

PURCHASE AND SALE AGREEMENT

This PURCHASE AND SALE AGREEMENT ("Agreement") is entered into by and between THE CITY OF SEATTLE, a Washington municipal corporation ("Buyer"), and THE KIM FAMILY REVOCABLE LIVING TRUST, DATED NOVEMBER 10, 2004, KI SOP KIM AND WAN S. KIM AS TRUSTEES ("Seller"), as of the date this Agreement has been executed by both Buyer and Seller ("Effective Date").

RECITALS

- A. Buyer made an offer for purchase of the Property (defined in Section 1 below), to which Seller did not respond in writing.
- B. Buyer has the power of eminent domain and is seeking specific authority to condemn the Property.
- C. Buyer and Seller have each determined that it is in their respective best interests to enter into this Agreement for the purpose of stating the terms and conditions under which Seller would agree to sell and convey to Buyer and Buyer would agree to purchase the Property under imminent threat, and in lieu, of condemnation.

Intending to be legally bound, for good and valuable consideration, including the mutual covenants and promises of the parties, the adequacy and receipt of which is hereby acknowledged, the parties agree as follows:

1. Property. The "Property" subject to this Agreement consists of all of the following:

(a) That certain real property with a street address of 8102, 8102B, and 8104 Greenwood Avenue North located in Seattle, Washington and more particularly described in Exhibit A attached together with all buildings, structures and other permanent improvements thereon (the "Real Property").

(b) All rights, privileges and easements appurtenant to the Real Property, including without limitation all minerals, oil, gas and other hydrocarbon substances on the land, all development rights, air rights, and any and all appurtenances used in connection with the beneficial use and enjoyment of the Real Property (collectively, the "Appurtenances").

2. Purchase. Seller shall sell and convey the Property to Buyer, and Buyer shall purchase the Property from Seller, on the terms, covenants and conditions set forth in this Agreement.

3. Purchase Price.

3.1. Amount. The purchase price ("Purchase Price") for the Property is One Million Three Hundred Thousand and no/100 Dollars (~~\$1,300,000.00~~).

(~~\$1,300,000.00~~) *MS. W.S.*

3.2. Payment. Buyer shall pay Seller the Purchase Price at Closing.

3.3. Deposit. Within ten (10) days of the execution of this Agreement by Buyer and Seller, Buyer will open an escrow account with Pacific Northwest Title Company of Washington, Inc., 215 Columbia Street, Seattle, Washington, 98104 (referred to hereafter as "Escrow Holder") and shall deliver to Escrow Holder a deposit of Five Thousand and NO/100 Dollars (\$5,000.00) (the "Deposit") together with a copy of the fully executed Agreement. Escrow Holder shall place the Deposit in an interest-bearing account for the benefit of the Buyer. Escrow Holder shall apply or disburse the Deposit as provided in this Agreement. At Closing, Escrow Holder shall apply the Deposit together with interest, if any, to the Purchase Price.

4. Title.

4.1. Condition of Title. Title to the Property shall, at the option of Buyer, be insurable by an ALTA extended coverage owner's policy of title insurance or a standard owner's policy of title insurance, in the amount of the Purchase Price, subject only to the Permitted Exceptions (defined in Subsection 4.3 below). Seller shall satisfy all requirements of the Title Company (defined in Subsection 4.2 below) in connection with issuance of the title policy (the "Title Policy") in accordance with the Commitment (defined in Subsection 4.2 below).

4.2. Title Insurance Commitment. Buyer has obtained a current title insurance commitment issued by First American Title Company dba Pacific Northwest Title Company ("Title Company"), 215 Columbia Street, Seattle, WA 98104, No. 1106648, dated January 21, 2010, updated with Supplemental #1 dated February 17, 2010, Supplemental #2 dated July 26, 2010, Supplemental #3 dated October 18, 2010, and Supplemental #4 dated June 1, 2011. Updates to the commitment shall commit Title Company to insure title in Buyer in the amount of the Purchase Price subject only to the Permitted Exceptions (defined Subsection 4.3 below) and shall commit the Title Company to issue such policy endorsements as required by Buyer, and, at the election of Buyer, shall commit Title Company to issuance of a 2006 ALTA Owner's Extended Coverage Policy of title insurance. If required by the Title Company to issue an extended coverage owner's ALTA title insurance policy, Buyer shall obtain a survey and title updates for an extended policy at its own expense. The commitment together with any subsequent additional updates acceptable to Buyer, are referred to collectively as the "Commitment".

4.3. Permitted Exceptions. Those exceptions to title listed on Exhibit B attached hereto together with any additional exceptions to title approved in writing by Buyer constitute permitted exceptions ("Permitted Exceptions"). Seller, at its sole cost and expense, shall remove all exceptions other than Permitted Exceptions.

5. Conditions Precedent.

5.1. Conditions Precedent to Buyer's Obligation to Purchase. Buyer's obligations with respect to purchase of the Property and the Closing are subject to fulfillment, or waiver thereof by Buyer in writing, of all conditions contained within this Agreement ("Buyer's Conditions Precedent"), including the following, not later than the Closing Date (unless an earlier date is specified):

(a) Title Policy. The Title Company shall be prepared to issue the Title Policy as described in Section 4.

(b) Moratorium. No reassessment, reclassification, rezoning or other change in judicial or administrative decision or proceedings (including amendments and modifications of any of the foregoing) pending or proposed to be imposed by any governmental or quasi-governmental authority or any public or private utility having jurisdiction over the Property shall have occurred.

(c) Zoning; Survey. There are no existing violations of zoning ordinances or other laws, ordinances or restrictions applicable to the Property; there are no encroachments upon the Property; and there are no other matters disclosed by survey that are unacceptable to Buyer, in Buyer's sole discretion.

(d) Noncompliance - Violation. Existing uses of the Property are in full compliance with all applicable zoning laws (and applicable variances) and any other local, municipal, regional, state or federal requirements and the improvements on the Property comply with all applicable building, safety, health, zoning, environmental, subdivision and other laws, ordinances and regulations.

(e) No Actions or Proceedings. There is no action, proceeding or investigation, pending or threatened, with respect to the title, ownership, maintenance, use or operation of the Property.

(f) No Environmental Violations. The Property is not in violation of any federal, state or local law, ordinance or regulation relating to industrial hygiene or to the environmental conditions on, under, above or about the Property, including but not limited to soil and groundwater conditions.

(g) Representations, Warranties and Covenants of Seller. Seller shall have performed each and every agreement to be performed by Seller under this Agreement, and Seller's representations and warranties in this Agreement shall be true and correct as of Closing.

(h) No Adverse Changes. As of Closing, there shall have been no adverse change in the physical condition of the Property from the date of this Agreement.

(i) Seller's Deliveries. Seller shall have delivered each of the items described (and no later than the delivery time specified) in Subsection 6.1 to Buyer and in Subsection 8.1 to Escrow Holder.

(j) Investigation. Buyer shall have notified Seller that the condition stated in Subsection 6.3 has been satisfied or waived within the time period required therein.

(k) Ordinance. On or before January 31, 2012, an ordinance shall be in effect authorizing the transaction contemplated by this Agreement and appropriating funds to complete this transaction.

(l) No Seller Bankruptcy. If at any time prior to Closing, (i) there shall be filed against or by Seller a petition in bankruptcy or insolvency or a petition seeking to effect any plan or other arrangement with creditors or seeking the appointment of a receiver and the same is not discharged or dismissed before Closing; (ii) a receiver or liquidator is appointed for all or substantially all of Seller's property; (iii) Seller makes an assignment for the benefit of creditors or takes any other similar action for the benefit or protection of creditors, then Buyer shall have the right in its sole and absolute discretion and in addition to all other remedies available to Buyer pursuant to this Agreement or at law or in equity to cancel and terminate this Agreement after which the Deposit shall be returned to Buyer and neither party shall have any further rights or obligations under this Agreement.

(m) Tenant Certificates. On or before November 30, 2011, Seller shall have delivered to Buyer estoppel certificates signed by the authorized representative(s) of each tenant listed in the Rent Roll attached hereto as Exhibit C (the "Tenants"). The certificates shall contain all of the information and warranties sought in the form attached hereto as Exhibit D ("Tenant Certificates").

(n) Termination of Leases. Effective on the Date of Closing, Seller shall have terminated the existing leases, copies of which are attached hereto as Exhibit E ("Existing Leases").

(o) New Leases. Effective on the Date of Closing, Seller shall have signed and acknowledged, and shall have caused Lorenzo and Reiko Rangel dba Aloha Ramen Noodle House and Il Jun Chong and _____ dba Manna Teriyaki to sign and acknowledge, new leases in the forms attached hereto as Exhibit F ("New Leases").

5.2. Benefit of Buyer. The Buyer's Conditions Precedent are solely for the benefit of Buyer and may be waived only in writing by Buyer. Buyer shall at all times have the right to waive any condition. The waiver by Buyer of any condition in any specific circumstances shall not be a waiver of such condition with respect to any other circumstances or a waiver of any other condition and shall not relieve Seller of any liability or obligation with respect to any representation, warranty, covenant or agreement of Seller, unless the waiver expressly so provides.

5.3. Termination. If any Buyer's Condition Precedent is not satisfied or waived prior to Closing (or such earlier date as provided elsewhere in this Agreement), then Buyer, in Buyer's sole discretion, shall have the right to terminate this Agreement by written notice to Seller and Escrow Holder, and the parties shall have no further obligations under this Agreement, except that Buyer shall be entitled to return of the Deposit together with interest, if any, and Seller and Buyer shall be entitled to return of any documents deposited with Escrow Holder.

6. Investigation of the Property.

6.1. Seller's Initial Deliveries. Within seven (7) days after the Effective Date, Seller shall, at its sole expense, deliver to Buyer (a) signed copies of all leases other than the Existing Leases, if any, contracts, and accounting records affecting the Property and other documents, records and materials concerning the operation or physical condition of the Property, including, without limitation, all surveys, maps, plans, soils reports and environmental site assessments; and (b) a completed disclosure statement for commercial real estate in the form required by Section 64.06.013 of the Revised Code of Washington.

6.2. Entry. Without limiting any other rights of Buyer under this Agreement, as of the Effective Date, Buyer and Buyer's agents and employees shall have the right to enter the Property to conduct soils, engineering, environmental and other tests, inspections, surveys and investigations at the Property ("Investigations") at Buyer's sole expense. Seller agrees to cooperate and to cause the Tenants to cooperate with any Investigations made by or at Buyer's direction. The exercise by Buyer of any of the preceding rights or any other act of Buyer shall not negate any representation, warranty or covenant of Seller, or modify any of Buyer's rights or Seller's obligations in the event of any breach by Seller of any of its representations, warranties or covenants under this Agreement. To the extent permitted by applicable law, Buyer shall indemnify and hold Seller harmless from any and all damages, expense, liens or claims (including attorneys' fees) arising from Buyer's negligence in exercise of its rights under this Subsection 6.2 or failure to pay third parties, and the provisions of this indemnity shall survive termination of this Agreement.

6.3. Period for Investigations. Closing of this transaction is conditioned on Buyer's satisfaction with the Property, the suitability of the Property for Buyer's intended uses and the feasibility of this transaction in Buyer's sole and absolute discretion. Buyer shall have until November 30, 2011 to conduct its Investigations, and to review the items delivered by Seller pursuant to Subsection 6.1 above (the "Contingency Period"). If Buyer fails to notify Seller and the Escrow Holder in writing that this condition is satisfied or waived prior to 5:00 p.m. Pacific Time on the final day of the Contingency Period, then this Agreement shall be deemed terminated, and both Seller and Buyer shall be released and discharged from all further obligations under this Agreement. The Deposit, plus interest, shall be returned to Buyer and, except as provided in Subsection 6.2, neither party shall be subject to a claim by the other for damages of any kind with respect to this Agreement or Buyer's attempt to purchase the Property. The Contingency Period shall be extended as necessary for Seller's Work (described in

Subsection 6.4 below) and as necessary for completion of a Level 2 environmental site assessment if Buyer determines that results or recommendations of a Level 1 environmental assessment warrant soil testing.

6.4 Seller's Work. All of the following constitutes Seller's Work: In the event that the Investigations disclose the presence of one or more underground storage tanks, not in use, on the Property, Seller shall, at Seller's sole cost and expense, cause the underground storage tank(s) to be removed and properly disposed of by a date mutually acceptable to the parties prior to Closing ("Extended Contingency Period"). Included within the removal work scope shall be a requirement that the contractor determine whether there is evidence that the underground storage tank(s) are leaking or have leaked product into surrounding soil or groundwater. The removal and disposal shall be completed in compliance with applicable law and regulation by a contractor licensed to conduct underground storage tank decommissioning and removal. If there is evidence that the underground storage tank(s) are leaking or have leaked product into surrounding soil or groundwater, or if there is other evidence of soil or groundwater contamination, then Buyer and Seller shall further extend the Extended Contingency Period if necessary and prior to the expiration of such Extended Contingency Period, Seller shall cause its licensed contractor (a) to remove and dispose of all contaminated soil, (b) to undertake all necessary environmental remediation of soil and groundwater in compliance with applicable law and regulation, (c) to provide to Buyer copies of its license and qualifications, permit for tank removal, its certification of tank removal, if applicable, and its certification of soil and groundwater remediation, if applicable, all in compliance with applicable law and regulation, and (d) to restore the Property to its original condition with appropriate fill type, compaction, grading, and ground cover or paving, as applicable.

7. Seller's Obligations. Before Closing Seller shall, at its sole expense:

7.1. Promptly notify Buyer upon learning of any fact or event that would make any of the representations or warranties of Seller contained in this Agreement or any Buyer's Conditions Precedent untrue or misleading in any material respect or that would cause Seller to be in violation of any of its covenants or other obligations hereunder.

7.2. Notify Buyer promptly upon receiving notice of a claim or pending litigation affecting the Property, or notice of any event, transaction, or occurrence before Closing that would materially adversely affect the Property or any part thereof.

7.3. Not convey, mortgage, grant a deed of trust, or contract to do the foregoing or otherwise allow or consent to convey, abandon, relinquish, cloud or encumber title to the Property or any interest therein or part thereof without Buyer's consent.

7.4. Maintain the Property in good order, condition and repair, and otherwise operate the Property and maintain its business records in the same manner as before the making of this Agreement, the same as though Seller were retaining the Property.

7.5. Maintain all casualty, liability and hazard insurance currently in force with respect to the Property through Closing without diminution in coverage.

7.6. Remedy any violations of law or municipal ordinances or regulations of any federal, state, local or other governmental departments.

7.7. Take no action that will adversely affect title to the Property.

7.8. Not renew, extend, amend, or modify any Existing Lease, nor enter into any new lease affecting the Property without Buyer's prior written consent.

8. Deliveries to Escrow Holder.

8.1. By Seller. Seller shall deliver or cause to be delivered to Escrow Holder on or prior to the Closing Date the following items, the delivery of each of which shall be a condition to the performance by Buyer of its obligations under this Agreement:

(a) Deed. A statutory warranty deed, in form and substance satisfactory to Buyer and its counsel, duly executed and acknowledged by Seller (the "Deed"), conveying to Buyer indefeasible good and marketable fee simple title to the Property, free and clear of all liens, encumbrances, restrictions and easements, except only the Permitted Exceptions.

(b) FIRPTA Affidavit. A certificate in form and substance acceptable to Buyer and its counsel, duly executed by Seller, evidencing that Seller is exempt from the withholding requirements of Section 1445 of the Internal Revenue Code.

(c) ALTA Affidavits. Any affidavits, certifications or instruments, including any lien affidavits or mechanic's lien indemnifications, duly executed and acknowledged by Seller, as reasonably may be required by the Title Company in order to issue the Title Policy.

(d) Title Insurance Policy. The Title Insurance Policy in conformance with Section 4.

(e) Closing Certificates. A certificate of Seller dated as of the Closing Date certifying that all of Seller's representations and warranties remain true as of the Closing Date, or if not, specifying the respect in which any representation or warranty is no longer true.

(f) Certificates of Authority. Such certificates as are necessary or required by Buyer or the Title Company to evidence the authority of Seller and its signatories to execute the instruments to be executed by Seller in connection with this transaction, and evidence that the execution of such instruments is the official act and deed of Seller.

(g) Excise Tax Affidavit. A real estate excise tax affidavit signed by Seller.

(h) Termination of Existing Leases. Evidence, satisfactory to Buyer and the Title Company, of termination of the Existing Leases.

(i) New Leases. The New Leases, executed and acknowledged by the lessees thereunder.

8.2. Buyer. Buyer shall deliver or cause to be delivered to Escrow Holder on or before the Closing Date cash by federal funds, wire transfer or cashier's check in the amount necessary to pay the balance of the Purchase Price and Buyer's share of closing costs and prorations.

9. Close of Escrow.

9.1. Time. Closing shall occur in the office of Escrow Holder on a date mutually agreeable to Buyer and Seller after Buyer's Conditions Precedent have been satisfied or waived, but in any event no later than January 31, 2012. As used in this Agreement, "Closing," "Closing Date" or "Date of Closing" means the date on which all appropriate documents are recorded and proceeds of sale are available for disbursement to Seller in accordance with this Agreement. Funds held in reserve accounts pursuant to escrow instructions shall be deemed, for purposes of the definition of "Closing," "Closing Date" and "Date of Closing," as available for disbursement to Seller.

9.2. Closing Costs and Prorations.

(a) Closing Costs. Buyer and Seller shall each pay their own attorneys' fees. Buyer shall pay the cost of recording the Deed, escrow fees, the title insurance premium charged by the Title Company for Buyer's title policy and the endorsements required by Buyer, and the cost of any survey required by the Title Company (if any). Seller's monetary liens on the Property, if not previously discharged, shall be discharged in full out of the Purchase Price at Closing. Seller shall pay real estate excise tax, if any is due.

(b) Prorations. Seller shall be responsible for paying real property taxes, general assessments, surface water management fees and other fees (if any) payable to governmental entities, utilities and operating expenses relating to the Property through the Closing Date. If Seller is entitled to a reimbursement for overpayment of real property taxes, it shall be Seller's responsibility to seek such reimbursement from the appropriate taxing authority outside of Closing. Seller shall provide evidence satisfactory to Buyer that accounts for utility services to the Property, including but not limited to electricity, heating oil (if applicable), natural gas (if applicable), solid waste, water, sewer, telephone, internet service, and cable, are current and there are no delinquent charges owing. Any special assessments against the Property in existence as of the Closing Date shall be paid in full by Seller. All expenses of the Property, including but not limited to, real property taxes, surface water management fees and other fees (if any) payable to governmental entities, rents, utility charges, amounts payable under contracts that

Buyer elects to accept or assume, annual permits and other expenses normal to ownership, use, operation and maintenance of the Property shall be prorated as of 11:59 p.m. on the Closing Date.

(c) Rents and Security Deposits. Prepaid rents shall be credited to Buyer. Installments of rent will be prorated based on collections as of 11:59 p.m. on the Closing Date. Any rents collected by Buyer after the Closing Date shall be applied to rentals accruing after the Closing Date and then to any rents due for any period prior to the Closing Date. All security deposits under the Existing Leases shall be transferred or credited to Buyer at Closing.

9.3. Procedure. Escrow Holder shall close escrow as follows:

(a) Obtain the release of the Property from any liens described in the Commitment except the Permitted Exceptions;

(b) Confirm with Buyer satisfactory evidence of termination of Existing Leases and delivery of all documents by Seller;

(c) Confirm execution and acknowledgement of the New Leases;

(d) Pay applicable real estate transfer excise taxes and record the Deed;

(e) Complete the prorations and credits;

(d) Issue and deliver the Title Policy to Buyer;

(e) Deliver any other documents deposited by Seller with Escrow Holder to Buyer;

(f) Deliver the Purchase Price less Seller's closing costs and prorations and Buyer credits to Seller; and

(g) Forward to Buyer and Seller, in duplicate, a separate accounting of all funds received and disbursed for each party and copies of all executed and recorded or filed documents deposited with Escrow Holder, with such recording and filing date endorsed thereon.

9.4. Incorporation of Escrow Instructions. This Agreement shall serve as escrow instructions, and an executed copy of this Agreement shall be deposited by Buyer with Escrow Holder following its execution. The parties may execute additional escrow instructions provided that such additional escrow instructions shall not change the terms of this Agreement.

9.5. Possession. Possession of the Property shall be delivered to Buyer upon Closing, subject to the New Leases.

9.6. Deliveries Outside of Escrow. On the Closing Date Seller shall deliver to Buyer outside of escrow all original books and records of account, contracts, leases and leasing correspondence, receipts for deposits, unpaid bills and other papers pertaining to the Property, architectural and engineering plans, drawings and specifications for the improvements to the Property, all "As-Built" plans and specifications, original operating permits and certificates relating to use, occupancy or operation of the Property, all advertising materials, booklets, keys and other items, if any, used in operation of the Property.

10. Brokerage Commission. Seller warrants to Buyer and Buyer warrants to Seller that each party's sole contact with the other and with the Property regarding this transaction has been directly with the other party and has not involved any broker or finder. Seller and Buyer further warrant to each other that no broker or finder can properly claim a right to a commission or finder's fee based upon contacts between the claimant and that party with respect to the other party or the Property. To the extent permitted by applicable law, each party shall indemnify, defend and hold the other party harmless from and against any loss, cost or expense, including, but not limited to, attorneys' fees and court costs, resulting from any claim for a fee or commission by any broker or finder in connection with the Property and this Agreement resulting from the indemnifying party's actions.

11. Casualty or Condemnation.

11.1. If there is a condemnation (by an entity other than Buyer) of all or part of the Property initiated before Closing, Seller shall promptly notify Buyer and Buyer shall have the option for ten (10) days following the date the notice is received (a) to proceed with the Closing, in which event all condemnation proceeds already received by Seller by the Closing shall be paid to Buyer and the right to receive such proceeds not yet received by Seller shall be assigned to Buyer at the Closing, or (b) to terminate this Agreement. Unless this Agreement is terminated, Seller shall take no action with respect to any condemnation proceeding without the prior written consent of Buyer.

11.2. Before Closing, the entire risk of loss or damage by casualty to the Property however caused shall be borne and assumed by Seller. If any casualty costing Ten Thousand Dollars (\$10,000) or more to repair has occurred to the Property before Closing, Buyer at its election may terminate this Agreement or proceed to close in which case Seller shall assign to Buyer all insurance proceeds attributable to the casualty. If there is a casualty to the Property costing less than Ten Thousand Dollars (\$10,000) to repair, there will be no termination of this Agreement, such damage shall be repaired by the Seller, and if not so repaired before Closing, then the remaining cost of repair shall be withheld from the Purchase Price and paid over to Seller upon Seller's completion of the repairs to Buyer's reasonable satisfaction.

12. Representations, Warranties and Covenants.

12.1. Seller's Representations, Warranties and Covenants. In addition to the representations, warranties and covenants contained elsewhere in this Agreement, Seller as of the date of this Agreement and as of the Closing Date makes the following representations, warranties and covenants:

(a) Title. Seller is 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, free and clear of all recorded or unrecorded liens, encumbrances, covenants, restrictions, reservations, easements, options, tenancies, leases, encroachments, claims or other matters affecting title or possession of the Property, subject only to the Permitted Exceptions and the New Leases.

(b) Agreements to Transfer or Encumber. Seller has not committed nor obligated itself in any manner whatsoever to sell or encumber the Property or any interest therein to any party other than Buyer or to lease all or any portion of the Property except as provided in the Rent Roll attached as Exhibit C.

(c) Compliance with Law. To the best of Seller's knowledge the Property complies 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 (including those related to zoning, building, subdivision, and engineering), including all conditions contained in any certificate of occupancy covering any of the Real Property. Seller has obtained all required permits or authorizations for such occupancy. Seller has no knowledge of any facts that might give rise to any violation of the foregoing matters.

(d) Bankruptcy, Etc. 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.

(e) Litigation. There is no pending or to Seller's best knowledge threatened judicial, municipal or administrative proceedings with respect to Seller, this transaction or in any manner affecting the Property or any portion thereof or in which Seller is or will be a party by reason of Seller's ownership of the Property or any portion thereof.

(f) Notices. Seller has not received any notices from any insurance companies, governmental agencies or from any other parties with respect to any violations or other matters concerning the Property.

(g) Taxes and Assessments. Other than amounts disclosed by the Commitment, to the best of Seller's knowledge, no other property taxes have been or will be assessed against the Property for the current tax year, and there are no general or special assessments or charges that have been levied, assessed or imposed on or against the Property.

(h) Tax Returns. Seller has filed all local, state and federal tax forms that are required to be filed by Seller, has paid 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.

(i) Underground Storage Tanks. To the best of Seller's knowledge, there are no cisterns, wells, subterranean storage or underground storage tanks on the Property and underground storage tanks have not been removed from the Property.

(j) Violation of Property Restrictions. To the best of Seller's knowledge, the Property and the current use, occupation and condition thereof do not violate any applicable deed restrictions or other covenants, restrictions or agreements (including, without limitation, any of the Permitted Exceptions), site plan approvals, zoning or urban redevelopment plans applicable to the Property.

(k) Subdivision. The conveyance of the Property will not constitute a violation of any subdivision ordinance.

(l) Tax Valuation/Assessment. Seller has no knowledge and has received no notice of any proceedings pending for the correction of the assessed valuation of Real Property or any other pending or threatened special assessments affecting the Real Property.

(m) Authority. Seller has all requisite power and authority to execute and deliver this Agreement and to carry out its obligations 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.

(n) No Omissions. All representations and warranties made by Seller in this Agreement, and all information contained in any certificate furnished by Seller to Buyer 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 to the best of Seller's knowledge 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.

(o) Leases, Service Contracts or Other Contracts. At the date of this Agreement, no leases, service contracts, or other contracts are in place regarding or related to the Property except the Existing Leases. As of the Date of Closing, no leases, service contracts, or other contracts will be in place regarding or related to the Property except the New Leases

(p) Mechanic's Liens. No labor, material or services have been furnished in, on or about the Property or any part thereof as a result of which any mechanics', laborer's or materialmen's liens or claims might arise.

(q) Assumption of Liabilities. Buyer, by virtue of the purchase of the Property, will not be required to satisfy any obligation of Seller arising prior to the Closing Date. Other than such obligations so expressly assumed by Buyer or any liens or other obligations with respect to the Property that result from any action or activities by or on behalf of Buyer after the Closing Date, Seller, after the Date of Closing, will pay and discharge any and all liabilities of each and every kind arising out of or by virtue of the possession, ownership or use of the Property prior to the Closing Date, and shall indemnify, defend and hold Buyer harmless therefrom.

(r) 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 affecting the Property or any part thereof immediately upon learning of the occurrence of such event.

12.2. Effect of Buyer's Inspections. The effect of the representations and warranties made by Seller in this Agreement shall not be diminished or deemed to be waived by any inspections, tests or investigations made by Buyer or its agents.

13. Environmental Compliance. In addition to and without limiting any other representations, warranties, covenants and agreements in this Agreement, Seller represents, warrants, covenants and agrees:

13.1. Hazardous Substances. Seller has not used, generated, manufactured, produced, stored, released, discharged or disposed of on, under, above or about the Property (or off-site of the Property that might affect the Property) or transported to or from the Property, any Hazardous Substance or allowed any other person or entity to do so. Seller has no knowledge nor has Seller observed any questionable practice or conduct indicating that any Hazardous Substance has been used, generated, manufactured, produced, stored, released, discharged or disposed of on, under or above Property (or off-site of the Property that might affect the Property) or transported to or from the Property by any entity, firm or person, or from any source whatsoever.

13.2. Pre-closing Covenant. Seller will not use, generate, manufacture, produce, store, release, discharge or dispose of on, under, above or about the Property (or off-site of the Property that might affect the Property), or transport to or from the Property, any Hazardous Substance or authorize any other person or entity to do so, prior to the Closing.

13.3. Environmental Indemnity. Seller shall protect, indemnify, hold harmless and defend Buyer and its directors, officers, contractors, employees, agents, parents, subsidiaries, successors and assigns from and against any and all loss, damage, cost, expense or liability (including attorneys' fees and costs) directly or indirectly arising out of or attributable to a breach of any representation, warranty, covenant or agreement contained in this Section 13 including, without limitation, (a) all consequential damages, and (b) the costs of any required or necessary repairs, cleanup or detoxification of the Property and the preparation and implementation of any closure, remedial or other required plans. This indemnity does not apply to actions of Buyer, its agents or independent contractors.

13.4. Definitions. For the purpose of this Section 13, the following terms shall be defined as provided below unless the context clearly requires a different meaning:

(a) "Environmental or Safety Law" means the Federal Water Pollution Control Act, the Clean Air Act, the Resource Conservation and Recovery Act ("RCRA"), the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), the Superfund Amendment and Reauthorization Act, the Toxic Substances Control Act ("TSCA"), the Occupational Safety and Health Act, the Hazardous Materials Transportation Act, the Hazardous Materials Transportation Uniform Safety Act, the Oil Pollution Act of 1990, the Washington Water Pollution Control Act, the Clean Air Washington Act, the Washington Hazardous Waste Management Act ("HWMA"), the Washington Model Toxics Control Act ("MTCA"), the Washington Industrial Safety and Health Act, the Washington Worker and Community Right to Know Act, and the Washington Oil and Hazardous Substance Spill Prevention and Response Act, together with all regulations promulgated under any such authority, and any and all other federal, state, regional, local or international statutes, regulations, rules, ordinances, orders, court or regulatory agency directives, permits, licenses, governmental authorizations and common law causes of action that apply to (1) any hazardous substance or material regulated or restricted under CERCLA, RCRA, TSCA, MTCA, or the HWMA; (2) any other pollutant, contaminant, or waste; (3) the health or safety of persons; or (4) the protection of the environment or land use. "Environmental or Safety Law" includes past and future amendments and supplements.

(b) "Hazardous Substances" means any hazardous, toxic, or dangerous substance, waste, or material that is regulated under any Environmental or Safety Law.

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

15. Entire Agreement. This Agreement contains the entire integrated agreement of the parties, including all of the covenants and conditions between the parties with respect to the subject matter of this Agreement, and supersedes all prior correspondence, agreements and understandings, both verbal and written. No addition or modification of any term or provision of this Agreement shall be effective unless set forth in writing and signed by Seller and Buyer. The parties do not intend to confer any benefit under this Agreement to any person, firm or corporation other than the parties.

16. Default: Remedies. Specific Performance. This Agreement pertains to the conveyance of real property, the unique nature of which is hereby acknowledged by the parties. Consequently, if Seller breaches or defaults under this Agreement or any of the representations, warranties, terms, covenants, conditions or provisions hereof, Buyer shall have, in addition to a claim for damages for such breach or default, and in addition and without prejudice to any other right or remedy available under this Agreement or at law or in equity, the right (a) to specific performance of this Agreement; or (b) to terminate this Agreement upon written notice without liability to Seller.

17. Notices. All written notices required to be given pursuant to the terms hereof shall be either delivered personally or deposited in the United States mail, certified mail, return receipt requested, postage prepaid and addressed to the addresses listed below with copies to the parties listed after such address (if any):

SELLER:

Ki Sop Kim and Wan S. Kim
2340 130th Avenue NE Suite D110
Bellevue, WA 98005-1763

Facsimile: _____ Telephone: _____

BUYER:

Seattle Department of Parks and Recreation
800 Maynard Avenue South, 3rd Flr.
Seattle, WA 98134
Facsimile: (206) 233-7038 Telephone: (206) 733-9106
Attn: Lise Ward

The foregoing addresses may be changed by written notice to the other party as provided herein. Mailed notice properly given shall be deemed received two (2) days after deposit in the mail. Facsimile transmission of any signed original document or notice, and retransmission of any signed facsimile transmission, shall be the same as delivery of an original. At the request of either party, or the Escrow Holder, the parties will confirm facsimile transmitted signatures by signing an original document.

18. 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.

19. Waivers. 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.

20. 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.

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

22. 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).

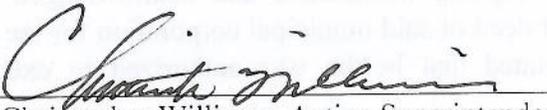
23. Successors. The terms, conditions and covenants contained in this Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of the parties hereto.

24. Applicable Law. This Agreement shall be governed by the law of the State of Washington.

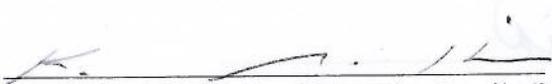
25. Expiration Date. This offer shall terminate if not accepted by Seller by 5:00 p.m. on _____.

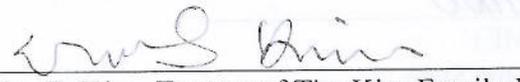
BUYER:

THE CITY OF SEATTLE, A WASHINGTON MUNICIPAL CORPORATION

By: 
Christopher Williams, Acting Superintendent of Parks and Recreation

SELLER:

 10/4/11
Ki Sop Kim, Trustee of The Kim Family Revocable Living Trust, Dated November 10, 2004

 10/4/11
Wan S. Kim, Trustee of The Kim Family Revocable Living Trust, Dated November 10, 2004



STATE OF WASHINGTON)

) SS

COUNTY OF KING)

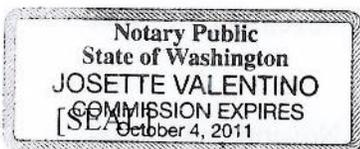
On this 1st day of SEPTEMBER, 2011, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared CHRISTOPHER WILLIAMS, to me known to be the ACTING Superintendent of Parks and Recreation of The City of Seattle, a Washington municipal corporation, the municipal corporation that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said municipal corporation for the uses and purposes therein mentioned, and on oath stated that he/she was authorized to execute said instrument.

WITNESS MY HAND AND OFFICIAL SEAL hereto affixed the day and year first above written.

Josette Valentino

JOSETTE VALENTINO
(TYPE OR PRINT NAME)

Notary Public in and for the State of Washington, residing at SEATTLE.
My Commission expires on 10/4/11.



STATE OF WASHINGTON)

)ss

COUNTY OF KING)

On this 4th day of October, 2011, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Ki Sop Kim, known to me to be the individual who executed the foregoing instrument as Trustee of the Kim Family Revocable Living Trust, dated November 10, 2004, and acknowledged he signed the same as his free and voluntary act and deed as Trustee of said Trust for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument.

WITNESS MY HAND AND OFFICIAL SEAL hereto affixed the day and year first above written.

Wen H Lin

(TYPE OR PRINT NAME)

Notary Public in and for the State of Washington, residing at Seattle.
My Commission expires on 1/20/2012.



Exhibit List

- Exhibit A Legal Description
- Exhibit B Permitted Exceptions
- Exhibit C Rent Roll
- Exhibit D Form of Tenant Estoppel Certificate and Agreement
- Exhibit E Existing Leases
- Exhibit F New Leases



Exhibit A

LEGAL DESCRIPTION

The west 100 feet of the south ½ of Lot 4 in Block 14 of Osner's Second Addition to Seattle as per plat recorded in Volume 12 of Plats, page 3, records of King County.

EXCEPT portion thereof condemned in King County Superior Court Cause No. 65489 for widening Greenwood Avenue as provided by Ordinance No. 19334 of the City of Seattle.

Exhibit B

PERMITTED EXCEPTIONS

Subject only to the following exceptions as listed in First American Title Company dba Pacific Northwest Title Company, Inc., 215 Columbia Street, Seattle, WA 98104, Commitment 1106648 dated January 21, 2010, updated with Supplemental #1 dated February 17, 2010 Supplemental #2 dated July 26, 2010, Supplemental #3 dated October 18, 2010, and Supplemental #4 dated June 1, 2011:

1. Special District Charges.

Exhibit C

RENT ROLL
(to be confirmed by Buyer and Seller)

Tenant	Suite	Expiration	Options	SF	Monthly Rent	Annual/SF	CAM
Aloha Ramen	8102-B	3/31/14	One 5-year, to 3/31/19	900 sf	\$_____	\$18.39	\$_____
Manna Teriyaki	8104	9/19/11	One 5-year, to 9/19/16	1,350 sf	\$_____	\$15.11	\$_____

Exhibit D

TENANT ESTOPPEL CERTIFICATE AND AGREEMENT

To: The City of Seattle
c/o Department of Parks and Recreation
800 Maynard Avenue South, 3rd Floor
Seattle, WA 98134

Re: Lease dated _____ between THE KIM FAMILY REVOCABLE LIVING TRUST, DATED NOVEMBER 10, 2004, KI SOP KIM AND WAN S. KIM, TRUSTEES OF THE KIM FAMILY REVOCABLE LIVING TRUST, DATED NOVEMBER 10, 2004 ("Lessor"), and _____ ("Tenant") of premises located at _____ Greenwood Avenue North, Seattle, Washington 98103 ("Tenant's Lease")

Ladies and Gentlemen:

We understand that Lessor intends to sell to the City of Seattle ("City"), under threat of condemnation, the real property located at _____ Greenwood Avenue North, Seattle, Washington 98103 that is legally described on Attachment 1 incorporated herein ("Property"). We understand that as a condition to closing, the City requires termination, under threat of condemnation, of Tenant's Lease effective on the date of the City's acquisition of the Property; certain representations, warranties, assurances and agreements from Tenant about Tenant's Lease; and execution of a new lease effective on the date of the City's acquisition of the Property. We agree that the City may rely on this Tenant Estoppel Certificate and Agreement in acquiring the Property.

We hereby warrant to you and agree with you as follows:

1. The Tenant's Lease is in full force and effect, has not been modified or amended and is enforceable in accordance with its terms. A true and complete copy of the Tenant's Lease is attached hereto as Attachment 2.
2. The premises leased by Tenant under the Tenant's Lease are described as _____ ("Premises").
3. The term of the Tenant's Lease commenced on _____, and expires on _____. As of the date hereof Tenant is in possession of the Premises in accordance with the terms of the Tenant's Lease.

4. Tenant has not assigned, transferred, or encumbered all or any portion of its interest in the Tenant's Lease. Tenant does not currently sublet the Premises, or any portion thereof.

5. To Tenant's actual knowledge, Tenant is not in default in the performance of any term or provision of the Tenant's Lease to be performed by Tenant. To Tenant's actual knowledge, no condition exists that, with the passage of time or the giving of notice, would constitute a default if not cured within any applicable cure period.

6. To Tenant's actual knowledge, Lessor is not in default in the performance of any term or provision of the Tenant's Lease to be performed by Lessor. To Tenant's actual knowledge, no condition exists that, with the passage of time or the giving of notice, would constitute a default if not cured within any applicable cure period.

7. Lessor has not waived the performance or observance by Tenant of any of the terms, covenants or conditions to be performed or observed by Tenant under the Tenant's Lease, and Tenant has not waived the performance or observance by Lessor of any of the terms, covenants or conditions to be performed or observed by the Lessor under the Tenant's Lease.

8. Tenant has received no notice and has no knowledge of a prior sale, transfer, assignment, hypothecation, or pledge of the Property, or any part thereof, or of the Tenant's Lease, or the rents or any other interest thereunder, besides the pending sale of the Property from Lessor, as seller, to the City, as buyer.

9. Tenant has never permitted, and will not permit, the generation, treatment, storage or disposal of any hazardous waste or other hazardous or toxic substances, as those terms are used under applicable local, state and federal environmental laws and regulations, and including petroleum products, on the Premises or the Property or any adjacent property.

10. The current rent under the Tenant's Lease is _____ Dollars (\$_____) per month, scheduled to increase to _____ Dollars (\$_____) per month starting _____. In addition, Tenant pays Lessor _____ Dollars (\$_____) per month for _____. No rent or other sum payable by Tenant under the Tenant's Lease has been prepaid, and Tenant shall not prepay rent or any other sum payable by Tenant prior the City's acquisition of the Property. As of the date hereof, there is no offset or defense to the payment of any rent, additional rent, or other sums payable under the Tenant's Lease.

11. Effective as of the date that the City acquires the Property, Tenant agrees that Lessor will terminate Tenant's Lease and that Tenant has, and will have, no claims against Lessor or the City for such termination.

12. Effective as of the date that the City acquires the Property, Tenant shall execute and acknowledge a new lease with the City as lessor. A copy of the new lease is attached hereto as Attachment 3.

13. No bankruptcy, insolvency, rearrangement or similar action involving Tenant or the Premises, whether voluntary or involuntary, is pending, threatened, by a third party, or contemplated by Tenant.

14. Tenant has filed all local, state and federal tax forms that are required to be filed by Tenant, has paid all taxes due and payable by Tenant to date and will pay all such taxes that become due and payable by Tenant prior to the Closing.

15. Tenant is current on all utility invoices, including, but not limited to, electricity, heating oil (if applicable), natural gas (if applicable), telephone, internet service, and cable.

16. Tenant's address for notice is:

ATTN: _____

17. Tenant agrees to notify the City in writing, sent via first class mail return receipt requested or personally delivered, of any default under the Tenant's Lease and any change of circumstance or the occurrence of any event that affects the accuracy of the warranties or statements made by Tenant in this Tenant Estoppel Certificate and Agreement. The City's address for notice is:

Seattle Department of Parks and
Recreation
800 Maynard Avenue South
Third Floor
Seattle, WA 98134
ATTN: Property Management

18. Tenant represents and warrants that this Tenant Estoppel Certificate and Agreement has been duly authorized, executed and delivered on behalf of Tenant.

Attachment 1
Legal Description of the Property

The west 100 feet of the south $\frac{1}{2}$ of Lot 4 in Block 14 of Osner's Second Addition to Seattle as per plat recorded in Volume 12 of Plats, page 3, records of King County.

EXCEPT portion thereof condemned in King County Superior Court Cause No. 65489 for widening Greenwood Avenue as provided by Ordinance No. 19334 of the City of Seattle.

Attachment 2
Copy of Tenant's Lease

Attachment 3

Copy of New Lease

