

**CITY OF MONROE  
RESOLUTION NO. 2013/028**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
MONROE, WASHINGTON, AUTHORIZING THE SALE OF  
CERTAIN REAL PROPERTY TO LAND RESOURCES NW,  
L.L.C

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WHEREAS, the City of Monroe owns the real property legally described in the Vacant Land Purchase and Sale Agreement appended hereto as Attachment A and incorporated herein by this reference as if set forth in full; and

WHEREAS, the City desires to sell, and Land Resources NW, L.L.C. desires to purchase, said property in accordance with terms and conditions set forth in the Vacant Land Purchase and Sale Agreement.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MONROE, WASHINGTON, HEREBY RESOLVES AS FOLLOWS:

Section 1. Approval of Commercial Real Estate Contract of Purchase and Sale. The City Council hereby declares the property described in the attached Vacant Land Purchase and Sale Agreement, Exhibit A, to be surplus to the City's needs and authorizes its disposition in accordance with said contract. The Mayor is authorized to execute the Vacant Land Purchase and Sale Agreement on behalf of the City.

Section 2. Effective Date. This resolution shall take effect immediately upon passage.

ADOPTED by the City Council of the City of Monroe, at its regular meeting thereof, and APPROVED by the Mayor this 10th day of December, 2013.

CITY OF MONROE, WASHINGTON

  
\_\_\_\_\_  
Robert G. Zimmerman, Mayor

(SEAL)

ATTEST:

  
\_\_\_\_\_  
Elizabeth M. Smoot, CMC, City Clerk

VACANT LAND PURCHASE AND SALE AGREEMENT  
SPECIFIC TERMS

1. Date: November 4, 2013 MLS No.: Not listed
2. Buyer: Land Resources NW LLC and/or assigns
3. Seller: City of Monroe
4. Property: Tax Parcel No(s): 28063600100900 ( Snohomish County)  
Street Address: Unknown-See Legal Description Washington 98272  
Legal Description: Attached as Exhibit A. Four
5. Purchase Price: \$ 325,000.00 ~~400,000~~ Three Hundred Twenty Five Thousand Dollars
6. Earnest Money: (To be held by  Selling Firm;  Closing Agent)  
Personal Check: \$ \_\_\_\_\_; Note: \$ 16,250.00 / 20,000; Other ( \_\_\_\_\_ ): \$ \_\_\_\_\_
7. Default: (check only one)  Forfeiture of Earnest Money;  Seller's Election of Remedies
8. Title Insurance Company: Chicago Title Insurance Co.
9. Closing Agent:  a qualified closing agent of Buyer's choice;  Chicago Escrow-Lynnwood WA
10. Closing Date: 1/30/2015 ~~12/11/14~~ Or within 30 days of final engineering approval whichever occurs 1st.
11. Possession Date:  on Closing;  Other \_\_\_\_\_
12. Offer Expiration Date: 11/22/13 12/19/14
13. Services of Closing Agent for Payment of Utilities:  Requested (attach NWMLS Form 22K);  Waived
14. Charges and Assessments Due After Closing:  assumed by Buyer;  prepaid in full by Seller at Closing
15. Subdivision: The Property:  must be subdivided before \_\_\_\_\_;  is not required to be subdivided
16. Feasibility Contingency Expiration Date:  60 days after mutual acceptance;  Other \_\_\_\_\_
17. Agency Disclosure: Selling Broker represents:  Buyer;  Seller;  both parties;  neither party  
Listing Broker represents:  Seller;  both parties
18. Addenda: 22D(Optional Clauses) 22T(Title Cont.) 31(Earnest Money) 35F(Feasibility)

34 (Addendum)

<p><u>[Signature]</u> Buyer's Signature</p> <p><u>11/4/2013</u> Date</p> <hr/> <p>Buyer's Signature _____ Date _____</p> <p><u>19711 88th Ave NE</u> Buyer's Address</p> <p><u>Bothell, WA 98011</u> City, State, Zip</p> <p><u>425-299-2600</u> Phone No. Fax No. _____</p> <p><u>cbpierce@comcast.net</u> Buyer's E-mail Address</p> <p><u>REMAX Eastside Brokers, Inc.</u> <u>5625</u> Selling Firm MLS Office No.</p> <hr/> <p>Selling Firm's Assumed Name (if applicable) _____</p> <p><u>Dave Smith</u> <u>62587</u> Selling Broker (Print) MLS LAG No.</p> <p><u>206-276-2169</u> <u>425-468-1399</u> Phone No. Firm Fax No.</p> <p><u>dsmithremax@hotmail.com</u> Selling Broker's E-mail Address</p>	<p>Seller's Signature _____ Date _____</p> <hr/> <p>Seller's Signature _____ Date _____</p> <p>Seller's Address _____</p> <p>City, State, Zip _____</p> <p>Phone No. _____ Fax No. _____</p> <p>Seller's E-mail Address _____</p> <p>Listing Firm _____ MLS Office No. _____</p> <p>Listing Firm's Assumed Name (if applicable) _____</p> <p>Listing Broker (Print) _____ MLS LAG No. _____</p> <p>Phone No. _____ Firm Fax No. _____</p> <p>Listing Broker's E-mail Address _____</p>
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VACANT LAND PURCHASE AND SALE AGREEMENT  
GENERAL TERMS

Continued

- a. **Purchase Price.** Buyer shall pay to Seller the Purchase Price, including the Earnest Money, in cash at Closing, unless otherwise specified in this Agreement. Buyer represents that Buyer has sufficient funds to close this sale in accordance with this Agreement and is not relying on any contingent source of funds, including funds from loans, the sale of other property, gifts, retirement, or future earnings, except to the extent otherwise specified in this Agreement.
- b. **Earnest Money.** Buyer shall deliver the Earnest Money within 2 days after mutual acceptance of this Agreement to Selling Broker who will deposit any check to be held by Selling Firm, or deliver any Earnest Money to be held by Closing Agent, within 3 days of receipt or mutual acceptance, whichever occurs later. If the Earnest Money is held by Selling Firm and is over \$10,000.00 it shall be deposited into an interest bearing trust account in Selling Firm's name provided that Buyer completes an IRS Form W-9. Interest, if any, after deduction of bank charges and fees, will be paid to Buyer. Buyer shall reimburse Selling Firm for bank charges and fees in excess of the interest earned, if any. If the Earnest Money held by Selling Firm is over \$10,000.00 Buyer has the option to require Selling Firm to deposit the Earnest Money into the Housing Trust Fund Account, with the interest paid to the State Treasurer, if both Seller and Buyer so agree in writing. If the Buyer does not complete an IRS Form W-9 before Selling Firm must deposit the Earnest Money or the Earnest Money is \$10,000.00 or less, the Earnest Money shall be deposited into the Housing Trust Fund Account. Selling Firm may transfer the Earnest Money to Closing Agent at Closing. If all or part of the Earnest Money is to be refunded to Buyer and any such costs remain unpaid, the Selling Firm or Closing Agent may deduct and pay them therefrom. The parties instruct Closing Agent to provide written verification of receipt of the Earnest Money and notice of dishonor of any check to the parties and Brokers at the addresses and/or fax numbers provided herein.
- Upon termination of this Agreement, a party or the Closing Agent may deliver a form authorizing the release of Earnest Money to the other party or the parties. The party(s) shall execute such form and deliver the same to the Closing Agent. If either party fails to execute the release form, the other party may make a written demand to the Closing Agent for the Earnest Money. If only one party makes such a demand, Closing Agent shall promptly deliver notice of the demand to the other party. If the other party does not object to the demand within 10 days of Closing Agent's notice, Closing Agent shall disburse the Earnest Money to the party making the demand. If Closing Agent complies with the preceding process, each party shall be deemed to have released Closing Agent from any and all claims or liability related to the disbursement of the Earnest Money. The parties are advised that, notwithstanding the foregoing, Closing Agent may require the parties to execute a separate agreement before disbursing the Earnest Money. If either party fails to authorize the release of the Earnest Money to the other party when required to do so under this Agreement, that party shall be in breach of this Agreement. Upon either party's request, the party holding the Earnest Money shall commence an interpleader action in the county in which the Property is located. For the purposes of this section, the term Closing Agent includes a Selling Firm holding the Earnest Money. The parties authorize the party commencing an interpleader action to deduct up to \$500.00 for the costs thereof.
- c. **Condition of Title.** Unless otherwise specified in this Agreement, title to the Property shall be marketable at Closing. The following shall not cause the title to be unmarketable: rights, reservations, covenants, conditions and restrictions, presently of record and general to the area; easements and encroachments, not materially affecting the value of or unduly interfering with Buyer's reasonable use of the Property; and reserved oil and/or mining rights. Monetary encumbrances or liens not assumed by Buyer, shall be paid or discharged by Seller on or before Closing. Title shall be conveyed by a Statutory Warranty Deed. If this Agreement is for conveyance of a buyer's interest in a Real Estate Contract, the Statutory Warranty Deed shall include a buyer's assignment of the contract sufficient to convey after acquired title. If the Property has been short platted, the Short Plat number is in the Legal Description.
- d. **Title Insurance.** Seller authorizes Buyer's lender or Closing Agent, at Seller's expense, to apply for the then-current ALTA form of standard form owner's policy of title insurance from the Title Insurance Company. If Seller previously received a preliminary commitment from a Title Insurance Company that Buyer declines to use, Buyer shall pay any cancellation fees owing to the original Title Insurance Company. Otherwise, the party applying for title insurance shall pay any title cancellation fee, in the event such a fee is assessed. The Title Insurance Company shall send a copy of the preliminary commitment to Seller, Listing Broker, Buyer and Selling Broker. The preliminary commitment, and the title policy to be issued, shall contain no exceptions other than the General Exclusions and Exceptions in said standard form and Special Exceptions consistent with the Condition of Title herein provided. If title cannot be made so insurable prior to the Closing Date, then as Buyer's sole and exclusive remedy, the Earnest Money shall, unless Buyer elects to waive such defects or encumbrances, be refunded to the Buyer, less any unpaid costs described in this Agreement, and this Agreement shall thereupon be terminated. Buyer shall have no right to specific performance or damages as a consequence of Seller's inability to provide insurable title.
- e. **Closing and Possession.** This sale shall be closed by the Closing Agent on the Closing Date. "Closing" means the date on which all documents are recorded and the sale proceeds are available to Seller. If the Closing Date falls on a Saturday, Sunday, legal holiday as defined in RCW 1.16.050, or day when the county recording office is closed, the Closing Agent shall close the transaction on the next day that is not a Saturday, Sunday, legal holiday, or day when the county recording office is closed. Buyer shall be entitled to possession at 9:00 p.m. on the Possession Date. Seller shall maintain the Property in its present condition, normal wear and tear excepted, until the Buyer is entitled to possession. Seller shall not enter into or modify existing leases or rental agreements, service contracts, or other agreements affecting the Property which have terms extending beyond Closing without first obtaining Buyer's consent, which shall not be unreasonably withheld.

Initials: BUYER: ef Date: 11/11/2013 SELLER: \_\_\_\_\_ Date: \_\_\_\_\_  
BUYER: \_\_\_\_\_ Date: \_\_\_\_\_ SELLER: \_\_\_\_\_ Date: \_\_\_\_\_

VACANT LAND PURCHASE AND SALE AGREEMENT  
GENERAL TERMS

Continued

- f. **Section 1031 Like-Kind Exchange.** If either Buyer or Seller intends for this transaction to be a part of a Section 1031 like-kind exchange, then the other party shall cooperate in the completion of the like-kind exchange so long as the cooperating party incurs no additional liability in doing so, and so long as any expenses (including attorneys' fees and costs) incurred by the cooperating party that are related only to the exchange are paid or reimbursed to the cooperating party at or prior to Closing. Notwithstanding the Assignment paragraph of this Agreement, any party completing a Section 1031 like-kind exchange may assign this Agreement to its qualified intermediary or any entity set up for the purposes of completing a reverse exchange. 62-68
- g. **Closing Costs and Prorations and Charges and Assessments.** Seller and Buyer shall each pay one-half of the escrow fee unless otherwise required by applicable FHA or VA regulations. Taxes for the current year, rent, interest, and lienable homeowner's association dues shall be prorated as of Closing. Buyer shall pay Buyer's loan costs, including credit report, appraisal charge and lender's title insurance, unless provided otherwise in this Agreement. If any payments are delinquent on encumbrances which will remain after Closing, Closing Agent is instructed to pay such delinquencies at Closing from money due, or to be paid by, Seller. Buyer shall pay for remaining fuel in the fuel tank if, prior to Closing, Seller obtains a written statement as to the quantity and current price from the supplier. Seller shall pay all utility charges, including unbilled charges. Unless waived in Specific Term No. 13, Seller and Buyer request the services of Closing Agent in disbursing funds necessary to satisfy unpaid utility charges in accordance with RCW 60.80 and Seller shall provide the names and addresses of all utilities providing service to the Property and having lien rights (attach NWMLS Form 22K Identification of Utilities or equivalent). 69-79
- Buyer is advised to verify the existence and amount of any local improvement district, capacity or impact charges or other assessments that may be charged against the Property before or after Closing. Seller will pay such charges that are encumbrances at the time of Closing, or that are or become due on or before Closing. Charges levied before Closing, but becoming due after Closing shall be paid as agreed in Specific Term No. 14. 80-83
- h. **Sale Information.** Listing Broker and Selling Broker are authorized to report this Agreement (including price and all terms) to the Multiple Listing Service that published it and to its members, financing institutions, appraisers, and anyone else related to this sale. Buyer and Seller expressly authorize all Closing Agents, appraisers, title insurance companies, and others related to this Sale, to furnish the Listing Broker and/or Selling Broker, on request, any and all information and copies of documents concerning this sale. 84-88
- i. **FIRPTA - Tax Withholding at Closing.** The Closing Agent is instructed to prepare a certification (NWMLS Form 22E or equivalent) that Seller is not a "foreign person" within the meaning of the Foreign Investment In Real Property Tax Act. Seller shall sign this certification. If Seller is a foreign person, and this transaction is not otherwise exempt from FIRPTA, Closing Agent is instructed to withhold and pay the required amount to the Internal Revenue Service. 89-92
- j. **Notices.** In consideration of the license to use this and NWMLS's companion forms and for the benefit of the Listing Broker and the Selling Broker as well as the orderly administration of the offer, counteroffer or this agreement, the parties irrevocably agree that unless otherwise specified in this Agreement, any notice required or permitted in, or related to, this Agreement (including revocations of offers or counteroffers) must be in writing. Notices to Seller must be signed by at least one Buyer and shall be deemed given only when the notice is received by Seller, by Listing Broker or at the licensed office of Listing Broker. Notices to Buyer must be signed by at least one Seller and shall be deemed given only when the notice is received by Buyer, by Selling Broker or at the licensed office of Selling Broker. Receipt by Selling Broker of a Form 17 or 17C (whichever is applicable), Public Offering Statement or Resale Certificate, homeowners' association documents provided pursuant to NWMLS Form 22D, or a preliminary commitment for title insurance provided pursuant to NWMLS Form 22T shall be deemed receipt by Buyer. Selling Broker and Listing Broker have no responsibility to advise of receipt of a notice beyond either phoning the party or causing a copy of the notice to be delivered to the party's address shown on this Agreement. Buyer and Seller must keep Selling Broker and Listing Broker advised of their whereabouts in order to receive prompt notification of receipt of a notice. 93-105
- k. **Computation of Time.** Unless otherwise specified in this Agreement, any period of time measured in days and stated in this Agreement shall start on the day following the event commencing the period and shall expire at 9:00 p.m. of the last calendar day of the specified period of time. Except for the Possession Date, if the last day is a Saturday, Sunday or legal holiday as defined in RCW 1.16.050, the specified period of time shall expire on the next day that is not a Saturday, Sunday or legal holiday. Any specified period of 5 days or less shall not include Saturdays, Sundays or legal holidays. If the parties agree that an event will occur on a specific calendar date, the event shall occur on that date, except for the Closing Date, which, if it falls on a Saturday, Sunday, legal holiday as defined in RCW 1.16.050, or day when the county recording office is closed, shall occur on the next day that is not a Saturday, Sunday, legal holiday, or day when the county recording office is closed. If the parties agree upon and attach a legal description after this Agreement is signed by the offeree and delivered to the offeror, then for the purposes of computing time, mutual acceptance shall be deemed to be on the date of delivery of an accepted offer or counteroffer to the offeror, rather than on the date the legal description is attached. Time is of the essence of this Agreement. 106-117

Initials: BUYER: CP Date: 11/4/2013 SELLER: \_\_\_\_\_ Date: \_\_\_\_\_  
BUYER: \_\_\_\_\_ Date: \_\_\_\_\_ SELLER: \_\_\_\_\_ Date: \_\_\_\_\_

VACANT LAND PURCHASE AND SALE AGREEMENT  
GENERAL TERMS

Continued

- l. **Facsimile or E-mail Transmission.** Facsimile transmission of any signed original document, and retransmission of any signed facsimile transmission, shall be the same as delivery of an original. At the request of either party, or the Closing Agent, the parties will confirm facsimile transmitted signatures by signing an original document. E-mail transmission of any document or notice shall not be effective unless the parties to this Agreement otherwise agree in writing. 118-121
- m. **Integration and Electronic Signatures.** This Agreement constitutes the entire understanding between the parties and supersedes all prior or contemporaneous understandings and representations. No modification of this Agreement shall be effective unless agreed in writing and signed by Buyer and Seller. The parties acknowledge that a signature in electronic form has the same legal effect and validity as a handwritten signature. 122-124
- n. **Assignment.** Buyer may not assign this Agreement, or Buyer's rights hereunder, without Seller's prior written consent, unless the parties indicate that assignment is permitted by the addition of "and/or assigns" on the line identifying the Buyer on the first page of this Agreement. 125-128
- o. **Default.** In the event Buyer fails, without legal excuse, to complete the purchase of the Property, then the following provision, as identified in Specific Term No. 7, shall apply: 129-130
  - i. **Forfeiture of Earnest Money.** That portion of the Earnest Money that does not exceed five percent (5%) of the Purchase Price shall be forfeited to the Seller as the sole and exclusive remedy available to Seller for such failure. 131-132
  - ii. **Seller's Election of Remedies.** Seller may, at Seller's option, (a) keep the Earnest Money as liquidated damages as the sole and exclusive remedy available to Seller for such failure, (b) bring suit against Buyer for Seller's actual damages, (c) bring suit to specifically enforce this Agreement and recover any incidental damages, or (d) pursue any other rights or remedies available at law or equity. 133-136
- p. **Professional Advice and Attorneys' Fees.** Buyer and Seller are advised to seek the counsel of an attorney and a certified public accountant to review the terms of this Agreement. Buyer and Seller agree to pay their own fees incurred for such review. However, if Buyer or Seller institutes suit against the other concerning this Agreement the prevailing party is entitled to reasonable attorneys' fees and expenses. 137-140
- q. **Offer.** Buyer shall purchase the Property under the terms and conditions of this Agreement. Seller shall have until 9:00 p.m. on the Offer Expiration Date to accept this offer, unless sooner withdrawn. Acceptance shall not be effective until a signed copy is received by Buyer, by Selling Broker or at the licensed office of Selling Broker. If this offer is not so accepted, it shall lapse and any Earnest Money shall be refunded to Buyer. 141-144
- r. **Counteroffer.** Any change in the terms presented in an offer or counteroffer, other than the insertion of the Seller's name, shall be considered a counteroffer. If a party makes a counteroffer, then the other party shall have until 9:00 p.m. on the counteroffer expiration date to accept that counteroffer, unless sooner withdrawn. Acceptance shall not be effective until a signed copy is received by Seller, by Listing Broker or at the licensed office of Listing Broker. If the counteroffer is not so accepted, it shall lapse and any Earnest Money shall be refunded to Buyer. 145-149
- s. **Offer and Counteroffer Expiration Date.** If no expiration date is specified for an offer/counteroffer, the offer/counteroffer shall expire 2 days after the offer/counteroffer is delivered by the party making the offer/counteroffer, unless sooner withdrawn. 150-152
- t. **Agency Disclosure.** Selling Firm, Selling Firm's Designated Broker, Selling Broker's Branch Manager (if any) and Selling Broker's Managing Broker (if any) represent the same party that Selling Broker represents. Listing Firm, Listing Firm's Designated Broker, Listing Broker's Branch Manager (if any), and Listing Broker's Managing Broker (if any) represent the same party that the Listing Broker represents. If Selling Broker and Listing Broker are different persons affiliated with the same Firm, then both Buyer and Seller confirm their consent to Designated Broker, Branch Manager (if any), and Managing Broker (if any) representing both parties as dual agents. If Selling Broker and Listing Broker are the same person representing both parties then both Buyer and Seller confirm their consent to that person and his/her Designated Broker, Branch Manager (if any), and Managing Broker (if any) representing both parties as dual agents. All parties acknowledge receipt of the pamphlet entitled "The Law of Real Estate Agency." 153-161
- u. **Commission.** Seller and Buyer agree to pay a commission in accordance with any listing or commission agreement to which they are a party. The Listing Firm's commission shall be apportioned between Listing Firm and Selling Firm as specified in the listing. Seller and Buyer hereby consent to Listing Firm or Selling Firm receiving compensation from more than one party. Seller and Buyer hereby assign to Listing Firm and Selling Firm, as applicable, a portion of their funds in escrow equal to such commission(s) and irrevocably instruct the Closing Agent to disburse the commission(s) directly to the Firm(s). In any action by Listing or Selling Firm to enforce this paragraph, the prevailing party is entitled to court costs and reasonable attorneys' fees. Seller and Buyer agree that the Firms are intended third party beneficiaries under this Agreement. 162-169

Initials: BUYER: CP Date: 11/4/2013 SELLER: \_\_\_\_\_ Date: \_\_\_\_\_  
BUYER: \_\_\_\_\_ Date: \_\_\_\_\_ SELLER: \_\_\_\_\_ Date: \_\_\_\_\_

**VACANT LAND PURCHASE AND SALE AGREEMENT  
GENERAL TERMS**

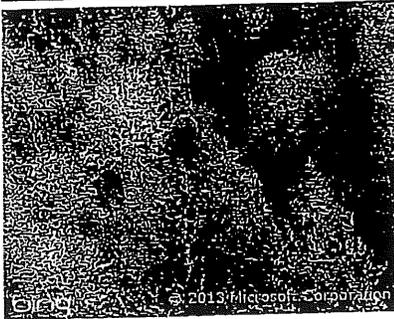
*Continued*

- v. **Feasibility Contingency.** It is the Buyer's responsibility to verify before the Feasibility Contingency Expiration Date 170 identified in Specific Term No. 16 whether or not the Property can be platted, developed and/or built on (now or in the 171 future) and what it will cost to do this. BUYER SHOULD NOT RELY ON ANY ORAL STATEMENTS concerning this 172 made by the Seller, Listing Broker or Selling Broker. Buyer should inquire at the city or county, and water, sewer or 173 other special districts in which the Property is located. Buyer's inquiry should include, but not be limited to: building or 174 development moratoriums applicable to or being considered for the Property; any special building requirements, 175 including setbacks, height limits or restrictions on where buildings may be constructed on the Property; whether the 176 Property is affected by a flood zone, wetlands, shorelands or other environmentally sensitive area; road, school, fire and 177 any other growth mitigation or impact fees that must be paid; the procedure and length of time necessary to obtain plat 178 approval and/or a building permit; sufficient water, sewer and utility and any service connection charges; and all other 179 charges that must be paid. Buyer and Buyer's agents, representatives, consultants, architects and engineers shall have 180 the right, from time to time during the feasibility contingency, to enter onto the Property and to conduct any tests or 181 studies that Buyer may need to ascertain the condition and suitability of the Property for Buyer's intended purpose. 182 Buyer shall restore the Property and all improvements on the Property to the same condition they were in prior to the 183 inspection. Buyer shall be responsible for all damages resulting from any inspection of the Property performed on 184 Buyer's behalf. If the Buyer does not give notice to the contrary on or before the Feasibility Contingency Expiration Date 185 identified in Specific Term No. 16, it shall be conclusively deemed that Buyer is satisfied as to development and/or 186 construction feasibility and cost. If Buyer gives notice this Agreement shall terminate and the Earnest Money shall be 187 refunded to Buyer, less any unpaid costs. 188
- w. **Subdivision.** If the Property must be subdivided, Seller represents that there has been preliminary plat approval for the 189 Property and this Agreement is conditioned on the recording of the final plat containing the Property on or before the 190 date specified in Specific Term 15. If the final plat is not recorded by such date, this Agreement shall terminate and the 191 Earnest Money shall be refunded to Buyer. 192
- x. **Information Verification Period and Property Condition Disclaimer.** Buyer shall have 10 days after mutual 193 acceptance to verify all information provided from Seller or Listing Firm related to the Property. This contingency shall 194 be deemed satisfied unless Buyer gives notice identifying the materially inaccurate information within 10 days of mutual 195 acceptance. If Buyer gives timely notice under this section, then this Agreement shall terminate and the Earnest Money 196 shall be refunded to Buyer. 197

Buyer and Seller agree, that except as provided in this Agreement, all representations and information regarding the 198 Property and the transaction are solely from the Seller or Buyer, and not from any Broker. The parties acknowledge that 199 the Brokers are not responsible for assuring that the parties perform their obligations under this Agreement and that 200 none of the Brokers has agreed to independently investigate or confirm any matter related to this transaction except as 201 stated in this Agreement, or in a separate writing signed by such Broker. In addition, Brokers do not guarantee the 202 value, quality or condition of the Property and some properties may contain building materials, including siding, roofing, 203 ceiling, insulation, electrical, and plumbing, that have been the subject of lawsuits and/or governmental inquiry because 204 of possible defects or health hazards. Some properties may have other defects arising after construction, such as 205 drainage, leakage, pest, rot and mold problems. Brokers do not have the expertise to identify or assess defective 206 products, materials, or conditions. Buyer is urged to use due diligence to inspect the Property to Buyer's satisfaction 207 and to retain inspectors qualified to identify the presence of defective materials and evaluate the condition of the 208 Property as there may be defects that may only be revealed by careful inspection. Buyer is advised to investigate 209 whether there is a sufficient water supply to meet Buyer's needs. Brokers may assist the parties with locating and 210 selecting third party service providers, such as inspectors or contractors, but Brokers cannot guarantee or be 211 responsible for the services provided by those third parties. The parties agree to exercise their own judgment and due 212 diligence regarding third-party service providers. 213

Initials: BUYER: ep Date: 11/4/2013 SELLER: \_\_\_\_\_ Date: \_\_\_\_\_  
 BUYER: \_\_\_\_\_ Date: \_\_\_\_\_ SELLER: \_\_\_\_\_ Date: \_\_\_\_\_

**280636-001-009-00, WA, Snohomish County**



N/A	N/A	216,058	\$7,200
Beds	Bldg Sq Ft	Lot Sq Ft	Sale Price
N/A	N/A	VCNT LND-NE	03/01/1977
Baths	Yr Built	Type	Sale Date

**Owner Information**

Owner Name (LN FN): **Monroe City Of** Tax Billing Zip: **98272**  
 Tax Billing Address: **806 W Main St** Tax Billing Zip+4: **2125**  
 Tax Billing City & State: **Monroe, WA**

**Location Information**

School District Name: **Monroe** Neighborhood Code: **4416001**  
 School District Code: **103** Zoning: **R9600**  
 Census Tract: **522.03** Range/Township/Section/Quarter: **06-28-36NE**

**Tax Information**

Tax-ID: **280636-001-009-00** Parcel ID: **28063600100900**  
 Alt. Tax-ID: **362806-1-009-00-09** Tax Area: **0530**  
 Legal Description: **SEC 36 TWP 28 RGE 06 RT-1B) S1/2 NE1/4 NE1/4 NE1/4 AKA TR 10 OF DAN CONNELLEY'S 5 AC PAR MAP RECORDED UNDER AUD FILE NO. 2396007 VOL 2 SURVEYS PG 254**

**Assessment & Tax**

Assessment Year	2012	2011	2010
Assessed Value - Total	\$5,000	\$5,000	\$5,000
Assessed Value - Land	\$5,000	\$5,000	\$5,000
Market Value - Total	\$5,000	\$5,000	\$5,000
Market Value - Land	\$5,000	\$5,000	\$5,000
YOY Assessed Change (\$)	\$0	\$0	
YOY Assessed Change (%)	0%	0%	

**Characteristics**

Lot Acres: **4.96** Water Source: **None**  
 Lot Area: **216,058** Sewer: **None**  
 Land Use: **Vacant Land (NEC)** Topography: **Swampy/Marsh**  
 County Land Use: **Vacant Land**

**Last Market Sale & Sales History**

Settle Date: **03/01/1977**  
 Sale Price: **\$7,200**  
 Sale/Settlement Date: **03/01/1977**  
 Sale Price: **\$7,200**  
 Buyer Name: **Monroe City Of**  
 Hist. Document No.: **7703950**  
 Document Type: **Warranty Deed**

**EXHIBIT "A"**  
**LRNWLLC-City of Monroe**

*CP 11/4/13*

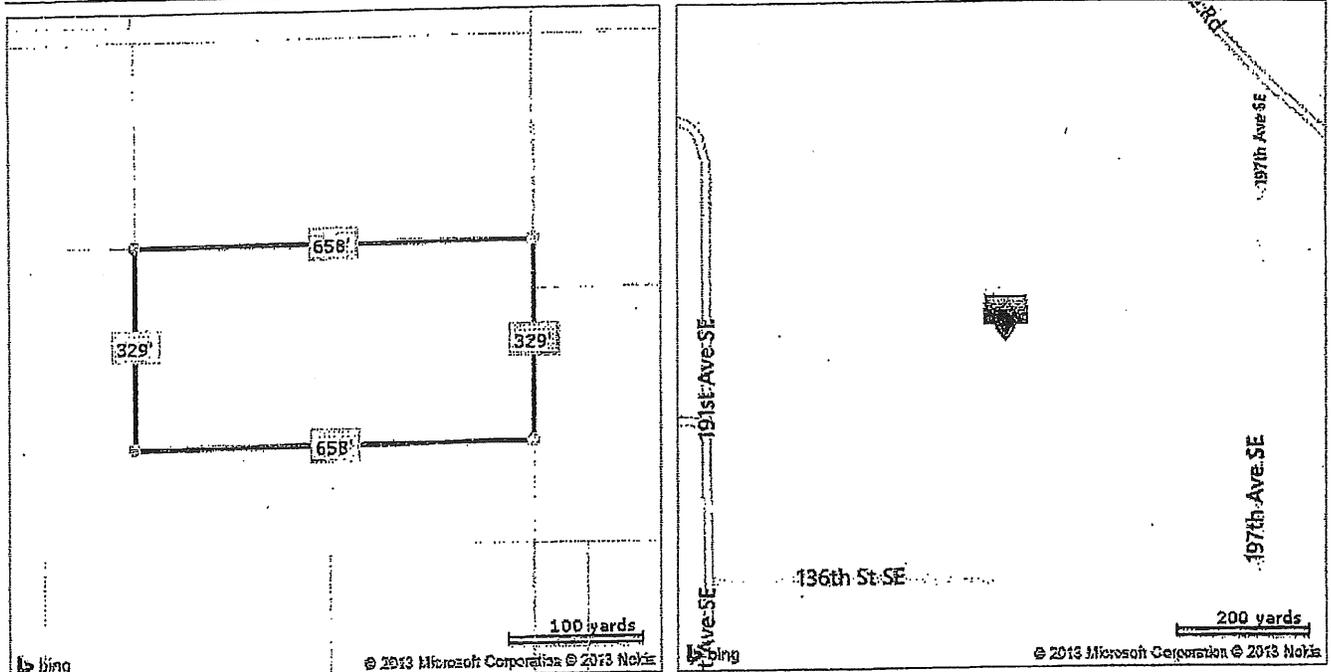
Courtesy of Dave Smith

The data within this report is compiled by CoreLogic from public and private sources. If desired, the accuracy of the data contained herein can be independently verified by the recipient of this report with the applicable county or municipality.

**Property Detail**

Generated on 11/04/2013  
 Page 1 of 2

Property Map



\*Lot Dimensions are Estimated

**EXHIBIT "A"**  
**LRNWLLC-City of Monroe**

*ep*  
*11/4/13*

Courtesy of Dave Smith

The data within this report is compiled by CoreLogic from public and private sources. If desired, the accuracy of the data contained herein can be independently verified by the recipient of this report with the applicable county or municipality.

**Property Detail**

Generated on 11/04/2013

Page 2 of 2

OPTIONAL CLAUSES ADDENDUM TO  
PURCHASE & SALE AGREEMENT

The following is part of the Purchase and Sale Agreement dated November 4, 2013 1  
between Land Resources NW, LLC ("Buyer") 2  
and City of Monroe ("Seller") 3  
concerning No address-see attached legal description (the "Property"). 4

CHECK IF INCLUDED: 5

1.  **Square Footage/Lot Size/Encroachments.** The Listing Broker and Selling Broker make no representations 6  
concerning: (a) the lot size or the accuracy of any information provided by the Seller; (b) the square footage of 7  
any improvements on the Property; (c) whether there are any encroachments (fences, rockeries, buildings) on 8  
the Property, or by the Property on adjacent properties. Buyer is advised to verify lot size, square footage and 9  
encroachments to Buyer's own satisfaction within the inspection contingency period. 10
2. **Title Insurance.** The Title Insurance clause in the Agreement provides Seller is to provide the then-current ALTA 11  
form of Homeowner's Policy of Title Insurance. The parties have the option to provide less coverage by selecting 12  
a Standard Owner's Policy or more coverage by selecting an Extended Coverage Policy: 13
  - Standard Owner's Policy.** Seller authorizes Buyer's lender or Closing Agent, at Seller's expense, to 14  
apply for the then-current ALTA form of Owner's Policy of Title Insurance, together with homeowner's 15  
additional protection and inflation protection endorsements, if available at no additional cost, rather than 16  
the Homeowner's Policy of Title Insurance. 17
  - Extended Policy.** Seller authorizes Buyer's lender or Closing Agent, at Seller's expense to apply for an 18  
ALTA or comparable Extended Coverage Policy of Title Insurance, rather than the Homeowner's Policy 19  
of Title Insurance. Buyer shall pay the increased costs associated with the Extended Coverage Policy, 20  
including the excess premium over that charged for Homeowner's Policy of Title Insurance and the cost 21  
of any survey required by the title insurer. 22
3.  **Property And Grounds Maintained.** Until possession is transferred to Buyer, Seller shall maintain the 23  
Property in the same condition as when initially viewed by Buyer. The term "Property" includes the building(s); 24  
grounds; plumbing, heat, electrical and other systems; and all included items. Should an appliance or system 25  
become inoperative or malfunction prior to transfer of possession, Seller shall either repair, or replace the 26  
same with an appliance or system of at least equal quality. Buyer reserves the right to reinspect the Property 27  
within 5 days prior to transfer of possession to verify the foregoing. Buyer and Seller understand and agree 28  
that the Listing Broker and Selling Broker shall not, under any circumstances, be liable for the foregoing or 29  
Seller's breach of this clause. 30
4.  **Items Left by Seller.** Any personal property, fixtures or other items remaining on the Property when 31  
possession is transferred to Buyer shall thereupon become the property of the Buyer, and may be retained or 32  
disposed of as Buyer determines. However, Seller shall clean the interiors of any structures and remove all 33  
trash, debris and rubbish on the Property prior to Buyer taking possession. 34
5.  **Utilities.** To the best of Seller's knowledge, Seller represents that the Property is connected to a: 35
  - public water main;  public sewer main;  septic tank;  well (specify type) \_\_\_\_\_; 36
  - irrigation water (specify provider) \_\_\_\_\_;  natural gas;  telephone; 37
  - cable;  electricity;  other \_\_\_\_\_ . 38
6.  **Insulation - New Construction.** If this is new construction, Federal Trade Commission Regulations require 39  
the following to be filled in. If insulation has not yet been selected, FTC regulations require Seller to furnish 40  
Buyer the information below in writing as soon as available: 41  
WALL INSULATION: TYPE: \_\_\_\_\_ THICKNESS: \_\_\_\_\_ R-VALUE: \_\_\_\_\_ 42  
CEILING INSULATION: TYPE: \_\_\_\_\_ THICKNESS: \_\_\_\_\_ R-VALUE: \_\_\_\_\_ 43  
OTHER INSULATION DATA: \_\_\_\_\_ 44

Initials: BUYER: CP Date: 11/4/13 SELLER: \_\_\_\_\_ Date: \_\_\_\_\_  
BUYER: \_\_\_\_\_ Date: \_\_\_\_\_ SELLER: \_\_\_\_\_ Date: \_\_\_\_\_

**OPTIONAL CLAUSES ADDENDUM TO  
PURCHASE & SALE AGREEMENT**  
*Continued*

7.  **Leased Property.** Buyer acknowledges that Seller leases the following items of personal property: 45  
 propane tank;  security system;  satellite dish and operating equipment;  other \_\_\_\_\_ 46  
Buyer shall assume the lease(s) for the selected item(s) and hold Seller harmless from and against any 47  
further obligation, liability, or claim arising from the lease(s), if the lease(s) can be assumed. 48
8.  **Homeowners' Association Review Period.** If the Property is subject to a homeowners' association or any 49  
other association, then Seller shall provide Buyer a copy of the following documents (if available from the 50  
Association) within \_\_\_\_\_ days (10 days if not filled in) of mutual acceptance: 51  
a. Association rules and regulations, including, but not limited to architectural guidelines; 52  
b. Association meeting minutes from the prior two (2) years; 53  
c. Association Board of Directors meeting minutes from the prior six (6) months; and 54  
d. Association financial statements from the prior two (2) years. 55  
If Buyer, in Buyer's sole discretion, does not give notice of disapproval within \_\_\_\_\_ days (5 days if not 56  
filled in) of receipt of the above documents or the date that the above documents are due, then this 57  
homeowners' association review period shall conclusively be deemed satisfied (waived). If Buyer gives timely 58  
notice of disapproval, then this Agreement shall terminate and the Earnest Money shall be refunded to Buyer. 59
9.  **Excluded Item(s).** The following item(s), that would otherwise be included in the sale of the Property, is 60  
excluded from the sale ("Excluded Item(s)"). Seller shall repair any damage to the Property caused by the 61  
removal of the Excluded Item(s). Excluded Item(s): 62  
\_\_\_\_\_  
\_\_\_\_\_ 63  
\_\_\_\_\_ 64
10.  **E-mail Transmission.** E-mail transmission of any signed original document, and retransmission of any 65  
signed e-mail transmission, shall be the same as delivery of an original, provided that the document is sent to 66  
both Selling Broker and Selling Firm or both Listing Broker and Listing Firm at the e-mail addresses below. At 67  
the request of either party, or the Closing Agent, the parties will confirm e-mail transmitted signatures by 68  
signing an original document. 69  
dsmithremax@hotmail.com \_\_\_\_\_ Listing Broker E-mail Address 70  
Selling Broker E-mail Address  
eastside@metroeastside.com \_\_\_\_\_ Listing Firm Authorized E-mail Address 71  
Selling Firm Authorized E-mail Address
11.  **Home Warranty.** Buyer and Seller acknowledge that home warranty plans are available which may provide 72  
additional protection and benefits to Buyer and Seller. Buyer shall order a one-year home warranty as 73  
follows: 74  
a. Home warranty provider: \_\_\_\_\_ 75  
b. Seller shall pay up to \$ \_\_\_\_\_ (\$0.00 if not filled in) of the cost for the home warranty, together 76  
with any included options, and Buyer shall pay any balance. 77  
c. Options to be included: \_\_\_\_\_ 78  
\_\_\_\_\_ (none, if not filled in). 79  
d. Other: \_\_\_\_\_ 80
12.  **Other.** 81  
\_\_\_\_\_ 82  
\_\_\_\_\_ 83  
\_\_\_\_\_ 84

Initials: BUYER: ep Date: 11/4/13 SELLER: \_\_\_\_\_ Date: \_\_\_\_\_  
BUYER: \_\_\_\_\_ Date: \_\_\_\_\_ SELLER: \_\_\_\_\_ Date: \_\_\_\_\_

**TITLE CONTINGENCY ADDENDUM TO  
PURCHASE & SALE AGREEMENT**

The following is part of the Purchase and Sale Agreement dated November 4, 2013 1  
between Land Resources NW, LLC ("Buyer") 2  
and City of Monroe ("Seller") 3  
concerning No address-see attached legal description (the "Property"): 4

1. **Title Contingency.** This Agreement is subject to Buyer's review of a preliminary commitment for title insurance, 5  
together with easements, covenants, conditions and restrictions of record, which are to be obtained by Buyer, to 6  
determine that they are consistent with Buyer's intended use of the Property. Buyer shall have 60 days 7  
(5 days if not filled in)  from mutual acceptance of this Agreement or  from the date of Buyer's receipt of the 8  
preliminary commitment for title insurance (from mutual acceptance, if neither box checked) to give written 9  
notice of Buyer's disapproval and the reasons therefore. Buyer may only disapprove exceptions that are 10  
contained in the preliminary commitment and may not object to matters not contained therein. 11  
Seller shall have \_\_\_\_\_ days (5 days if not filled in) after receipt of Buyer's notice of disapproval to give 12  
Buyer written notice that Seller will clear all disapproved exceptions. Seller shall have until the Closing Date to 13  
cure all disapproved exceptions. If Seller does not give timely notice that Seller will clear all disapproved 14  
exceptions, Buyer may terminate this Agreement within 3 days after the deadline for Seller's notice. In the event 15  
Buyer elects to terminate the Agreement, the Earnest Money shall be returned to Buyer, less any unpaid costs 16  
described in the Agreement. Buyer shall have no right to specific performance or damages as a consequence of 17  
Seller's inability to provide insurable title. If Buyer does not terminate the Agreement, Buyer shall be deemed to 18  
have waived all objections to title, which Seller did not agree to clear. 19
2. **Supplemental Title Reports.** If Buyer receives supplemental title reports that disclose new exception(s) to the 20  
title commitment, then the time periods and procedures for notice, correction, and termination above shall apply 21  
to the date of Buyer's receipt of the supplemental title report. 22
3. **Marketable Title.** This Addendum does not relieve Seller of the obligation to provide marketable title at closing 23  
as provided in the Agreement. 24

Initials: BUYER: ep Date: 11/4/13 SELLER: \_\_\_\_\_ Date: \_\_\_\_\_  
 BUYER: \_\_\_\_\_ Date: \_\_\_\_\_ SELLER: \_\_\_\_\_ Date: \_\_\_\_\_

EARNEST MONEY PROMISSORY NOTE

CP  
12/7/13  
CP  
12/7/13  
CP  
12/7/13

\$ ~~16,250.00~~ 20,000.00 Bothell, Washington 1

FOR VALUE RECEIVED, Land Resources NW, LLC or assigns ("Buyer") 2

agree(s) to pay to the order of Chicago Title Company (Selling Firm or Closing Agent) 3

the sum of ~~Sixteen Thousand Two Hundred Fifty Dollars~~ Twenty Thousand Dollars 4

(~~\$ 16,250.00~~ 20,000.00), as follows: 5

within 3 days following mutual acceptance of the Purchase and Sale Agreement. 6

\*within 3 days from removal of all of buyers contingencies . 7

This Note is evidence of the obligation to pay Earnest Money under a real estate Purchase and 8

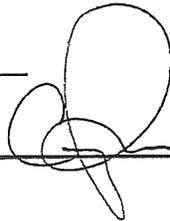
Sale Agreement between the Buyer and City of Monroe ("Seller") 9

dated November 4, 2013. Buyer's failure to pay the Earnest Money 10

strictly as above shall constitute default on said Purchase and Sale Agreement as well as on this Note. 11

If this Note shall be placed in the hands of an attorney for collection, or if suit shall be brought to collect 12  
any of the balance due on this Note, the Buyer promises to pay reasonable attorneys' fees, and all 13  
court and collection costs. 14

Date: 11/04/2013 15

BUYER  16

BUYER \_\_\_\_\_ 17

\* "On closing" or similar language is not recommended. Use a definite date. 18

**FEASIBILITY CONTINGENCY ADDENDUM**

The following is part of the Purchase and Sale Agreement dated November 4, 2013 1  
between Land Resources NW, LLC ("Buyer") 2  
and City of Monroe ("Seller") 3  
concerning No address-see attached legal description (the "Property"). 4

**Feasibility Contingency.** Buyer shall verify within 60 days (10 days if not filled in) after mutual acceptance 5  
(the "Feasibility Contingency Expiration Date") the suitability of the Property for Buyer's intended purpose including, 6  
but not limited to, whether the Property can be platted, developed and/or built on (now or in the future) and what it will 7  
cost to do this. This Feasibility Contingency SHALL CONCLUSIVELY BE DEEMED WAIVED unless Buyer gives 8  
notice of disapproval on or before the Feasibility Contingency Expiration Date. If Buyer gives a timely notice of 9  
disapproval, then this Agreement shall terminate and the Earnest Money shall be refunded to Buyer. Buyer should not 10  
rely on any oral statements concerning feasibility made by the Seller, Listing Broker or Selling Broker. Buyer should 11  
inquire at the city or county, and water, sewer or other special districts in which the Property is located. Buyer's inquiry 12  
shall include, but not be limited to: building or development moratoria applicable to or being considered for the 13  
Property; any special building requirements, including setbacks, height limits or restrictions on where buildings may be 14  
constructed on the Property; whether the Property is affected by a flood zone, wetlands, shorelands or other 15  
environmentally sensitive area; road, school, fire and any other growth mitigation or impact fees that must be paid; the 16  
procedure and length of time necessary to obtain plat approval and/or a building permit; sufficient water, sewer and 17  
utility and any services connection charges; and all other charges that must be paid. 18

Buyer and Buyer's agents, representatives, consultants, architects and engineers shall have the right, from time to 19  
time during the feasibility contingency, to enter onto the Property and to conduct any tests or studies that Buyer may 20  
need to ascertain the condition and suitability of the Property for Buyer's intended purpose. Buyer shall restore the 21  
Property and all improvements on the Property to the same condition they were in prior to the inspection. Buyer shall 22  
be responsible for all damages resulting from any inspection of the Property performed on Buyer's behalf. 23

**AGREEMENT TERMINATED IF NOTICE OF SATISFACTION NOT TIMELY PROVIDED.** If checked, this 24  
Agreement shall terminate and Buyer shall receive a refund of the Earnest Money unless Buyer gives notice to Seller 25  
on or before the Feasibility Contingency Expiration Date that the Property is suitable for Buyer's intended purpose. 26

Initials: BUYER: CP Date: 11/4/13 SELLER: \_\_\_\_\_ Date: \_\_\_\_\_  
BUYER: \_\_\_\_\_ Date: \_\_\_\_\_ SELLER: \_\_\_\_\_ Date: \_\_\_\_\_

ADDENDUM / AMENDMENT TO PURCHASE AND SALE AGREEMENT

The following is part of the Purchase and Sale Agreement dated November 4, 2013 1  
between Land Resources NW, LLC ("Buyer") 2  
and City of Monroe ("Seller") 3  
concerning No address-see attached legal description (the "Property"). 4

IT IS AGREED BETWEEN THE SELLER AND BUYER AS FOLLOWS: 5

CP / 12/7/13

1. Property: The parties agree that the property is being sold "AS IS" and without warranty of any kind. 6  
Buyer intends to develop the property into single family residential lots and the buyer's sales price offer is 7  
~~based on the City of Monroe approving 20 SF Residential lots or \$16,250 per lot. In the event the City of~~ 8  
~~Monroe approves "less than" 20 lots for development of the subject property the purchase price shall be~~ 9  
~~reduced by \$16,250 for each lot approved that is less than 20.~~ 10

CP / 12/7/13

2. Closing: The parties agree that closing shall occur within 30 days from the date the City of Monroe 12  
approves plat construction drawings for the residential development and all utilities are available to the 13  
property or within ~~24~~ months from the date of mutual acceptance of this Agreement whichever should occur 14  
first. 15

CP / 12/7/13

3. Agency Disclosure: The parties agree that at the time this offer was submitted that the buyer is being 16  
represented by REMAX Eastside Brokers, Inc., Dave Smith, Broker and that at closing the seller agrees to 17  
pay a real estate commission equal to 3% of the final purchase price to the broker. 18

BUYER

4. Earnest Money: The parties agree that the buyers earnest money note equal to 5% of the sales price shall 20  
be converted to cash and held by escrow closing agent within 3 business days from the date the buyers 21  
removes all contingencies contained in this Agreement. All earnest money paid shall be deemed non- 22  
refundable, applicable to the purchase price at closing. 23

ALL OTHER TERMS AND CONDITIONS of said Agreement remain unchanged. 31

Initials: BUYER: CP Date: 11/4/2013 SELLER: \_\_\_\_\_ Date: \_\_\_\_\_  
BUYER: \_\_\_\_\_ Date: \_\_\_\_\_ SELLER: \_\_\_\_\_ Date: \_\_\_\_\_