

PURCHASE AND SALE AGREEMENT

This PURCHASE AND SALE AGREEMENT ("Agreement") is made and entered into as of the ____ day of _____, 2012, by and between Nick Properties, LLC, a Washington limited liability company (successor in interest to R.S.T. Enterprises, Inc., a Washington corporation) ("Seller") and the Port of Seattle, a Washington municipal corporation ("Buyer"), with reference to the following facts:

- A. In 1999, R.S.T. Enterprises, Inc. owned adjoining parcels of land: Parcel 92 (a.k.a. the Vacca Farm Mitigation Site) and parcels located at 15416, 15418, 15424, and 15446 Des Moines Memorial Drive, in Sea Tac, King County, Washington.
- B. In April 1999, the Port of Seattle corresponded with R.S.T. Enterprises Inc. regarding the necessary condemnation of Parcel 92 to meet wetland mitigation requirements related to the construction of a third runway at Seattle Tacoma International Airport ("Airport").
- C. The Port of Seattle eventually condemned Parcel 92 while R.S.T. Enterprises retained ownership of the contiguous parcels at the above referenced addresses. They are identified by King County parcel numbers 203304-9125 (address at 15418 and most northerly of the four parcels that are the subject of this agreement), 202304-9229 (15416), 202304-9234 (15424), and 202304-9110 (15446 and most southerly of the four subject parcels).
- D. On or about February 9, 2010, R.S.T. submitted tort claims to the Port of Seattle and threatened to follow up with a lawsuit against the Port with claims for trespass, nuisance, negligence and injunctive relief related to alleged flooding on RST-owned property at 15424 Des Moines Memorial Drive.
- E. R.S.T. alleged that flooding on its property was due to a number of factors, including 1) The Port's alleged failure to maintain a drain pipe lying in Parcel 92 which runs the length of the RST-property line, west to east between Parcel 92 and the RST-owned property; and 2) the Port's alleged acts and omissions, including but not limited to the issues outlined in a May 6, 2008 report by consulting firm Cherry Creek Environmental which had been commissioned by the Port following a site hydrologic evaluation performed on February 26, 2008. In 2010, R.S.T. reorganized and the parcels were transferred to Nick Properties, LLC, ("Nick Properties") which is identical in ownership and control as R.S.T. in that the members of Nick Properties are the same as the shareholders of R.S.T. and James Terrile is President of R.S.T. is Manager of Nick Properties.
- F. The Port and R.S.T./Nick Properties are interested in avoiding litigation by settling R.S.T./Nick Properties' claim through the Port purchase of the parcels at 15418, 15416, 15424 and 15446 Des Moines Memorial Drive at fair market value. Contingent on Port Commission approval, the parties have negotiated a purchase of the parcels for fair market value supported by the Port's appraisal provided Seller executes a release prior to closing.
- G. The Port has completed wetland reconnaissance and determined the usable area is 82,650 square feet for the four parcels. The Port has also completed environmental due diligence on the four

parcels and obtained an appraisal by Christopher Eldred, MAI which concluded that the total fair market value for the four parcels to be \$1,238,000.

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, the receipt and sufficiency of which is hereby acknowledged, Seller and Buyer agree as follows:

1. Property. Seller hereby agrees to sell and convey to Buyer, and Buyer hereby agrees to purchase from Seller, subject to the terms and conditions set forth herein, the following:

1.1 Land. That certain real property located at 15416-15446 Des Moines Memorial Drive, in SeaTac, King County, Washington, consisting of four tax parcels, 20234-9125, 9229, 9234, and 9110, which represent 82,650 square feet of usable area and which parcels are legally described on Exhibits A-1, A-2, A-3, and A-4 attached hereto;

1.2 Appurtenances. All rights, privileges and easements appurtenant to the Land (all of which are collectively referred to as the "Appurtenances");

1.3 Improvements. All improvements and fixtures, if any, located on the Land (all of which are hereinafter collectively referred to as the "Improvements").

All of the items described in Paragraphs 1.1, 1.2 and 1.3 above are herein collectively referred to as the "Property."

2. Purchase Price. The parties hereby acknowledge and agree that \$1,238,000.00 constitutes the full purchase price for the Property.

3. Opening Escrow. Within five (5) business days following the execution date of this Agreement, Buyer shall open escrow with Chicago Title Insurance Company of Washington, Inc. (the "Escrow Agent"), by depositing with Escrow Agent a copy of this Agreement.

"Execution date" means the date on which the party that is the last to sign this Agreement has signed it.

4. Closing Date. The closing (the "Closing") shall be held at the offices of the Escrow Agent, on or before September 7, 2012 (the "Closing Date") unless otherwise agreed in writing by the parties. The Closing Date shall be at least 50 days following mutual execution of this agreement.

5. Title and Survey Matters.

5.1 Title Binder. Buyer will obtain a preliminary commitment and supplemental report for an ALTA owner's standard coverage title insurance policy issued by Chicago Title Insurance Company ("Title Company") describing the Property, showing all matters pertaining to the Right-of-Way Property and listing Buyer as the prospective named insured. Following the mutual execution of this Agreement, Buyer may obtain from Title Company at Buyer's sole cost additional written supplemental report to such preliminary commitment, in a form acceptable to Buyer, updating the preliminary commitment to the execution date of the Agreement. Such preliminary commitment, supplemental

reports and true, correct and legible copies of all documents referred to in such preliminary commitment and supplemental reports as conditions or exceptions to title to the Property are collectively referred to herein as the "Title Binder."

5.2 Title Review. During the Contingency Period (as defined below), Buyer shall finish reviewing the Title Binder and any surveys of the Property, and at least five (5) days before the expiration of the Contingency Period, Buyer shall notify Seller of what exceptions, to title, if any, will not be accepted by Buyer. If Buyer fails to give Seller such notice at least five (5) days before the expiration of the Contingency Period, Buyer shall be deemed to have accepted the title as is. Seller shall have two (2) days after receipt of Buyer's notice of objections to give Buyer notice of which exceptions, if any, Seller shall cause to be removed from title.

If Seller fails to give Buyer such notice before the expiration of the two (2)-day period, ("Seller's Notice Period") Seller shall be deemed to have elected not to cause such objectionable exceptions to be removed from title. If Seller gives notice that it will not remove any objectionable exception from title or shall be deemed to have elected not to cause such objectionable exceptions to be removed from title, Buyer may terminate the Agreement by giving written notice to Seller. Failure by Buyer to so terminate this Agreement before the expiration of Contingency Period, shall be deemed as Buyer's election to proceed with this transaction. Encumbrances to be discharged by Seller may be paid out of the Purchase Price at Closing.

"Contingency Period" means the period starting on the date of mutual execution of this Agreement and ending at 5:00 p.m. on the day which is ten (10) days thereafter. The following shall be deemed "Permitted Exceptions": Any encumbrance which Buyer accepts or is deemed to accept under the above provisions of this paragraph 5.2, with the exception of mortgages, deeds of trust, statutory liens for real property taxes, or other monetary encumbrances to be paid at Closing. If any new title matters are disclosed in a supplemental title report prior to closing, then the preceding termination, objection, and waiver provisions shall apply to the new title matters. The closing date shall be extended to the extent necessary to permit time for appropriate notices.

5.3 Title Policy. At Closing, Buyer shall cause Title Company to issue an Owner's standard coverage title insurance policy ("Title Policy") to Buyer, at Buyer's sole cost. The Title Policy shall insure Buyer against loss as a result of any liens, encumbrances, or restrictions, subject to the Permitted Exceptions. The Title Policy shall insure fee simple, indefeasible title to the Right-of-Way Property in Buyer, subject only to the Permitted Exceptions and contain endorsements as Buyer may reasonably require. Buyer may elect to obtain an extended form of title insurance policy from the Title Company, in which case Buyer shall pay the extra premium for such extended coverage. Buyer's obligation to close this transaction shall be contingent on the issuance of the Title Policy required under this Paragraph 5.

6. Conditions to Buyer's Obligations.

6.1 Inspection of the Property. Buyer acknowledges that its employees, representatives, consultants and/or agents have inspected and completed environmental due diligence with respect to the Property.

6.2 Additional Closing Conditions. Buyer's obligation to purchase the Property shall also be subject to the following conditions that must be satisfied prior to the Closing Date:

(i) All Contracts (as defined below), if any, with respect to the Property shall be terminated in writing at least two business days prior to the Closing Date;

(ii) All representations and warranties of Seller contained herein shall be true, accurate and complete at the time of the Closing as if made again at such time;

(iii) Seller shall have performed all obligations to be performed by it hereunder on or before the Closing Date (or, if earlier, on or before the date set forth in this Agreement for such performance);

(iv) At Closing, title to the Property shall be in the condition required by Paragraph 5 of this Agreement and Escrow Agent shall deliver the Title Policy to Buyer; and

(v) Seller shall have executed a Release in substantially the same form as attached hereto at **Exhibit B**.

If the conditions set forth in this Paragraph 6 are not satisfied as of Closing and Buyer does not waive the same, Buyer may terminate this Agreement, and thereafter neither Buyer nor Seller shall have any obligation to the other arising under this Agreement.

7. Seller's Representations and Warranties. Seller hereby makes the following representations and warranties, which representations and warranties shall be deemed made by Seller to Buyer also as of the Closing Date:

7.1 Title. Seller was the sole owner of the Property. At Closing, Buyer will acquire the entire fee simple estate and right, title and interest in and to the Property via standard form statutory warranty deed prepared by Escrow Agent.

7.2 Compliance with Law. With the exception of some non-conforming zoning use that will be halted before closing, to the best of Seller's knowledge, during the Seller's ownership of the Property, the Property complied in all material respects (both as to condition and use) with all applicable statutes, ordinances, codes, rules and regulations of any governmental authority having jurisdiction over the Property. Seller has no actual knowledge of any facts that might give rise to any violation of the foregoing matters.

7.3 Bankruptcy. No bankruptcy, insolvency, rearrangement or similar action involving Seller or the Property, whether voluntary or involuntary, is pending, threatened, by a third party, or contemplated by Seller.

7.4 Taxes and Assessments. [NOT USED]

7.5 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, as amended (the "Code") and shall deliver to Buyer prior to the Closing an affidavit evidencing such fact and such other documents as may be required under the Code.

7.6 Tax Returns. Seller has filed all local, state and federal tax forms that are required to be filed by Seller with respect to the Property, has paid or made provision for payment of all taxes due and payable by Seller to date and will pay all such taxes that become due and payable by Seller prior to the Closing.

7.7 Mechanics' Liens. No labor, material or services have been furnished in, on or about the Right-of-Way Property or any part thereof as a result of which any mechanics', laborer's or materialmen's liens or claims might arise during the period of Seller's ownership of the Property.

7.8 Leases and Other Agreements. Seller represents that there are six (6) leases with thirty (30) day notice termination clauses outstanding on the Property and that these leases will be terminated by closing. Seller represents to the best Seller's knowledge that there are no other leases, service agreements, licenses, easements, option agreements or other contracts (whether oral or writing) (collectively, "Contracts") in effect with respect to the Property. Seller further represents that there are no disputes or claims, or any set of facts known to Seller that could lead to a dispute or a claim, under any Contracts. Seller shall comply with the requirements of Section 6.3(i) with respect to any and all Contracts prior to Closing.

7.9 Assumption of Liabilities. Buyer, by virtue of the purchase of the Property, will not be required to satisfy any obligations and liabilities arising out of or by virtue of the Seller's ownership, possession or use of the Property prior to the Closing Date and Seller shall indemnify, defend and hold Buyer harmless therefrom. Seller shall not be obligated to indemnify, defend, and hold Buyer harmless from any environmental obligations and liabilities which may arise related to Buyer's actions and activities.

7.10 Defaults. Seller is not in default and there has occurred no uncured event which, with notice, the passage of time or both would be a default, under any contract, agreement, lease, encumbrance, or instrument pertaining to the Property.

7.11 Litigation. There is no litigation or threatened litigation which could now or in the future in any way constitute a lien, claim, or obligation of any kind on the Property, affect the use, ownership or operation of the Property or otherwise adversely affect the Property. For purposes of this Paragraph 7.11, litigation includes lawsuits, actions, administrative proceedings, governmental investigations and all other proceedings before any tribunal having jurisdiction over the Property.

7.12 Due Authority. Seller has all requisite power and authority to execute and deliver this Agreement and to carry out its obligation hereunder and the transactions contemplated hereby. This Agreement has been, and the documents contemplated hereby will be, duly executed and delivered by Seller and constitute the Seller's legal, valid and binding obligation enforceable against Seller in accordance with its terms. The consummation by Seller of the sale of the Property is not in

violation of or in conflict with nor does it constitute a default under any of the terms of any agreement or instrument to which Seller is or may be bound, or of any provision of any applicable law, ordinance, rule or regulation of any governmental authority or of any provision of any applicable order, judgment or decree of any court, arbitrator or governmental authority.

7.13 Finders' or Brokers' Fees. Seller has not dealt with any broker or finder to which a commission or other fee is due in connection with any of the transactions contemplated by this Agreement and insofar as it knows, no broker or other person is entitled to any commission, charge or finder's fee in connection with the transactions contemplated by this Agreement.

7.14 No Omissions. All representations and warranties made by Seller in this Agreement, and all information contained in any certificate furnished by Seller to Purchaser in connection with this transaction, are free from any untrue statement of material fact and do not omit to state any material facts necessary to make the statements contained herein or therein not misleading. The copies of any documents furnished to Buyer in connection with this transaction are true and complete copies of the documents they purport to be and contain no untrue statement of material fact and do not omit to state any material facts necessary to make the statements contained therein not misleading.

8. Covenants of Seller. Seller covenants and agrees as follows:

8.1 Perform Obligations. No later than two business days before the Closing Date, Seller shall ensure that R.S.T. Enterprises/Nick Properties, and/or any other person or entity residing or conducting business on any portion of the Property permanently cease occupying or conducting any activity on the Property.

8.2 No Liens. From the date of this Agreement to the Closing Date, Seller will not allow any lien to attach to the Right-of-Way Property, nor will Seller grant, create, or voluntarily allow the creating of, or amend, extend, modify or change, any easement, right-of-way, encumbrance, restriction, covenant, lease, license, option or other right affecting the Right-of-Way Property or any part thereof without Buyer's written consent first having been obtained.

8.3 Provide Further Information. From the date of this Agreement to the Closing Date, Seller will notify Buyer of each event of which Seller becomes aware which materially affects the Property or any part thereof promptly upon learning of the occurrence of such event.

9. Closing.

9.1 Time and Place. Provided that all the contingencies set forth in this Agreement have been previously fulfilled, the Closing shall take place at the place and time determined as set forth in Paragraph 4 of this Agreement.

9.2 Documents to be Delivered by Seller. For and in consideration of, and as a condition precedent to, the payment to Seller of any of the Purchase Price, Seller shall obtain and deliver to Escrow Agent at least two business days before the Closing Date the following documents (all of which shall be duly executed and acknowledged where required):

- (i) Release. A Release substantially in form as attached hereto as Exhibit B.
- (ii) Warranty Deed. A standard form warranty deed ("Deed") in recordable form as will convey to Buyer fee simple title at Closing.
- (ii) Title Documents. Such other documents (if any) that may be required by the Title Company as a condition to its insuring Buyer's good and marketable fee simple title to the Property free of any exceptions, other than the Permitted Exceptions.
- (iii) Reserved.
- (iv) Authority. Such evidence as the Title Company shall require as to authority of Seller to convey the Property to Buyer.
- (v) Seller's Certificate of Non-Foreign Status.
- (vi) Real Estate Excise Tax Affidavit.

9.3 Items to be Delivered by Buyer. For and in consideration of, and as a condition precedent to, Seller's conveyance of the Property, Buyer shall deliver to Seller at Closing the following documents:

- (i) Authority. Such evidence as the Title Company shall require as to authority of Buyer to purchase the Property from Seller.
- (ii) Wire to cover costs and charges consistent with section 9.5.
- (iii) Wire to cover purchase price for the Property.

9.5 Payment of Costs by Buyer. At Closing, Buyer shall pay the premium for the Owner's Title Policy to be issued by Title Company to Buyer, the fee to record the Deed, and closing costs, including the escrow fee. With respect to any and all other costs incurred with respect to the consummation of the purchase and sale of the Property, Seller and Buyer shall pay their own respective costs. Seller acknowledges that this transaction is subject to real estate excise tax from which the Seller does not appear to be exempt under Chapter 82.45 RCW and Chapter 458-61A WAC.

9.6 Real Property Taxes and Assessments. Seller shall pay in full any taxes assessments due or to become due with respect to the Property up to the Closing Date.

9.7 Monetary Liens. Seller shall pay or cause to be satisfied at or prior to Closing all monetary liens on or with respect to the Property, including, but not limited to, mortgages, deeds of trust, security agreements, assignments of leases, rents and/or easements, judgment liens, tax liens

(other than those for taxes not yet due and payable) and financing statements to the extent arising out of Seller's acts prior to Closing.

9.8 Possession. If any personal property remains on the Property at Closing, then Buyer may remove all such personal property. Seller shall not be responsible to remove any personal property which may be left on the Property by tenants.

10. Buyer's Representations and Warranties. Buyer hereby makes the following representations and warranties, which representations and warranties shall be deemed made by Buyer to Seller also as of the Closing Date:

10.1 Due Authority. Buyer has all requisite power and authority to execute and deliver this Agreement and to carry out its obligation hereunder and the transactions contemplated hereby. This Agreement has been, and the documents contemplated hereby will be, duly executed and delivered by Buyer and constitute Buyer's legal, valid and binding obligation enforceable against Buyer in accordance with its terms. The consummation by Buyer of the purchase of the Property is not in violation of or in conflict with nor does it constitute a default under any of the terms of any agreement or instrument to which Buyer is or may be bound, or of any provision of any applicable law, ordinance, rule or regulation of any governmental authority or of any provision of any applicable order, judgment or decree of any court, arbitrator or governmental authority.

10.2 Finders' or Brokers' Fees. Buyer has not dealt with any broker or finder to which a commission or other fee is due in connection with any of the transactions contemplated by this Agreement and insofar as it knows, no broker or other person is entitled to any commission, charge or finder's fee in connection with the transactions contemplated by this Agreement.

11. Sale of Property "As Is." Having fully inspected the Property, and having had the opportunity to obtain the report of professionals, Buyer agrees to accept the Property "As Is" with any and all defects. Buyer acknowledges and agrees that Seller makes no representations or warranties of any kind concerning the Property, now or at Closing, (including the Property's condition, cleanliness, or suitability for Buyer's intended use), except as specifically set forth in Section 7.

12. Conditions to Seller's Obligations.

Seller's obligation to sell the Property to Buyer shall be subject to further conditions that must be satisfied at Closing:

(a) Buyer pays the fee to record the Deed, and the escrow fee.

(b) Buyer delivers the Purchase Price and any other costs required by the terms of this Agreement to be paid by or delivered by Buyer.

(c) Buyer shall have performed all obligations to be performed by it hereunder on or before the Closing Date (or, if earlier, on or before the date set forth in this Agreement for such performance).

If any of the conditions set forth in this Paragraph 12 are not satisfied as of Closing and Seller does not waive the same, Seller may terminate this Agreement, and thereafter neither Buyer nor Seller shall have any further obligation to the other under this Agreement.

13. Indemnification. Seller shall protect, and pay the defense costs of, indemnify and hold Buyer and its successors and assigns harmless from and against any and all loss, liability, claim, damage and expense suffered or incurred by reason of (a) the breach of any representation, warranty, covenant or other agreement of Seller set forth in this Agreement; or (b) the failure of Seller to perform any obligation required by this Agreement to be performed by Seller.

Buyer shall pay, protect, and pay the defense costs of, indemnify and hold Seller and its successors and assigns harmless from and against any and all loss, liability, claim, damage and expense suffered or incurred by reason of (a) the breach of any representation, warranty, covenant or other agreement of Buyer set forth in this Agreement; or (b) the failure of Buyer to perform any obligation required by this Agreement to be performed by Buyer.

14. Condemnation. In the event a condemning authority other than the Port of Seattle commences or consummates proceedings in eminent domain or condemnation (collectively "Condemnation") respecting the Property or any portion thereof, on or after the date of this Agreement and prior to the Closing, Buyer may elect, by written notice to Seller, to terminate this Agreement and the escrow created pursuant hereto and be relieved of its obligation to purchase the Property. If Buyer terminates this Agreement neither Buyer nor Seller shall have any further liability to the other hereunder. If Buyer fails to make such election prior to the Closing Date, this Agreement shall continue in effect, there shall be no reduction in the Purchase Price, and Seller shall, at the Closing,, assign to Buyer, by an assignment agreement in form and substance satisfactory to Buyer, its entire right, title and interest in and to any Condemnation award or settlement made or to be made in connection with such Condemnation proceeding. Buyer shall have the right at all times to participate in all negotiations and dealings with the condemning authority and approve or disapprove any proposed settlement in respect to such matter. Seller shall forthwith notify Buyer in writing of any such Condemnation respecting the Property.

15. Notices. Unless applicable law requires a different method of giving notice, any and all notices, demands or other communications required or desired to be given hereunder by any party (collectively, "notices") shall be in writing and shall be validly given or made to another party if delivered either personally or by Federal Express or other overnight delivery service of recognized standing, or if

deposited in the United States mail, certified, registered, or express mail with postage prepaid. If such notice is personally delivered, it shall be conclusively deemed given at the time of such delivery. If such notice is delivered by Federal Express or other overnight delivery service of recognized standing, it shall be deemed given twenty four (24) hours after the deposit thereof with such delivery service. If such notice is mailed as provided herein, such shall be deemed given forty eight (48) hours after the deposit thereof in the United States mail. Each such notice shall be deemed given only if properly addressed to the party to whom such notice is to be given as follows:

To Seller:

Nick Properties, LLC

21009 Snag Island Dr

Lake Tapps, WA 98391

ATTN: James Terrile, Manager

With a copy to: Tim Ashcraft, Esq.

Williams, Kastner & Gibbs PLLC

1301 A Street, Suite 900

Tacoma, WA 98402-4200

To Buyer: Port of Seattle, a Washington municipal corporation

Mailing Address:

P.O. Box 68727

Seattle, WA 98168

Street Address:

Main Terminal Building

17801 Pacific Highway South

Seattle, WA 98158

Attn: Manager, Aviation Properties

With a copy to: General Counsel

Port of Seattle

P.O. Box 1209

Seattle, WA 98111

Any party hereto may change its address for the purpose of receiving notices as herein provided by a written notice given in the manner aforesaid to the other party hereto.

16. Event of Default. In the event of a default under this Agreement by either party (including a breach of any representation, warranty or covenant set forth herein), the injured party shall be entitled, in addition to all other remedies at law or equity, to seek monetary damages and specific performance of the defaulting party's obligations hereunder.

17. Miscellaneous.

17.1 Applicable Law. This Agreement shall in all respects, be governed by the laws of the State of Washington.

17.2 Further Assurances. Each of the parties shall execute and deliver any and all additional papers, documents and other assurances, and shall do any and all acts and things reasonably necessary in connection with the performance of its obligations hereunder, to carry out the intent of the parties hereto.

17.3 Modification or Amendment, Waivers. No amendment, change or modification of this Agreement shall be valid, unless in writing and signed by all of the parties hereto. No waiver of any breach of any covenant or provision in this Agreement shall be deemed a waiver of any preceding or succeeding breach thereof, or of any other covenant or provision in this Agreement. No extension of time for performance of any obligation or act shall be deemed an extension of the time for performance of any other obligation or act.

17.4 Successors and Assigns. All of the terms and provisions contained herein shall inure to the benefit of and shall be binding upon the parties hereto and their respective heirs, legal representatives, successors and assigns.

17.5 Entire Agreement. This Agreement constitutes the entire understanding and agreement of the parties with respect to its subject matter and any and all prior agreements, understandings or representations with respect to its subject matter are hereby canceled in their entirety and are of no further force or effect. The parties do not intend to confer any benefit under this Agreement to any person, firm or corporation other than the parties.

17.6 Attorneys' Fees. Should either party bring suit to enforce this Agreement, each party will pay its own attorneys' fees, costs and expenses.

17.7 Construction. Captions are solely for the convenience of the parties and are not a part of this Agreement. This Agreement shall not be construed as if it had been prepared by one of the parties, but rather as if both parties had prepared it. If the date on which Buyer or Seller is required to take any action under the terms of this Agreement is not a business day, the action shall be taken on the next succeeding business day.

17.8 Partial Invalidity. If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby; and each such term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

17.9 Survival. The covenants, agreements, and representations and warranties made in this Agreement and in the Release at Exhibit B shall survive the Closing unimpaired and shall not merge into the Deed and the recordation thereof.

17.10 Time. Time is of the essence of every provision of this Agreement.

17.11 Force Majeure. Performance by Seller or Buyer of their obligations under this Agreement shall be extended by the period of delay caused by force majeure. Force majeure is war, natural catastrophe, strikes, walkouts or other labor industrial disturbance, order of any government, court or regulatory body having jurisdiction, shortages, blockade, embargo, riot, civil disorder, or any similar cause beyond the reasonable control of the party who is obligated to render performance (but excluding financial inability to perform, however caused).

17.12 Waiver; Succession. The waiver by Seller or Buyer of any covenant, condition or agreement herein contained shall not vitiate the same or any other covenant, condition or agreement contained herein and the terms, conditions, covenants and agreements contained herein shall inure to the benefit of and be binding upon the successors and assigns of the parties hereto.

17.13 Recording. The parties hereto agree that the Deed and all other documents necessary to convey title to the Property from Seller to Buyer shall be recorded in the records of King County by the Escrow Agent on the Closing Date.

SELLER:

Nick Properties, LLC, a Washington limited liability company

By


James Terrile, Manager

Date: 0-12, 2012

BUYER: PORT OF SEATTLE, a Washington municipal corporation

By _____

Tay Yoshitani, Chief Executive Officer

Date: _____, 2012

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

I certify that I know or have satisfactory evidence that **Tay Yoshitani** is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the **Chief Executive Officer of the Port of Seattle** to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

SUBSCRIBED AND SWORN to before me this _____ day of _____, 2012.

Notary Public
Print Name:
My commission expires:

(Use this space for notary stamp/seal)

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

I certify that I know or have satisfactory evidence that **James Terrile** is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the **Manager of Nick Properties, LLC**, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

SUBSCRIBED AND SWORN to before me this 12 day of June, 2012.

Notary Public 
Print Name: Robert Pentimonti
My commission expires: 1-10-13

(Use this space for notary stamp/seal)

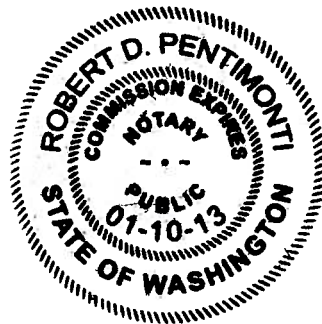


Exhibit A-1

Legal Description – King County Tax Parcel No. 202304-9125

15418 Des Moines Memorial Drive

That portion of the southeast quarter of Section 20, Township 23 North, Range 4 East, W.M., in King County, Washington, described as follows:

Beginning at a point on the west line of said southeast quarter 643.5 feet south of the northwest corner of said subdivision;

thence east 330 feet;

thence south parallel with the north and south center line of said section a distance of 198 feet;

thence west 330 feet to the north and south center line of said section;

thence north 198 feet along said north and south center line to the point of beginning;

EXCEPT that portion lying westerly of the easterly margin of Des Moines Highway and 8th Avenue South as conveyed to King County by deed recorded under Recording Number 935229;

AND EXCEPT the west 100 feet of the south 75 feet thereof.

Exhibit A-2

Legal Description – King County Tax Parcel No. 202304-9229

15416 Des Moines Memorial Drive

That portion of the southeast quarter of Section 20, Township 23 North, Range 4 East, W.M., in King County, Washington, described as follows:

Beginning at a point on the west line of said southeast quarter, 841.5 feet south of the northwest corner of said subdivision;

thence east 130 feet; thence north parallel with the north and south center line of said section a distance of 75 feet;

thence west 130 feet to the north and south center line of said section;

thence south 75 feet along said north and south center line to the point of beginning;

EXCEPT that portion lying westerly of the easterly margin of 8th Avenue South as conveyed to King County by deed recorded under King County Recording Number 935229.

Exhibit A-3

Legal Description – King County Tax Parcel No. 202304-9234

15424 Des Moines Memorial Drive

The north 111 feet of that portion of the southeast quarter of Section 20, Township 23 North, Range 4 East, W.M., in King County, Washington, described as follows:

Beginning at a point on the west line of said southeast quarter, 1,135.95 feet south of the northwest corner of said subdivision;

thence north $0^{\circ}26'37''$ west along the north and south center line 294.45 feet;

thence north $89^{\circ}28'34''$ east 330 feet;

thence south $0^{\circ}26'37''$ east parallel with the north and south center line 247.5 feet to an angle point in the east line of a tract of land conveyed to J. Otto Miller by deed recorded under King County Recording Number 867247;

thence east to the creek known as Salmon Creek;

thence southwesterly along said Salmon Creek to a point which bears north $89^{\circ}42'10''$ east from the point of beginning;

thence south $89^{\circ}42'10''$ west to the point of beginning;

EXCEPT Des Moines Way South.

Exhibit A-4

Legal Description – King County Tax Parcel No. 202304-9110

15446 Des Moines Memorial Drive

That portion of the southeast quarter of Section 20, Township 23 North, Range 4 East, W.M., in King County, Washington, described as follows:

Beginning at a point on the west line of said southeast quarter 1,135.95 feet south of the northwest corner of said subdivision;

thence north $0^{\circ}26'37''$ west along the north and south centerline 294.45 feet;

thence north $89^{\circ}28'34''$ east 330 feet;

thence south $0^{\circ}26'37''$ east parallel with the north and south centerline 247.5 feet to an angle point on the east line of a tract of land conveyed to J. Otto Miller by deed recorded under King County Recording Number 867247;

thence east to the creek known as Salmon Creek;

thence southwesterly along said Salmon Creek to a point which bears north $89^{\circ}42'10''$ east from the point of beginning;

thence south $89^{\circ}42'10''$ west to the point of beginning;

EXCEPT the north 111 feet thereof;

AND EXCEPT that portion lying westerly of the easterly margin of 8th Avenue South as conveyed to King County by deed recorded under King County Recording Number 935229.