

COPY

REAL ESTATE PURCHASE AND SALE AGREEMENT

THIS AGREEMENT, dated as of September 9, 2019, is made by and between Darris McDaniel and Shirley McDaniel, Trustees or Successor Trustee under the McDaniel Family Revocable Trust Agreement, Dated January 13, 1993, as amended, and Darris McDaniel, as his separate estate, as Sellers ("SELLER" or "SELLERS"), and, LEWIS COUNTY, a political subdivision of the State of Washington, as Buyers ("BUYER" or "BUYERS"), as authorized by its Board of County Commissioners.

RECITALS

A. Seller is the owner of certain real property located in Lewis County, Washington, which is legally described on Exhibit "A" to this agreement (the "Property"). The property is Lewis County Tax Parcel Numbers 003744002000 and 003752000000.

B. Buyer desires to purchase the Property from Seller and Seller desires to sell the Property to Buyer, all on the terms and conditions set forth in this Agreement.

AGREEMENT

In consideration of the mutual covenants and conditions set forth in this Agreement, Seller and Buyer agree as follows:

1. Sale of Property. Seller hereby agrees to sell and Buyer hereby agrees to purchase the Property described in Exhibit A, together with all structures, fixtures, property, and improvements situated thereon.

2. Purchase Price. The purchase price for the property shall be \$1,493,800.00, paid by Buyer to Seller in all cash at Closing.

3. Earnest Money Deposit. Currently with the execution of this Agreement, Buyer shall deposit with escrow agent \$1,000.00 as Earnest Money Deposit in accordance with the terms of this Agreement. Upon the satisfaction or waiver of the Contingencies, as defined in paragraph 7 below, and review of the preliminary commitment for title insurance, the Earnest Money Deposit shall become non-refundable, and the entire amount shall be either credited against the purchase price of the Property on closing or forfeited to Seller in the event of any breach of this Agreement by Buyer. In the event this Agreement is terminated because of the failure of a Contingency to be satisfied or waived, or due to title issues presented by Buyers, the Earnest Money Deposit shall be refunded to

Buyer.

4. Title. Sellers' interest in the Property shall be conveyed by statutory warranty deed executed by the Sellers at closing, subject only to permitted exceptions.

5. Preliminary Commitment. Within 5 days of the mutual acceptance of this agreement, Buyer shall order a preliminary commitment for title insurance coverage from Lewis County Title Company. Buyer shall advise Seller, and Seller shall advise Buyer, in writing of any objection to any title exceptions within forty-five (45) days after Buyer's/Seller's receipt of the preliminary commitment. Any title exceptions, which are not objected to by Buyer/Seller, shall be deemed herein "Permitted Exceptions". Seller/Buyer may within forty-five (45) days after the receipt of Buyer's/Seller's objections notify Buyer/Seller in writing of those objectionable title exceptions which will be removed by Seller/Buyer on or before Closing. If Seller/Buyer does not agree to remove all objectionable title exceptions, Buyer/Seller may, within forty-five (45) days after Seller's/Buyer's notice, elect to terminate this Agreement. The failure of Buyer/Seller to so terminate this Agreement shall constitute Buyer's/Seller's waiver to those objectionable title exceptions which Seller/Buyer has not agreed to remove, which exceptions shall thereupon also be deemed "Permitted Exceptions". The costs of said title policy shall be paid by the Seller.

6. Closing. Closing shall occur on or before January 10, 2020 or sooner by agreement. The closing shall be in escrow with Lewis County Title as the escrow agent. For purposes of this Agreement, the term "Closing" shall mean the date on which the deed to the Property is executed and delivered to Buyer and all proceeds of the down payment is paid.

(a) Closing Costs. Seller shall be responsible for and pay the real estate excise tax. All other escrow costs shall be paid by the Buyer.

(b) Prorations. Real property taxes, personal property taxes, rents and/or lease payments, insurance, assessments, water and utility charges, and any other applicable items shall be prorated and paid by escrow through Closing unless otherwise agreed.

(c) Possession. Buyer shall be entitled to possession of the Property on closing. Possession shall be deemed given when Seller, or anyone acting under their authority, has vacated the premises so Buyer may take actual physical possession and the keys have been delivered to Buyers.

7. Contingencies. Seller's and Buyer's obligations hereunder are subject to the satisfaction or waiver of the following contingencies (herein the "Contingencies"):

1. **Title Contingency.** Buyer's obligation to Close is contingent upon Buyer's satisfactory review of the preliminary title commitment contained in Paragraph four (4) above. Satisfaction shall be solely based on Buyer's discretion.
2. **Feasibility and Environmental Review.** Buyer's obligation to Close is conditioned on Buyer's receipt, approval and acceptance, to Buyer's sole

satisfaction, of inspection and property evaluation reports/studies, concerning the following aspects of the property including without limitation the following: (a) Soils Evaluation, (b) Wetland Evaluation, (c) Environmental Evaluation, (d) Acceptable Zoning, (e) Acceptable Intended Use Evaluation, (f) Access Evaluation, (g) Acceptable Cost Feasibility Evaluation, and any other feasibility or property evaluation deemed necessary by Buyer. Buyer is responsible for the costs related to Buyer's inspection and property evaluation reports/studies. Buyer's failure to complete Buyer's inspection and property evaluation reports/studies by December 16, 2019, shall result in termination of this agreement unless extended by the Parties.

8. Approval by Board of Commissioners. This Agreement is contingent upon ratification by the Board of County Commissioners. In the event any Contingency is not satisfied or waived by written notice on or before the date specified or the termination date of this agreement (whichever is applicable), or any extension of this Agreement signed by both Seller and Buyer prior to a termination date, this Agreement shall terminate and the Earnest Money Deposit shall be refunded to Buyer. Buyers shall have access to the Property for purposes of making inspection and review of contingencies in accordance with paragraph nine (9) below.

9. Inspection by Buyer. Following the execution of this Agreement, Buyer may, upon advance notice to Seller, enter upon the Property at mutual satisfactory times for the purpose of making such inspections, investigations and tests that are reasonably necessary. Buyer shall indemnify and hold Seller harmless from and against any injury, damage, claim, lien, costs and/or expense incurred by or claimed against Seller or the Property by reason of the entry by Buyer or Buyer's agents, employees or contractors. Seller shall make available to Buyer copies of any surveys, engineering reports or studies of the Property, and as-build drawings to the extent that the same are available.

10. Seller's Representations and Warranties. Seller represents and warrants to Buyer that:

(a) Seller has all requisite power and authority to execute and deliver this Agreement and perform Seller's obligations hereunder;

(b) Seller is not a foreign corporation, foreign partnership, foreign trust or foreign estate within the meaning of Section 1445 of the United States Internal Revenue Code;

(c) Seller has no notice of any claims, actions, suits, proceedings or investigations, nor any order, decree or judgment, in law or in equity, affecting the Property or any portion thereof, other than the probate proceeding referenced above and creditor's claims files therein which will be paid from purchase proceeds;

(d) Seller has not received notice from any governmental agency pertaining to the violation of any law or regulation affecting the Property or portion thereof, and Seller has no knowledge of any facts which might be a basis for any such notice.

(e) Seller warrants that there are no outstanding leases with respect to the Property except as follows:

1. Human Response Network (125 NW Chehalis Ave); July 1, 2019 thru June 30, 2020; \$1,625/mo.
2. Eugenia Center (139 NW Chehalis Ave); January 1, 2019 thru December 31, 2023; \$2,100 – \$2,400/mo.
3. Eugenia Center (121 & 123 NW Chehalis Ave); July 15, 2014 – December 31, 2019; \$1,500/mo.
4. Mrs. Klean (Melinda Wilkes) (157 NW Chehalis Ave); Month to month; \$500/mo.
5. J&L Catalyst, LLC (Lee Rakestraw) (185 NW Chehalis Ave); February 1, 2019 – January 31, 2021; \$1,000-\$1,400/mo.
6. Tracy Thatcher Auto Repairs (431&431 ½ NW Chehalis Ave); May 1, 2019 – April 30, 2020; \$10,000/yr.
7. Jimboney's Malt Mills & More (Jim Thurman) (435 NW Center St); Month to month; \$850/mo.

Upon any breach of the aforesaid representations, Seller shall indemnify and hold Buyer harmless from all damages suffered on account of said breach. The above representations and the indemnity obligation shall survive closing.

11. Miscellaneous.

(a) **Risk of Loss.** If, prior to the Closing, any part of the Property is damaged or destroyed by earthquake, flood, landslide, fire or other casualty, Seller shall immediately notify Buyer of such fact, and all insurance proceeds paid before Closing as the result of any such casualty shall be credited against the purchase price on Closing, and the right to any unpaid insurance proceeds or claims thereto shall be assigned to Buyer on Closing.

(b) **Eminent Domain.** If prior to Closing any portion of the Property is the subject of a condemnation or eminent domain action or threatened therewith Buyer may elect either to terminate this Agreement by notice to Seller prior to Closing and recover the Earnest Money Deposit or to close and receive an assignment of all condemnation proceeds.

(c) **Notices.** Except as otherwise specifically set forth herein, and demand, request or notice which either party hereto desires or may be required to make or deliver to the other shall be in writing and shall be deemed given when personally delivered, or when delivered by private courier service that customarily delivers on the next business day and issues receipts (such as Federal Express), or one (1) day after being deposited in the United States Mail, in registered or Certified form, return receipt requested, addressed as follows:

To Seller: DARRIS McDANIEL
207 HIDDEN MEADOWS LN.
CHEHALIS, WA 98532

To Buyer: DIRECTOR, CENTRAL SERVICES
351 NW NORTH ST.
CHEHALIS, WA 98532

or such other address and person as either party may communicate to the other by like written notice.

(d) Entire Agreement. This Agreement contains the entire understanding between the parties and supersedes any prior understandings and agreements between them respecting the subject matter hereof. There are no other representations, agreements or understandings, oral or written, between and among the parties hereto or any of them, relating to the subject matter of this Agreement. No amendment of or supplement to this Agreement shall be valid or effective unless made in writing and executed by the parties hereto.

(e) Attorney's Fees. In the event of litigation between the parties hereto, declaratory or otherwise, in connection with or arising out of this Agreement, each party shall pay its own attorney fees and costs.

(f) Time of the Essence. Time is of the essence in each and every covenant and condition of this Agreement.

(g) Assignment. It is anticipated and agreed that Buyer may assign this Agreement without the consent of Seller, to a related corporation and/or limited liability company. Buyers shall provide Seller with written notice of any such assignment at the time of closing.

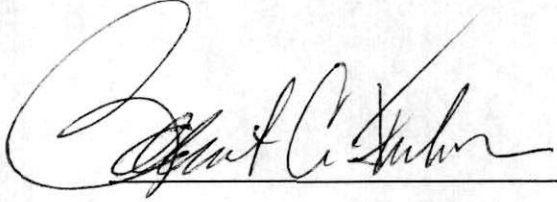
12. Agreement Termination. This Agreement shall terminate unless ratified by the Board of County Commissioners by January 15, 2020.

WITNESS THE HAND(S) AND SEAL(S) OF THE UNDERSIGNED.

SELLER:

BUYER:


By: Darris McDaniel



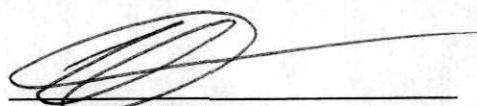

By: Darris McDaniel
As Trustee/Successor Trustee Under the McDaniel Family Revocable Trust Agreement Dated
January 13, 1993, as Amended

EXHIBIT A

PARCEL A:

LOTS 1 THROUGH 7, INCLUSIVE, BLOCK 12, ELIZA BARRETT'S ADDITION TO THE CITY OF CHEHALIS, AS RECORDED IN VOLUME 1 OF PLATS, PAGE 1. TOGETHER WITH THAT PORTION OF VACATED ALLEY IN SAID BLOCK 12 WHICH ATTACHES BY THE OPERATION OF LAW.

PARCEL B:

LOT 8, BLOCK 12, ELIZA BARRETT'S ADDITION TO THE CITY OF CHEHALIS, AS RECORDED IN VOLUME 1 OF PLATS, PAGE 1.

LEWIS COUNTY, WASHINGTON