt of Seller's Response. If the Title Company issues a supplement to the Title Commitment that identifies new exceptions, the procedure set forth in this Section 4.3 shall apply to such supplement, except that Buyer will have seven (7) days to make Buyer's Objections to any new exception, Seller shall have five (5) days to provide Seller's Response, and the Closing Date will be extended for the period necessary to allow the procedures set forth herein to be completed with regard to a timely objection.

**4.4. OWNER'S TITLE INSURANCE POLICY.** At the Closing, Seller shall cause an owner's policy of title insurance to be issued by the Title Company in the full amount of the Purchase Price, effective as of the Closing Date, insuring Buyer that the fee simple title to the Property is vested in Buyer, subject only to the Permitted Exceptions, the lien of current real

property taxes, fees and/or charges not yet due and payable, rights reserved in federal patents or state deeds, building or use restrictions general to the governing jurisdiction, and the matters excluded from coverage by the printed exceptions and exclusions contained in the form of title insurance policy required by the Title Company. The obligation of Seller 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. Seller shall pay any sum owing to the Title Company for the preparation of the preliminary and binding commitments generated by the Title Company. At Buyer's option and expense, Buyer may require that the title insurance policy to be issued to Buyer at Closing be an ALTA extended coverage owner's policy ("Extended Title Insurance"). Buyer shall be responsible to deliver to the Title Company any survey required by the Title Company for Extended Title Insurance, at Buyer's expense.

## **ARTICLE 5. CONTINGENCIES**

**5.1. DUE DILIGENCE INSPECTION AND FEASIBILITY.** Buyer shall satisfy itself by investigation and inspection, at its cost and expense in its sole and absolute discretion, that the condition of the Property for Buyer's contemplated use meets with its approval ("Due Diligence Contingency"). If Buyer is not satisfied with the condition of the Property, Buyer may terminate this Agreement by delivering written notice of termination to Seller within sixty (60) calendar days of the Effective Date ("Due Diligence Period"). In such event this Agreement shall terminate, the Parties shall have no further obligations hereunder. If Buyer fails to give such notice to terminate within the Due Diligence Period or affirmatively gives notice that this Due Diligence Contingency is satisfied or waived within the Due Diligence Period, Buyer shall be obligated hereunder without further contingency. Seller and Buyer may agree in writing to extend the Due Diligence Period.

**5.1.1. DUE DILIGENCE MATERIALS.** Seller shall provide all documents and materials related to the Property reasonably requested by Buyer to the extent such items are, to the Seller's knowledge, in the possession or control of Seller ("Due Diligence Materials"). Seller shall deliver to Buyer copies of Due Diligence Materials related to the Property within five (5) days of receiving a written request for such materials from Buyer. In addition, within five (5) days of the Effective Date Seller will deliver (which shall include "delivery" pursuant to an on-line data site provided by Buyer at Buyer's sole cost and expense) to Buyer copies of the following Due Diligence Materials:

- a) Copies of all surveys, studies, plans, and title reports;
- b) Reports and studies regarding Hazardous Substantive (as defined in Section 3.2.2.g), wetlands, soils, ground water and slopes; and
- c) Copies of all Leases.

Due Diligence Materials do not include: (1) emails or other records of communications between or among Seller's employees or between or among Seller's employees and other persons or entities, including but not limited to Buyer or the Central Puget Sound Regional Transportation Authority ("Sound Transit"); (2) any records that the Seller reasonably

deems to be exempt from public disclosure on any basis under Chapter 42.56 RCW; or (3) documents and records that are not, to the Seller's knowledge, in Seller's possession or control and are publicly available through the Metropolitan King County Council, the King County Recorder's Office, the King County Archives, or from any other public agency or jurisdiction, including but not limited to Sound Transit. For any records that the Seller deems to satisfy subsection 5.1.1.(2) above, the Seller shall create an exemption log which shall include a description of the record and reason for exemption. The exemption log shall be made available to Seller upon request.

In the event Seller identifies any additional Due Diligence Materials required to be disclosed in this Section 5.1.1. more than five (5) days after the Effective Date and prior to the termination of the Due Diligence Period or any extension thereof, Seller shall immediately notify Buyer of the existence of said Due Diligence Materials and deliver copies of the additional Due Diligence Materials to Buyer.

Buyer shall not rely on the Due Diligence Materials, or any information provided or to be provided by Seller and shall solely rely on its own investigation of the Property. Seller does not make any representations or warranties concerning the accuracy or completeness of the Due Diligence Materials. Nothing in this Section 5.1.1 shall modify or be deemed to modify Seller's disclaimer of the Property's condition under Section 3.3, or to modify or condition the definition of "Seller's knowledge" in Section 11.16.

**5.1.2. INSPECTIONS.** During the Due Diligence Period, Buyer, its designated representatives or agents shall have the right at its own expense to (a) perform any and all tests, inspections, studies, surveys or appraisals of the Property deemed necessary, on any subject, by the Buyer (subject to the limitations set forth below and Section 5.1.3 Right of Entry); (b) obtain a Phase I or Phase II Environmental Assessment on the Property and perform any and all tests, inspections and studies deemed necessary therewith; (c) examine all Review Materials; (d) determine to its satisfaction whether approvals, permits and variances can be obtained under applicable land use and zoning codes for Buyer's proposed development of the property; and (e) determine whether Buyer's proposed development of the property is economically feasible.

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

out of any act, error or omission of Seller, its officers, agents and employees.

**5.1.4 RIGHT OF ENTRY INSURANCE.** Prior to the entry of Buyer or its contractors for invasive testing of the Property such as drilling or excavation, the entering party(ies) shall submit evidence of (1) Commercial General Liability coverage in the amount of \$1,000,000 per occurrence and \$2,000,000 in the aggregate; (2) Automobile liability insurance in the amount of \$1,000,000; (3) Contractor's Pollution insurance in the amount of \$1,000,000 per claim and in the aggregate; and (4) Stop Gap/Employers Liability coverage in the amount of \$1,000,000. King County, its officers, officials, agents, and employees shall be named as additional insureds. Buyer is a Public School District that participates in a self-insurance pool and may satisfy the insurance requirement of this Section by providing Seller with a certificate of self-insurance meeting at least the coverage amounts above.

**5.2. METROPOLITAN KING COUNTY COUNCIL APPROVAL CONTINGENCY.** Seller's performance under this Agreement is contingent on approval by ordinance of the conveyance of the Property by the Metropolitan King County Council ("Council Approval Contingency"). The Council Approval Contingency will be satisfied if an ordinance passed by the Metropolitan King County Council approving the conveyance of the Property becomes effective within one hundred twenty (120) days of the Effective Date ("Council Approval Period"). Seller may unilaterally extend the Council Approval Period for up to an additional ninety (90) days. The Parties may further extend the Council Approval Period by mutual agreement set forth in writing. If the Council Approval Contingency is not satisfied within the Council Approval Period, as may be extended consistent with this Section 5.2, then this Agreement shall terminate, and the Parties shall have no further obligations hereunder. If the Council Approval Contingency is satisfied within the Council Approval Period, as may be extended consistent with this Section 5.2, then Seller shall be obligated hereunder without further contingency except in the event of a default hereunder by Buyer.

**5.3. FUNDING CONTINGENCY.** Buyer's obligation under this Agreement is contingent upon Buyer's notifying Seller, on or before October 31, 2023, (the "Funding Contingency Period"), that it has obtained funds through the LOCAL Program of the Washington State Treasurer's Office, or has secured other equivalent funding, in an amount sufficient to consummate the Closing under this Agreement (the "Financing Contingency Notice"). Buyer shall make all commercially reasonable efforts to obtain such funding. Notwithstanding the foregoing, Buyer shall have one (1) option to extend the Funding Contingency Period by providing Seller notice of Buyer's intent to exercise the option (the "Funding Contingency Option") on or before October 20, 2023. If Buyer exercises the Funding Contingency Option, the Funding Contingency Period shall be extended, and shall expire January 31, 2024. The Parties may further extend the Funding Contingency Period by mutual agreement set forth in writing. If Buyer does not timely deliver the Financing Contingency Notice on or before the termination of the Funding Contingency Period, then this Agreement shall terminate and the Parties shall have no further obligations hereunder, except those that expressly survive herein.

**5.4. FTA APPROVAL CONTINGENCY.** Seller has represented to Buyer that the Federal Transit Administration ("FTA") must approve Seller's proposed sale of the Property to Buyer. Seller has represented to Buyer that such FTA review and approval is necessary to proceed with the transaction contemplated in this Agreement. Therefore, Buyer's duty to close is contingent on

FTA review and written approval of the proposed transaction. Prior to Closing, and at Seller's sole cost and expense, Seller shall take such steps as may be necessary to secure FTA review and approval of the proposed transaction regarding the Property and provide Buyer written documentation of such approval reasonably acceptable to Buyer. Seller shall secure FTA approval not later than thirty (30) days prior to the Closing Date, including all possible appeals or challenges to FTA review and approval. Provided, that Seller and Buyer may agree in writing to extend the Closing Date for such reasonable period or periods of time as may be required to complete FTA review and approval. If the FTA ultimately does not approve the proposed transaction regarding the Property, then Seller shall have no duty to proceed with Closing, this Agreement shall terminate upon written notice from Seller to Buyer, each Party shall bear its own costs and expenses up to and including the date of Seller's notice to Buyer, and neither Party shall have any further right, duty, or obligation under this Agreement.

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

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

**6.2. LEASES.** The Leases shall not be modified, amended, or terminated prior to the Closing without the prior written consent of the Buyer.

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

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

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

**7.1. CONDUCT, NOTICE OF CHANGE.** Buyer covenants that between the Effective Date and the Closing Buyer shall take all such actions as may be necessary to assure that the representations and warranties set forth in Article 3 hereof will be true and complete as of the Closing (except such representations, warranties and matters which relate solely to an earlier date), and that all covenants of Buyer set forth in this Agreement which are required to be performed by

it at or prior to the Closing shall have been performed at or prior to the Closing as provided in this Agreement. Buyer shall give Seller prompt written notice of any material change in any of the information contained in the representations and warranties made in Article 3 or elsewhere in this Agreement which occurs prior to the Closing.

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

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

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

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

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

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

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

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

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

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

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

**9.4 FUNDS.** Buyer shall have secured sufficient cash or equivalent funds to pay the full amount of the Purchase Price (less the Easement Value) into escrow at or before Closing.

## **ARTICLE 10. CLOSING**

**10.1. CLOSING/CLOSING DATE.** The Closing shall take place within fifteen (15) days following the removal of all the contingencies in Article 5 of this Agreement or such other date as may be mutually agreed upon by the Parties ("Closing Date"). On or before the Effective Date, the Parties shall set up an escrow account with Laura Lau at First American Title Insurance Company, in Seattle Washington (the "Escrow Agent"). The Escrow Agent shall serve as closing agent for the transaction contemplated herein and Closing shall occur in the offices of the Escrow Agent in Seattle, Washington.

**10.2. PRORATIONS.** Real property taxes and assessments shall be prorated as of the Closing Date. Seller shall pay the cost of one-half (1/2) of the escrow fee charged by the Escrow Agent, the costs of the preliminary and binding Title Commitments and the premium for the Title Policy, the recording fees for the deed, 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, and such additional premium for Extended Title Insurance if elected by Buyer pursuant to Section 4.4, as well as the recording fees for the deed and Reserved Easement and its own attorneys' fees. Except as otherwise provided in this Section 10.2, all other expenses hereunder shall be paid by the Party incurring such expenses.

**10.3. PROPERTY RENTS AND DEPOSITS.** All rents receivable pursuant to the Leases earned and attributable to the period prior to the Closing Date will be paid to Seller to the extent that such rents have been collected prior to the Closing Date. Rents earned and attributable to the period beginning on the Closing Date and thereafter will be paid to Buyer. Upon receipt after the Closing Date by Buyer of rents earned from the Property prior to the Closing Date such rents will be paid to Seller; provided that (a) Buyer will have no obligation to enforce collection of such rents, and (b) any such rent received post-Closing shall be attributed first to Buyer's right of collection and any remainder funds shall be paid to Seller with respect to any pre-Closing rent obligations of the applicable tenant. The amounts to be paid to Seller shall be turned over by Buyer to Seller promptly after receipt. Seller shall be entitled to pursue any lawful methods of collection of delinquent rents from Seller's tenants earned from the Property prior to the Closing Date, but Seller shall have no right to evict any such tenants, or otherwise disturb the tenancies of any such tenants after Closing. All refundable security deposits, final months' rent deposits, or unapplied net operating expenses pursuant to the Leases shall be deposited in escrow by the Seller and transferred to Buyer upon closing.

**10.4. SELLER'S DELIVERY OF DOCUMENTS AT CLOSING.** At the Closing, Seller will deliver to Buyer via escrow with the Escrow Agent the following properly executed documents:

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

**10.4.2.** A bill of sale and assignment duly executed by the Seller in substantially

the form of **EXHIBIT C**, attached hereto for the Personal Property, if any;

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

**10.4.4.** An Assignment of Leases in the form of **EXHIBIT G**, as attached hereto, for all Leases being assigned to Buyer.

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

## **ARTICLE 11. MISCELLANEOUS PROVISIONS**

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

### **11.2. DEFAULT AND ATTORNEYS' FEES.**

**11.2.1. DEFAULT BY BUYER.** In the event Closing does not occur due to default by Buyer, Seller's sole and exclusive remedy shall be to terminate this Agreement.

**11.2.2. DEFAULT BY SELLER.** In the event Closing does not occur due to default of Seller, Buyer's sole and exclusive remedy shall be to terminate this Agreement.

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

### **11.3. TIME.**

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

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

**11.4. NOTICES.** All notices or other communications required or permitted to be given under any of the provisions of this Agreement shall be in writing and shall be deemed to have been



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

**If to Buyer:** Federal Way Public Schools  
33330 8<sup>th</sup> Avenue South  
Federal Way, WA 98003  
Attn: Superintendent

**With a copy to:** Porter Foster Rorick LLP  
601 Union Street, Suite 800  
Seattle, WA 98101  
Attention: Greg Swanson

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

**With a copy to:** King County Prosecuting Attorney's Office  
Civil Division  
King County Courthouse  
516 3<sup>rd</sup> Avenue, Suite W400  
Seattle, WA 98104  
Attention: Erin Ferrell

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

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

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

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

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

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

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

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

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

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

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

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

**11.17. INDEMNIFICATION INCLUDES TITLE 51 WAIVER.** The indemnification provisions in Sections 3.3.4 and 5.1.1 of this Agreement are specifically and expressly intended to constitute a waiver of the Buyer's immunity under Washington's Industrial Insurance Act, RCW Title 51, as respects the Seller only, and only to the extent necessary to provide the Seller with a full and

complete indemnity of claims made by the Buyer's employees. The Parties acknowledge that these provisions were specifically negotiated and agreed upon by them.

**11.18. COUNTERPARTS.** To facilitate execution, this Agreement may be executed in as many counterparts as may be convenient or required. It shall not be necessary that the signature of, or on behalf of, each Party, or that the signature of all persons required to bind any Party, appear on each counterpart. All counterparts shall collectively constitute a single instrument. It shall not be necessary in making proof of this Agreement to produce or account for more than a single counterpart containing the respective signatures of, or on behalf of, each Party hereto. Any signature page to any counterpart may be detached from such counterpart without impairing the legal effect of the signatures thereon and thereafter may be attached to another counterpart identical thereto except having attached to it additional signature pages.

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

EXHIBIT A	Legal Description
EXHIBIT B	Bargain and Sale Deed
EXHIBIT C	Bill of Sale and Assignment
EXHIBIT D	Certificate of Non-Foreign Status
EXHIBIT E	Conceptual Description and Illustration of Additional Improvements
EXHIBIT F	Reserved Easement
EXHIBIT G	Assignment of Leases
EXHIBIT H	Appraisal

[SIGNATURES ON THE NEXT PAGE]

EXECUTED on the dates set forth below.

**SELLER: KING COUNTY**

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

Name: Anthony Wright

Title: Director, Facilities Management Division

Date: 8-15-2023

**BUYER: Federal Way Public Schools**

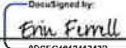
By: \_\_\_\_\_

Name: Dr. Dani Pfeiffer

Title: Superintendent

Date: June 28, 2023

APPROVED AS TO FORM:

By:  \_\_\_\_\_  
Senior Deputy Prosecuting Attorney

**SCHEDULE 1.1.5**

**Leases**

Central Puget Sound Regional Transit Authority      320 parking stalls      Expires July 21, 2026

**EXHIBIT A.**

**LEGAL DESCRIPTION**

PARCEL A: PORTION SE QTR NW QTR NW QTR STR 33-22-04 LYING EAST OF ELY RIGHT OF WAY MARGIN OF STATE HWY NO 1; PARCEL B: PORTION SW QTR NW QTR NW QTR STR 33-22-04 LYING EAST OF ELY RIGHT OF WAY MARGIN OF STATE HWY NO 1; PARCEL C: PORTION OF NE QTR NW QTR NW QTR STR 33-22-04 LYING EAST OF E RIGHT OF WAY MARGIN OF STATE HWY NO 1 SAID MARGIN BEING 50 FT FROM & PARALLEL TO CENTERLINE OF SAID HWY RIGHT OF WAY DAF: COMMENCING AT INTERSECTION OF S LINE OF SAID NE QTR NW QTR NW QTR & ELY MARGIN OF SAID STATE HWY NO 1 SAID POINT ALSO BEING NW CORNER OF PORTION OF SE QTR NW QTR NW QTR OF SAID SECTION 33 LYING EAST OF E RIGHT OF WAY MARGIN OF STATE HIGHWAY NO 1 AS RECORDED IN DEED UNDER RECORDING NO 7712220767 TH S88-43-39E ALONG SAID S LINE 14.74 FT TO EXISTING CHAIN LINK FENCE & TPOB TH CONTINUING S 88-43-39E ALONG SAID S LINE & SAID FENCE 449.65 FT TO INTERSECTION WITH EXISTING CHAIN LINK FENCE TH N88-06-03W ALONG SAID FENCE 285.43 FT TH N88-16-19W CONTINUING ALONG SAID FENCE 162.72 FT TH S20-22-25W CONTINUING ALONG SAID FENCE 4.67 FT TO TPOB.



**NOTARY BLOCK FOR KING COUNTY**

STATE OF WASHINGTON)

) SS

COUNTY OF KING )

On this \_\_\_\_\_ day of \_\_\_\_\_, 2023, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared ANTHONY WRIGHT, to me known to be the Director of the Facilities Management Division of the King County Department of Executive Services, and who executed the foregoing instrument and acknowledged to me that HE was authorized to execute said instrument on behalf of KING COUNTY for the uses and purposes therein mentioned.

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

Notary Public in and for the State of Washington, residing

at \_\_\_\_\_

City and State

My appointment expires \_\_\_\_\_

**NOTARY BLOCK FOR FEDERAL WAY PUBLIC SCHOOLS**

STATE OF WASHINGTON)

) SS

COUNTY OF KING )

On this 28 day of June, 2023, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Dr. Dani Pfeiffer, to me known to be the Superintendent, who executed the foregoing instrument and acknowledged to me that SHE or HE was authorized to execute said instrument on behalf of the Federal Way Public Schools for the uses and purposes therein mentioned.

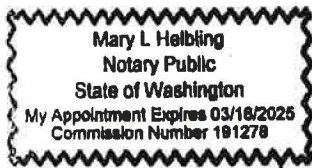
WITNESS my hand and official seal hereto affixed the day and year in this certificate above written.

Mary L. Helbling Notary Public in and for the State of Washington, residing

at Auburn, WA

City and State

My appointment expires 3-16-2025



Mary L. Helbling



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

**LEGAL DESCRIPTION**

**EXCEPTIONS TO TITLE**

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

**EXHIBIT C.**

**BILL OF SALE AND ASSIGNMENT**

---

THIS BILL OF SALE is made as of this \_\_\_\_\_ day of \_\_\_\_\_, 2023, by KING COUNTY, a political subdivision of the State of Washington (“**Seller**”), in favor of Federal Way Public Schools, a \_\_\_\_\_ (“**Buyer**”).

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

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

SELLER:

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

**EXHIBIT A**  
**TO BILL OF SALE**

**LEGAL DESCRIPTION**

PARCEL A: PORTION SE QTR NW QTR NW QTR STR 33-22-04 LYING EAST OF ELY RIGHT OF WAY MARGIN OF STATE HWY NO 1; PARCEL B: PORTION SW QTR NW QTR NW QTR STR 33-22-04 LYING EAST OF ELY RIGHT OF WAY MARGIN OF STATE HWY NO 1; PARCEL C: PORTION OF NE QTR NW QTR NW QTR STR 33-22-04 LYING EAST OF E RIGHT OF WAY MARGIN OF STATE HWY NO 1 SAID MARGIN BEING 50 FT FROM & PARALLEL TO CENTERLINE OF SAID HWY RIGHT OF WAY DAF: COMMENCING AT INTERSECTION OF S LINE OF SAID NE QTR NW QTR NW QTR & ELY MARGIN OF SAID STATE HWY NO 1 SAID POINT ALSO BEING NW CORNER OF PORTION OF SE QTR NW QTR NW QTR OF SAID SECTION 33 LYING EAST OF E RIGHT OF WAY MARGIN OF STATE HIGHWAY NO 1 AS RECORDED IN DEED UNDER RECORDING NO 7712220767 TH S88-43-39E ALONG SAID S LINE 14.74 FT TO EXISTING CHAIN LINK FENCE & TPOB TH CONTINUING S 88-43-39E ALONG SAID S LINE & SAID FENCE 449.65 FT TO INTERSECTION WITH EXISTING CHAIN LINK FENCE TH N88-06-03W ALONG SAID FENCE 285.43 FT TH N88-16-19W CONTINUING ALONG SAID FENCE 162.72 FT TH S20-22-25W CONTINUING ALONG SAID FENCE 4.67 FT TO TPOB.

**EXHIBIT D.**

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

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

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

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

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

Dated this \_\_\_ day of \_\_\_\_\_, 2023.

King County, Transferor:

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

## **EXHIBIT E.**

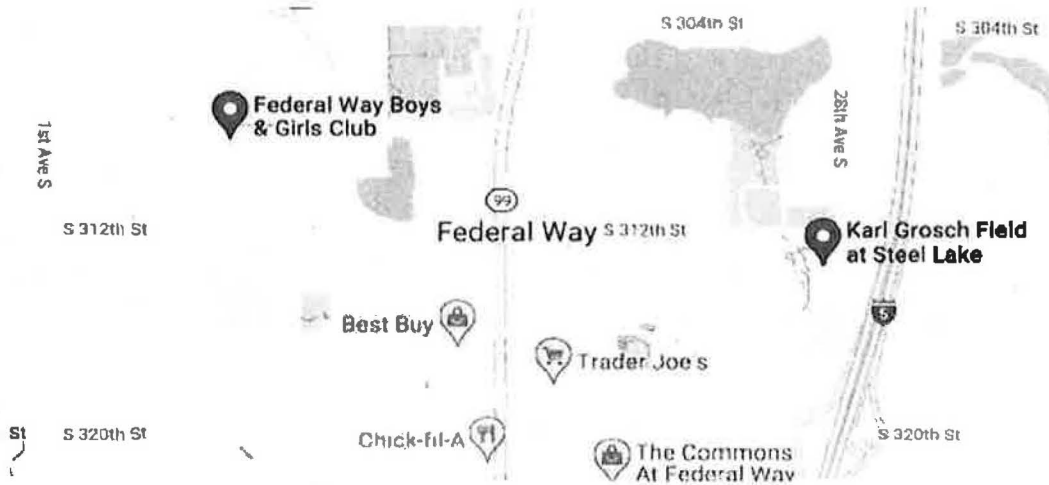
### **Conceptual Description and Illustration of Additional Public Benefits to be provided in furtherance of K.C.C. 4.56.100.A.12**

While the primary public benefit to be provided by Federal Way Public Schools as a result of this transaction will be a replacement elementary school for Mark Twain Elementary School which is impacted by the location of the Federal Way Link Extension and the Star Lake Park and Ride, a number of additional public benefits will be provided as part of the new construction. These additional public benefits include:

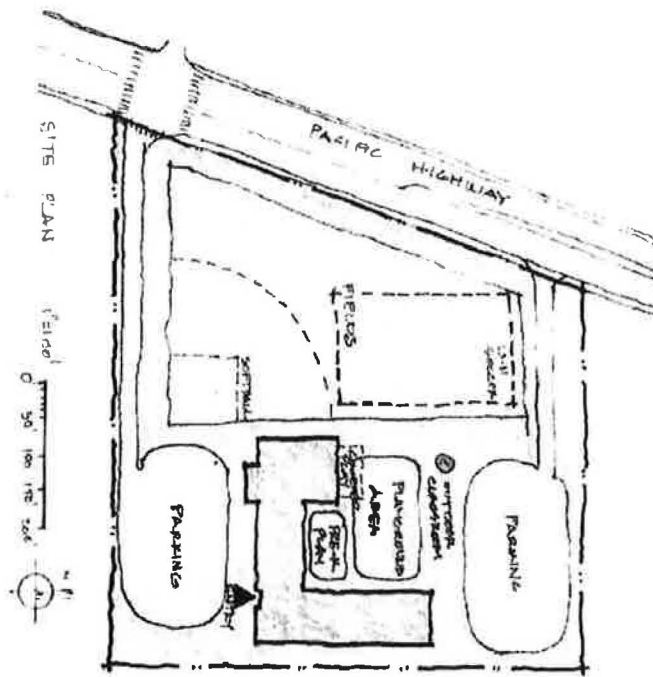
- Identification of the school as an emergency shelter in the event of a disaster
- Provision of a family connection center that provides a place for parents and families to meet to promote emotional health and crisis prevention
- Access to large spaces for community events and gatherings
- Before and after school childcare, which can include full-time childcare during school breaks and over the summer.
- Play fields and playgrounds are open to the public for after hours and summer use by the community (closing at dusk or 8:00 PM, whichever is earlier)

The primary play field will be designed to support youth soccer, based on the Under 11 category, meeting a need for additional soccer fields in the north end of the school district. Within the Federal Way community, there are currently only two identified youth soccer fields (see picture). Both are centrally located, with one operated by the Boys & Girls Club and one operated by the City of Federal Way. The addition of a youth soccer field in the north end of the District will provide additional opportunities in a community where currently 91% of the students qualify for free or reduced-price meals.

Federal Way Public Schools offers district-sponsored athletics free of charge to our scholars, and almost 500 middle school students participate in soccer. Outside community groups are also able to utilize our fields for youth sports for no charge.



This property is adjacent to a newly renovated and affordable housing development (Redondo Heights) sponsored by the Multi-Service Center through Transit Oriented Development Bond Housing and will provide a total of 342 family units targeting incomes between 50% and 60% of the median income. The District and the Multi-Service Center have a long partnership and anticipate that with the completion of both projects, new collaborations providing public benefit will evolve.



4  
S.G.A.  
8/9/2011  
ELEMENTARY SCHOOL  
REDONDO PARK-N-RIDGE

Future school potential design layout shown only for illustrative purposes. Subject to change based on permitting and design. Final layout will include improvements required to fulfill the justifications listed above.

**EXHIBIT F.**

**Seller's Reserved Easement  
LEGAL  
DESCRIPTION**

THAT PORTION OF THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 33, TOWNSHIP 22 NORTH, RANGE 4 EAST, WILLAMETTE MERIDIAN, SITUATE IN KING COUNTY, WASHINGTON

COMMENCING AT THE MONUMENT IN THE CENTERLINE OF PACIFIC HIGHWAY SOUTH (SR99) AT HIGHWAY ENGINEER'S STATION 20+70.60, AS SHOWN ON THE RECORD OF SURVEY FOR SR99 R/W CENTERLINE ALIGNMENT (S. 288<sup>TH</sup> ST TO S. 272<sup>ND</sup> ST) RECORDED UNDER KING COUNTY RECORDING NUMBER 20040504900008;

THENCE SOUTH 69°16'33" EAST 50.00 FEET TO THE EASTERLY MARGIN OF PACIFIC HIGHWAY SOUTH (SR99); THENCE ALONG SAID EASTERLY MARGIN, NORTH 20°43'27" EAST 144.80 FEET TO THE POINT OF BEGINNING FOR THE HEREIN DESCRIBED EASEMENT;

THENCE CONTINUING ALONG SAID EASTERLY MARGIN, NORTH 20°43'27" EAST 34.00 FEET; THENCE DEPARTING SAID EASTERLY MARGIN, SOUTH 69°16'33" EAST 26.00 FEET;

THENCE PARALLEL WITH SAID EASTERLY MARGIN, SOUTH 20°43'27" WEST 34.00 FEET TO POINT WHICH BEARS SOUTH 69°16'33" EAST FROM THE POINT OF BEGINNING;

THENCE NORTH 69°16'33" WEST 26.00 FEET TO THE POINT OF

BEGINNING. CONTAINS 884 SQUARE FEET, MORE OR LESS.

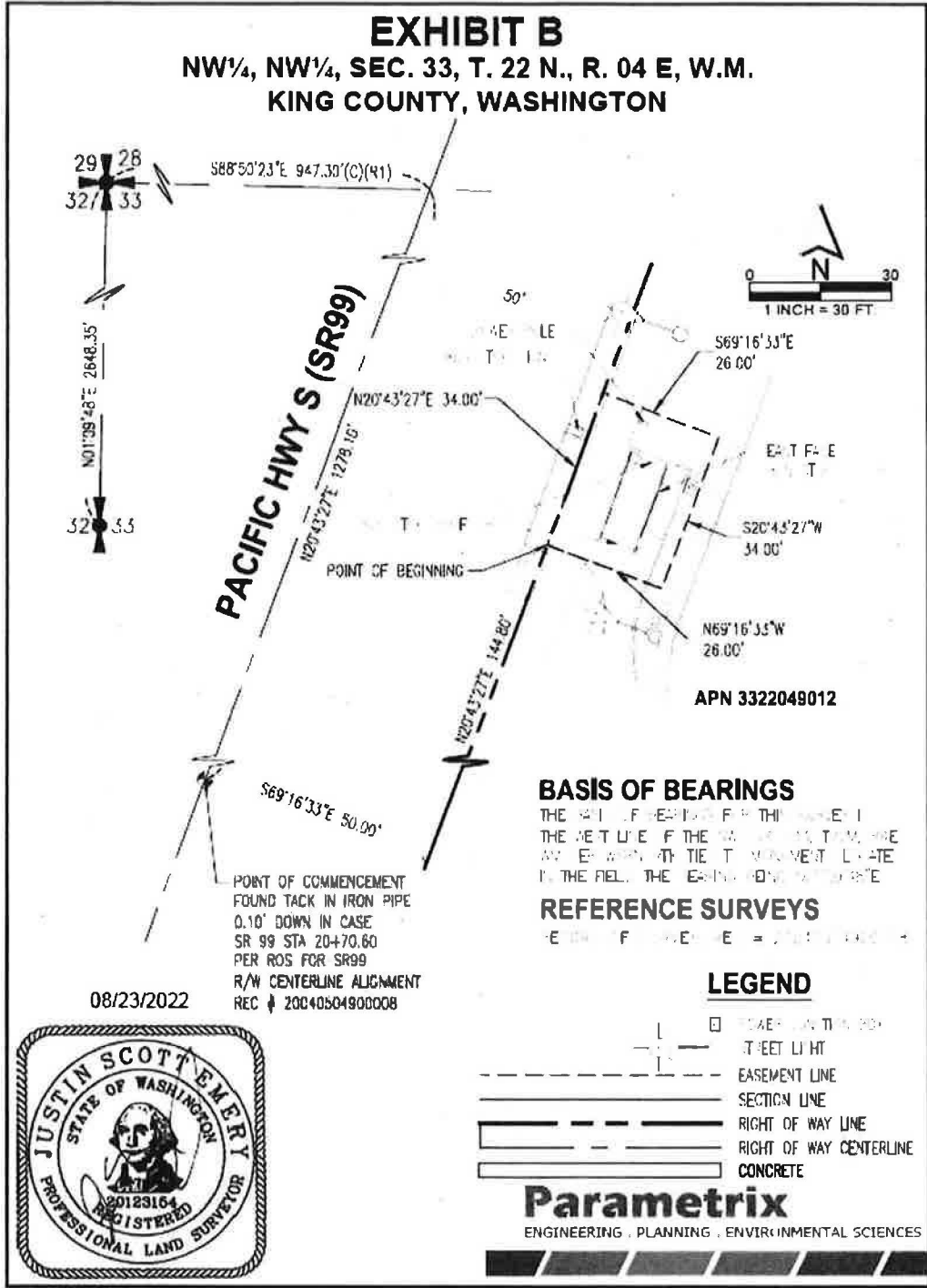


08/23/2022



**EXHIBIT F**

Seller's Reserved Easement (cont.)



## EXHIBIT G.

### ASSIGNMENT OF LEASES

This ASSIGNMENT OF LEASES (this "Assignment") dated this \_ day of \_\_\_\_, 202, is by and between King County, a political subdivision of the State of Washington ("Seller" or "Assignor") and Federal Way Public Schools, a Washington Public School District ("Buyer" or "Assignee").

Seller and Buyer are parties to that certain Purchase and Sale Agreement dated the \_ day of \_\_\_\_\_, 2023 (the "Agreement"), pursuant to which Seller has agreed to sell and Buyer has agreed to buy the property described on **Exhibit A** together with the improvements located thereon (the "Property").

Pursuant to the Agreement, Seller has agreed to assign, and Buyer has agreed to assume all of Seller's obligations under certain leases relating to the Property, which are described on **Exhibit B** (the "Leases").

NOW, THEREFORE, in consideration of the Purchase Price in the Agreement and other valuable consideration paid by Buyer to Seller, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

#### SECTION 1. ASSIGNMENT AND ASSUMPTION.

Seller does hereby assign and transfer to Buyer all of Seller's right, title, and interest in the Leases. Buyer does hereby assume all of Seller's obligations of any kind or nature under the Leases which arise or accrue from and after the date hereof.

#### SECTION 2. WARRANTIES AND REPRESENTATIONS.

2.1 **Leases.** Assignor warrants and represents that (i) **Exhibit B** sets forth as of the date hereof all Leases covering any portion of the Property, (ii) except as otherwise specified in Exhibit B, all of the lease agreements listed thereon are in writing; (iii) there are no other agreements, either oral or in writing, relating to any of the Property; and (iv) that each of the Leases is valid and in full force and effect.

2.2 **Deposits.** Assignor warrants and represents that none of the parties under the Leases have at any time made a cash, security or other deposits or paid any advance rent or service fees except as reflected on Exhibit C.

2.3 **Encumbrances.** Assignor warrants and represents that Assignor is the owner of the entire Lessor's interest in each of the leases, and none of the lease are subject to any other liens or encumbrances.

#### SECTION 3. INDEMNIFICATION.


3.1 **Buyer.** Buyer agrees to fully, completely, and unconditionally indemnify and hold Seller harmless from and against all claims, losses, expenses, liabilities, damages, including, without limitation, interest and penalties, attorneys' fees, and all amounts paid in settlement of any

claim, which may be asserted against Seller, or which Seller may incur or suffer and arise subsequent to the date hereof and result from or relate directly or indirectly, to any of the Leases.

3.2 Seller. Seller agrees to fully, completely, and unconditionally indemnify and hold Buyer harmless from and against and with respect to any and all claims, losses, expenses, liabilities, damages, including, without limitation, interest and penalties, attorneys' fees and all amounts paid in settlement of any claim which may be asserted against Buyer, or which Buyer may incur or suffer, and which arise prior to the date hereof and result from or relate directly or indirectly, to any of the Leases.

**SECTION 4. BINDING.**

This Assignment shall inure to the benefit of and be binding upon the successors and assigns of the parties hereto.

SELLER:   
By: Anthony W. Wright  
Its: Prudential, FWD

BUYER: Federal Way Public Schools  
By: NAAA  
Its: Superintendent

[ Add Acknowledgments. ]  
[ Add Exhibits ]

**EXHIBIT H.**  
**APPRAISAL**