

RESOLUTION NO. 38/25-26

SUMNER-BONNEY LAKE SCHOOL DISTRICT NO. 320

A RESOLUTION OF THE BOARD OF DIRECTORS, SUMNER-BONNEY LAKE SCHOOL DISTRICT NO. 320, AUTHORIZING THE SUPERINTENDENT TO EXECUTE AN INTERGOVERNMENTAL DISPOSITION OF PROPERTY AGREEMENT, UNDER RCW 39.33.010 AND RCW 39.33.020, TO ACQUIRE CERTAIN REAL PROPERTY FROM THE CITY OF SUMNER COMMONLY KNOWN AS THE BILL HEATH SPORTS COMPLEX

WHEREAS, as part of the Sumner-Bonney Lake School District (“District”) capital facilities planning District-wide, and as required by the Growth Management Act, RCW ch. 36.70A, the District plans for future educational services to accommodate additional capital facilities within the District boundaries to benefit and accommodate District needs; and

WHEREAS, the District’s Board of Directors (the “Board”) authorized, under Resolution No. 23/23-24 (the “2024 Capital Bond Program”), the submission, on November 5, 2024, to the voters of the District, a proposition authorizing the District to issue general obligation bonds in the aggregate principal amount of no more than \$732,000,000 to carry out and accomplish:

- (i) capital improvements and projects, including the full build out of the multi-phase Sumner High School Master Plan Project and associated facilities;
- (ii) the acquisition of land to support capital improvements and projects;
- (iii) the addition of multi-use synthetic turf fields for District students and the community; and
- (iv) other capital improvements and related and necessary actions, including demolition, engineering, architectural, planning, and consulting services, inspection, and permitting; and

WHEREAS, the voters of the District overwhelmingly approved the 2024 Capital Bond Program; and

WHEREAS, the District’s Board authorized, in January 2025, the formation of a community-based Bond Oversight Committee, consisting of twelve members, reflecting construction, business, and finance expertise together with members representing District and community goals and values; and

WHEREAS, the Bond Oversight Committee is charged with reviewing and making recommendations, among other items, related to project scope, project financial accountability in the use of Bond funds, and providing community guidance to ensure that proposed capital improvements support and are consistent with the educational, health, and safety goals of the District and in turn benefit the greater community; and

WHEREAS, in 2025 and early 2026, the City of Sumner and the District entered into discussions, in conjunction with the Sumner High School Master Plan Project, relating to the possible acquisition of the Bill Heath Sports Complex to provide additional state-of-the art athletic facilities and related improvements to support its physical education and athletic programs available to students and families of the District and the greater community; and

WHEREAS, the Bill Heath Sports Complex (at times hereinafter, the “Bill Heath Property”) is bounded by Washington Street and Graham Avenue within the City of Sumner, is adjacent to Sumner High School, and consists of approximately 6.7 acres, comprised of ten parcels, referenced as Pierce County Parcel Nos. 0520193208, 0520192163, 0520192138, 0520192135, 0520192134, 0520192126, 0520193180, 0520193181, 0520193182, and 0520193183; and

WHEREAS, during 2025 and 2026, the City of Sumner, consented to due diligence review of the Bill Heath Sports Complex by the District, including evaluation of existing soil conditions, inclusive of environmental testing, title review, and permitting requirements; and

WHEREAS, the District Administration engaged appropriate and qualified consultants to conduct its due diligence review of the Bill Heath Property, and the District determined, based upon study, review and evaluation conducted by its consultants, that the Bill Heath Property was appropriate for acquisition to support and enhance the programmatic goals of the Sumner High School Master Plan Project; and

WHEREAS, consistent with the requirements of RCW 28A.335.090, the District Administration obtained a MAI Appraisal (the “Appraisal”) of the Bill Heath Property, which established the fair market value of the Bill Heath Property; and

WHEREAS, the City and the District concurrently entered into negotiations, as authorized under the Intergovernmental Disposition of Property Act, on certain terms and conditions of an acquisition of the Bill Heath Property by the District, based upon the District’s Appraisal, and subject to certain terms, and conditions, including a determination by the City of Sumner Council, following two public hearings, duly noticed in accordance with the Open Public Meetings Act and City requirements, that:

- (i) the Bill Heath Property is surplus and for sale to the District consistent with the requirements of RCW 39.33.020;
- (ii) the Purchase Price is consistent with the Appraisal of the Bill Heath Property; and
- (iii) the terms and conditions of an Intergovernmental Disposition of Property Agreement, inclusive of the District Closing Conditions, are accepted; and

WHEREAS, the District Administration and the District's Project Manager presented the potential acquisition of the Bill Heath Property to the Bond Oversight Committee; and

WHEREAS, the Bond Oversight Committee was given the opportunity to ask questions and asked several questions regarding the terms and conditions of the acquisition, including the uses of and improvements proposed for the Bill Heath Property, parking, permitting requirements, timing of improvements, and budget; and

WHEREAS, the Bond Oversight Committee expressed support for the acquisition of the Bill Heath Property in conjunction with the Sumner High School Master Plan; and

WHEREAS, the District's legal counsel has prepared and has coordinated with the Interim City Attorney for Sumner on the terms and conditions of the Intergovernmental Disposition of Property Agreement, as attached hereto as **Exhibit 1**; and

WHEREAS, the Interim City Attorney for Sumner has approved the terms and conditions of the Intergovernmental Disposition of Property Agreement, attached hereto as **Exhibit 1**; and

WHEREAS, the District Administration, with engagement with the Bond Oversight Committee, has determined that it is in the best interests of and a substantial benefit to the students and families of the District and the District community to acquire the Bill Heath Property in conjunction with the Sumner High School Master Plan Project; and

WHEREAS, NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Sumner-Bonney Lake School District No. 320, being fully informed and advised, that:

1. The above recitals and findings are incorporated herein by this reference.

2. The Board finds and determines that the acquisition of the Bill Heath Sports Complex Property is necessary and advisable.

3. The Superintendent is hereby authorized to execute, on behalf of the Board of Directors of the District, the Intergovernmental Disposition of Property Agreement, attached hereto as **Exhibit 1** for the acquisition of that certain real property known as the Bill Heath Sports Complex located between Washington Street and Graham Avenue, Sumner, Washington.

4. The Superintendent is hereby further authorized, on behalf of the Board of Directors of the District, to take such action, as necessary and appropriate, to carry out the terms and conditions of the Intergovernmental Disposition of Property Agreement, including the execution of such Closing Documents, as reviewed and approved by legal counsel for the District.

ADOPTED by the Board of Directors of Sumner-Bonney Lake School District No. 320, Pierce County, Washington, this 18th day of August, 2026, in a regular, open public meeting:



Board Of Directors

Kevin Lewis, President

Bill Gaines, Vice President

J.B. Smith, Director

Tom Watson, Director

Laurie Dent, Ph.D.
Superintendent/Board Secretary

Erin Markquart, Director

EXHIBIT 1

INTERGOVERNMENTAL DISPOSITION OF PROPERTY AGREEMENT

**SUMNER-BONNEY LAKE SCHOOL DISTRICT
AND
CITY OF SUMNER**

EXHIBIT 1
INTERGOVERNMENTAL DISPOSITION OF PROPERTY AGREEMENT
WITH EARNEST MONEY DEPOSIT

THIS INTERGOVERNMENTAL DISPOSITION OF PROPERTY AGREEMENT (“**Transfer Agreement**” or “**Agreement**”) is dated this _____ day of _____, 2026 (the “**Reference Date**”), by and between **CITY OF SUMNER**, a Washington municipal corporation (hereinafter, “**Seller**” or the “**City**”) and **SUMNER**

BONNEY LAKE SCHOOL DISTRICT NO. 320, a Washington municipal corporation (hereinafter, “**Purchaser**” or the “**District**”). The Seller and Purchaser shall also hereinafter from time to time be referred to herein as a “party” or collectively as the “parties” to this Agreement. The last party’s execution date of this Agreement shall be referred to herein as the “**Effective Date**” of this Agreement.

I. RECITALS

A. The City is the owner of certain real property referenced herein as the “**Bill Heath Sports Complex**” which contains approximately 6.7 acres, comprised of ten parcels, and located between Washington Street and Graham Avenue, Sumner, Washington, and commonly known as Pierce County Parcel Nos. 0520193208, 0520192163, 0520192138, 0520192135, 0520192134, 0520192126, 0520193180, 0520193181, 0520193182, and 0520193183, legally described on ***Exhibit A*** and illustratively depicted on ***Exhibit B***, attached hereto.

B. The District is the owner of certain real property, adjacent to the Bill Heath Sports Complex, known as Sumner High School, which abuts Washington Street, Valley Avenue, and Main Street. Sumner High School has been located in the City on Main Street since approximately the early 1900s. In 2021, the District commenced modernization of Sumner High School under a multi-phased Master Plan Project (the “**Master Plan**”) approved by the City. Phase I of the Sumner High School Master Plan was completed in 2023. With passage of the 2024 Capital Bond, overwhelmingly approved by the voters of the District, the District is proceeding to fully build out the Sumner High School Master Plan. In conjunction with the Master Plan, the District intends to construct additional athletic facilities to support its physical education and athletic programs available to students and families of the District and for the benefit of the greater community. The District intends to construct a state-of-the art synthetic turf baseball field with bleachers and associated improvements, including field and parking lighting to allow year around use of the field, improved tennis and basketball courts, a children’s playground area, and restrooms.

C. The Intergovernmental Disposition of Property Act, RCW ch. 39.33, provides a process for the disposition of real property between governmental entities upon public notice and, due to the value of the Bill Heath Sports Complex, requires a public hearing pursuant to RCW 39.33.020.

D. By City Council action approved by Ordinance on September 8, 2026, the City determined and declared that the Bill Heath Sports Complex is no longer needed for City purposes, and is for sale to the District in accordance with the statutory requirements under RCW 39.33.020.

E. The purpose of this Agreement is to memorialize in writing the parties’ agreement on the terms and conditions for conveyance of the Bill Heath Sports Complex to the District

(also referenced herein as the “**Real Property**”).

F. This Agreement sets forth the rights and obligations of Seller to sell, convey, and assign the Real Property to Purchaser and Purchaser to acquire all right, title and interest in Seller’s Real Property under the terms and conditions set forth herein below.

II. AGREEMENT

In consideration of the mutual covenants and promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Seller and Purchaser agree as follows:

1. **Incorporation of Recitals**. The foregoing Recitals are incorporated herein as a substantive, contractual part of this Agreement.

2. Property.

2.1 Purchaser agrees to purchase, and Seller agrees, under the terms and conditions set forth below to sell and convey the Real Property together with any and all physical improvements and infrastructure in its “AS IS” condition, as defined under Section 11, below, located on the Real Property, including any and all utilities and any beneficial easements or instruments, entitlements, rights, and approvals related to development or use of the Real Property (hereinafter, collectively, the “**Subject Property**”). For the avoidance of doubt, the term “Subject Property” shall not include any personal property of Seller.

2.2 Seller and Purchaser acknowledge and agree that if the legal description set forth on ***Exhibit A*** is not accurate, Seller and Purchaser agree to amend this Agreement to conform the legal description to the final Title Policy to be insured by the Title Company as described under Section 8 below.

3. **Purchase Price**. The total purchase price for the Subject Property shall be Three Million Three Hundred Sixty-Three Thousand Seven Hundred and No/100 Dollars (\$3,363,700.00) (the “**Purchase Price**”), as determined to be fair market value by an MAI Appraisal, including earnest money deposited with Closing Agent (as defined under Section 12.2 below) in accordance with Section 4, due and payable in cash at Closing, as set forth under Section 12.1 below.

4. Earnest Money Deposit.

4.1 Within five (5) business days of the Effective Date of this Agreement, Purchaser shall deliver to Closing Agent (as defined under Section 12.2 below) the sum of Forty-Five Thousand and No/100 Dollars (\$45,000.00) in cash, as an earnest money deposit

(the “**Deposit**”). The Deposit shall become non-refundable after waiver or satisfaction of the last expiration date of all of the Contingencies under Section 5.1 and subparagraphs thereunder, (i) absent Seller’s default under this Agreement and (ii) except as otherwise provided under this Agreement. The Deposit shall be applied towards the Purchase Price upon Closing.

5. Contingencies/Closing Conditions.

5.1 Contingencies.

5.1.1 Seller’s Contingency. The Seller's duty to sell the Subject Property and to close the transaction contemplated under this Agreement on the Closing Date (as defined herein below under Section 12.1) is expressly conditioned upon the satisfaction of the following Conditions:

5.1.1(a) Seller’s Council Approval of Transfer Agreement. On or before September 8, 2026 (the “**Seller’s Council Approval Contingency Period**”), Seller’s Council shall publish an Ordinance, to be voted upon by Seller’s Council, in a properly noticed open, public meeting, in Seller’s Council’s sole and absolute discretion, the terms and conditions of this Agreement.

5.1.2 Purchaser’s Contingencies. The Purchaser's duty to purchase the Subject Property and to close the transaction contemplated under this Agreement on the Closing Date (as defined hereinbelow under Section 12.1) is expressly contingent upon the satisfaction of the following Contingencies:

5.1.2(a) Purchaser’s Board Approval. On or before August 18, 2026 (“**Purchaser’s Board Approval Contingency Period**”), Purchaser’s Board of Directors shall approve in a properly noticed open, public meeting, in Purchaser’s Board’s sole and absolute discretion, the terms and conditions of this Agreement.

5.1.2(b) Purchaser’s Due Diligence Review. On or before twenty (20) calendar days following the Effective Date (“**Due Diligence Review Contingency Period**”), Purchaser shall determine, in Purchaser’s sole and absolute discretion, at Purchaser’s sole expense, that the Property is feasible for Purchaser’s intended use of the Property. Such Feasibility Review of all aspects of the Property may include, but shall not be limited to: review of any all instruments, documents, records, encumbrances, agreements, contracts, title, or permitting review and such other review as Purchaser deems necessary and appropriate, in Purchaser’s sole and absolute discretion. Purchaser acknowledges that Purchaser had physical access to the Subject Property, for environmental, soil, and groundwater testing, in accordance with Right of Entry consents in 2025 and 2026.

5.1.2(c) Agreements, Contracts, Memoranda, Documents and Records. On or within five (5) business days of a request from Purchaser, Seller shall provide,

any and all formal or informal agreements, contracts, letters, electronic record or memoranda of understanding or agreement, or any document or record of any nature whatsoever a reasonably prudent purchaser of property would consider material to or associated with the Subject Property, which has not been previously provided by Seller, including but not limited to any rights, title, or interests or any claim of rights, title, or interests in the name of or the Subject Property, including but not limited to, a list of all utility providers, service providers or supply vendors.

5.2 Closing Conditions.

5.2.1 Representations of Seller. Each of Seller's representations and warranties set forth under Sections 10.1.1 through 10.1.10 below shall be true and correct in all material respects as of the Effective Date and as of the Closing Date.

5.2.2 Seller Covenants. Seller shall have complied with, fulfilled, and performed in all material respects each covenant, term, and condition to be complied with, fulfilled, or performed by Seller under this Agreement on or before the Closing Date.

5.2.3 Purchaser Covenants. Purchaser shall have complied with, fulfilled, and performed in all material respects each covenant, term, and condition to be complied with, fulfilled, or performed by Purchaser under this Agreement on or before the Closing Date.

5.2.4 No Material Change to Subject Property. There shall be no material adverse change to the Subject Property or to the authority of Seller to sell the Subject Property on or before Closing.

5.2.5 Title Policy Delivery. Prior to Closing, Purchaser obtaining evidence satisfactory to Purchaser, in Purchaser's sole discretion, that the Title Company (as defined below under Section 8) is prepared to issue to Purchaser a policy of Title Insurance for extended coverage with such endorsements designated by Purchaser and consistent with Purchaser's Permitted Exceptions (as defined below under Section 8).

5.2.6 Seller Deliveries. At Closing, Seller shall deliver to Purchaser, Title Company, and/or Closing Agent, as the case may be, the following:

5.2.6(a) An Ordinance, duly adopted by the City Council, in accordance with all proper and required City notice, hearing, adoption, and publication procedures: (i) confirming that the Subject Property has been declared surplus and the approval of terms and conditions of this Agreement with signing authority granted to the Mayor or Mayor's designee; (ii) confirming that the purchase proceeds will be held by the City's Finance Department in a reserve fund and shall only be expended to fund one or more projects identified on the City's Parks, Trails and Open Space Plan as currently adopted or hereafter amended; and

(iii) reaffirming the City's obligation to honor and satisfy the terms and conditions of that certain restrictive covenant set forth in the Quit Claim Deed recorded under Pierce County Auditor's Recording No. 200107130059 pertaining to review of any future permit applications submitted by the Corporation of the Catholic Archbishop of Seattle relating to certain real property owned by the Corporation of the Catholic Archbishop of Seattle abutting the Bill Heath Sports Complex.

5.2.6(b) A letter duly executed by the City Administrator and delivered to the Title Company, confirming, consistent with the City's governance authority, that the: (i) City's Planning Commission, as a legislative and advisory body, and is not vested with the authority to review or approve any site development, building, or construction-related permit application and associated development documents (collectively, "Planning Commission Authority Letter") relating to the Subject Property and (ii) the City's Development Services Department is the sole body vested with authority to review and approve any and all Development Permits in the City of Sumner.

5.2.6(c) A Closing Agreement (the "**Rental or Use Agreement**") agreed upon between Seller and Purchaser, in the exercise of each party's reasonable discretion, the terms of which shall include, among other terms and conditions, the disposition of any City-identified users or rentals of the Subject Property scheduled after the Closing Date.

5.2.6(d) A Closing Agreement (the "**Property Name Agreement**") agreed upon between Seller and Purchaser, in the exercise of each party's reasonable discretion, the terms of which shall include, among other terms and conditions: (i) the District shall be required to maintain and designate, the name of the Subject Property as the "Bill Heath Sports Complex", for a period of fifteen (15) years from the date of recordation of the Deed, as defined below under Section 9, with the Pierce County Auditor (the "**Property Name Agreement Term**"), and (ii) upon expiration of the Property Name Agreement Term, said Closing Agreement, shall automatically terminate and shall be null and void without any further action by either Seller or Purchaser.

5.2.6(e) A Closing Agreement ("**Facilities Agreement**") agreed upon between Seller and Purchaser, in the exercise of each party's reasonable discretion, the terms of which shall include, among other terms and conditions: (i) the District shall be required to maintain or construct, as appropriate, but subject to such improvements, as determined by the District, in its sole and absolute discretion, the tennis courts, the basketball court, and a children's playground area (collectively, the "**Facilities**") and (ii) the Facilities shall be open without any charge or application to the general public 365 days a year from 6:00 AM to 10:00 PM subject to following conditions: (ii(w)) the District's right to close the Facilities from time to time for periods associated with maintenance, repair, construction, re-construction or safety of users of the Facilities; (ii(x)) the basketball court may be relocated, at the sole and absolute discretion of the District; (ii(y)) the District shall have the right to separate the Facilities by fencing, installed at the District's expense, from other uses, improvements, and operations on the Subject Property provided access to the Facilities shall

remain available to the general public

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from the public right-of-way; and (ii(z)) the parking lot associated with the Facilities shall be available to the public for parking consistent with the District's management of its parking lots at its school sites.

5.2.6(f) Written confirmation of Seller's termination of any third party contracts or agreements, including but not limited to service, utility, or supply vendor contracts or agreements, associated with or relating, in any manner, to the Subject Property; provided, however, to the extent utilities or any other agreement require post-Closing action, Seller and Purchaser shall enter into a "**Third-Party Termination Agreement**" relating to the Subject Property, approved by Seller and Purchaser, in the exercise of their reasonable discretion, the terms of which will address, among other terms, the relocation, disconnection, separation, transfer or such other disposition of all utility facilities serving the Subject Property.

5.2.6(g) Removal by Seller, not less than five (5) business days prior to the Closing Date (as defined under Section 12.1 below), of all personal property, including but not limited to equipment, any products or supplies, vehicles, and such other personal property (collectively, the "**City Personal Property**") used or owned by Seller on the Subject Property; provided, however, Purchaser shall have the right, but not the obligation to inspect the Subject Property not less than three (3) business days prior to Closing to determine that City Personal Property has been removed. In the event such City Personal Property has not been removed, upon written notice from Purchaser to Seller, that Purchaser has determined Seller has not removed the City Personal Property, the Closing Date (defined under Section 12.1 below) shall be automatically extended by five (5) business days. Within three (3) business days after said Closing extension, Purchaser shall re-inspect the Property to determine if the City Personal Property has been removed from the Subject Property.

5.2.6(h) An affidavit executed by Seller that Seller is not a "foreign person" as defined in Internal Revenue Code §1445.

5.2.6(i) An Owner's Affidavit executed by Seller, as may be required by Title Company, based upon Purchaser's election of extended title coverage.

5.2.6(j) A Bargain and Sale Deed, approved by Seller and Purchaser (with required Real Estate Excise Tax Affidavit) consistent with the terms and conditions of this Agreement and as further described under Section 9 below.

5.2.6(k) Conveyance by Seller of all right, title, and interest of that portion of Drainage District No. 11 Easement under Recording No. 8502080183 traversing both the Subject Property and that portion of certain abutting real property commonly known as Daffodil Valley Elementary School (Pierce County Parcel No. 0520192137).

5.2.7 Purchaser Deliveries. At Closing, Purchaser shall deliver to Seller, Title Company, and/or Closing Agent, as the case may be, the following:

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5.2.7(a) the Purchase Price, less the Deposit, as described under Section 4 above.

5.2.7(b) The counter-original of the Rental or Use Agreement described under Section 5.2.6(c) above.

5.2.7(c) The counter-original of the Property Name Agreement described under Section 5.2.6(d) above.

5.2.7(d) The counter-original of the Facilities Agreement described under Section 5.2.6(e) above.

5.2.7(e) The counter-original of the Third-Party Termination Agreement to the extent necessary as described under Section 5.2.6(f).

5.2.7(f) The counter-original of the Real Estate Excise Tax Affidavit.

5.2.7(g) To the extent appropriate, acknowledgement and consent of the counter-original of that certain conveyance described in Section 5.2.6(k)

5.3 Notice of Satisfaction or Waiver of Contingencies.

5.3.1 Seller shall notify Purchaser in writing of satisfaction or waiver of the Seller Contingency set forth above within the time period designated under Paragraph 5.1.1(a). In the event that Seller gives notice of rejection or fails to provide written notice of satisfaction or waiver of the Contingency set forth under Paragraphs 5.1.1(a) within two (2) business days of the time period defined therein, this Agreement shall be deemed to be terminated and all rights and obligations of the parties shall be terminated except as otherwise provided under this Agreement and Purchaser's Deposit shall be fully refundable to Purchaser, provided that should the Deposit be returned, both parties shall be relieved of and released from any further liability under this Agreement.

5.3.2 Purchaser shall notify Seller in writing of satisfaction or waiver of Purchaser Contingencies set forth above within the time periods set forth under Paragraphs 5.1.2(a), 5.1.2(b), 5.1.2(c), and 5.1.2(d). In the event that Purchaser gives notice of rejection or fails to provide written notice of satisfaction or waiver of the conditions set forth under Paragraphs 5.1.2(a), 5.1.2(b), 5.1.2(c) and 5.1.2(d) within the time periods defined therein, this

Agreement shall be deemed to be terminated and all rights and obligations of the parties shall be terminated except as otherwise provided under this Agreement and Purchaser's Deposit shall be fully refundable to Purchaser.

6. Right of Access to, Inspections, and Entry Upon Subject Property.

6.1 Although Purchaser has been provided under a Right of Entry Agreement with a reasonable opportunity for inspection and evaluation of the Subject Property by its representatives and consultants, selected by Purchaser, Purchaser and its representatives and consultants shall be permitted reasonable access to the Subject Property under this Agreement during reasonable hours for any additional inspection or surveying prior to Closing. Purchaser shall give Seller, through communication to Jason Wilson, City Administrator, and Derek Barry, City Community Services Manager, not less than three (3) business days advance notice, by email (jasonw@sumnerwa.gov/derekb@sumnerwa.gov) of its inspection of the Subject Property, identifying the individual(s) and entity conducting the inspection and describing the nature of the inspection to be undertaken; provided, however, to the extent that Purchaser desires to conduct any invasive testing or any other disturbance, of any nature, of the Real Property, Purchaser shall obtain the written consent of Seller which shall not be unreasonably withheld, conditioned, or delayed. Purchaser and its representative and consultants represent and warrant that it will conduct any inspections or examination of the Subject Property in a professional manner and with the minimum disruption to any ongoing operation, function, and activities of, on, or about the Subject Property.

6.2 Purchaser shall indemnify, defend and hold Seller harmless from and against all losses, damages, liabilities, claims, fines, penalties, causes of action and expenses (collectively "Claims") arising from or relating to the activities of Purchaser or its agents, employees, representatives, consultants or contractors on the Subject Property, including but not limited to clean-up costs related to the presence of Hazardous Materials solely attributable to Purchaser's presence or activities, provided that such obligation shall not apply to Claims resulting from pre-existing conditions, (other than to the extent such pre-existing conditions have been exacerbated by or from the activities of Purchaser or its agents, employees, representatives, consultants or contractors on the Subject Property before Closing). If Purchaser does not purchase the Subject Property, Purchaser shall restore or repair any damage to the Subject Property associated, related to, or caused by Purchaser's presence or activities on or about the Subject Property. The terms of this Section 6.2 shall survive Closing or termination of this Agreement.

6.3 For purposes of Section 6, "**Hazardous Materials**" shall mean any substance, chemical, waste, or other material which is listed, defined or otherwise identified as "hazardous" or "toxic" under any federal, state, local or administrative agency ordinance or

law, including without limitation, the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. §§ 9601 et seq., the Resource Conservation and Recovery Act, 42 U.S.C. §§ 6901 et seq., the Federal Water Pollution Control Act, U.S.C. §§ 1251 et seq., the Clean Air Act, 42 U.S.C. §§ 4701 et seq., or analogous state or local statute or ordinance, or any regulation, order, or rule adopted thereunder, as well as any formaldehyde, urea, polychlorinated biphenyls petroleum, petroleum product or by-product, crude oil, natural gas, natural gas liquids, liquefied natural gas, or synthetic gas usable for fuel or mixture thereof, asbestos, and “source,” “special nuclear” and “by-product” material as defined in the Atomic Energy Act of 1985, 42 U.S.C. §§ 3011 et seq.

7. Seller Property Disclosure Statement.

7.1 Purchaser waives the right to receive a Seller Property Disclosure Statement (commonly known as “Form 17,” under RCW Ch. 64.06 referred to as the “Seller Disclosure Statute”) except Seller shall provide Purchaser, upon execution of this Transfer Agreement, with responses to the Environmental Section of Form 17, as attached hereto as *Exhibit C*.

8. Title Insurance and Condition of Title.

8.1 As of the Reference Date, Seller has obtained and Purchaser has received a copy of a preliminary commitment (the “**Commitment**”) on the Subject Property (the “**Title Policy**”) from Stewart Title Guaranty Company of Washington (“**Title Company**”) under Order No. 25000200928 together with a copy of the documents forming the basis for each exception therein (the “**Exception Documents**”). Within ten (10) calendar days from the Effective Date of this Agreement, Purchaser shall advise Seller in writing of Purchaser's approval or disapproval of the Commitment in Purchaser's sole discretion (the “Title Review Period”), setting forth with specificity the item(s) which Purchaser disapproves. The failure to waive any Exception to Title shall deem to be a “**Permitted Exception**”. If Purchaser indicates its disapproval of the status of title, then Seller shall advise Purchaser within five (5) calendar days thereafter whether Seller can and will remove the items Purchaser disapproves. Seller shall have no duty or obligation of any kind or nature to remove items to which Purchaser objects and may, in its sole and absolute discretion, choose not to remove any or all of such objectionable items. If Seller does not indicate that it will remove all such objectionable items, then, unless within five (5) days thereafter Purchaser advises Seller in writing that Purchaser is waiving its remaining title objections, this Agreement shall thereupon be terminated, and the Deposit shall be returned to Purchaser.

8.2 Within three (3) calendar days of receipt of any updated, amendment or supplement to the Commitments (and in any event prior to Closing), Purchaser shall advise Seller in writing of Purchaser's approval or disapproval thereof in Purchaser's sole discretion, setting forth with specificity the item(s) which Purchaser disapproves. If Purchaser indicates its disapproval of any such item, then Seller shall advise Purchaser within three (3) calendar days thereafter (and in any event prior to Closing) whether Seller can and will remove the

items Purchaser disapproves. Seller shall have no duty or obligation of any kind or nature to remove items to which Purchaser objects and may, in its sole and absolute discretion, choose not to remove any or all of such objectionable items. If Seller does not indicate that it will remove all such objectionable items, then, unless Purchaser advises Seller in writing that Purchaser is waiving its remaining title objections, this Agreement shall thereupon be terminated, and the Deposit shall be returned to Purchaser.

8.3 At Purchaser's sole option and at Purchaser's sole expense, Purchaser shall be responsible for bearing the expense of obtaining an American Land Title Association ("ALTA") Survey, owner's extended form title insurance coverage, and any such special endorsements requested by Purchaser.

9. **Conveyance.** Title shall be conveyed by a Bargain and Sale Deed in accordance with Paragraph 5.2.6(j) above, free of encumbrances, defects and restrictions of record except those Permitted Exceptions as provided under Section 8 above.

10. **Representations and Warranties.**

10.1 **Seller's Representations and Warranties.** The warranties and representations of Seller, set forth below, are true and correct as of the Effective Date and shall be true and correct as of the Closing Date. "Seller's knowledge" under this Section 10 shall mean the knowledge of Mayor Carla Bowman, Jason Wilson, City Administrator, or Derek Barry, Community Services Manager. Seller shall execute and deliver at Closing, a certificate (the "Representations Certificate") confirming the accuracy of the below warranties and representations as of the Closing Date, and which Certificate shall survive Closing of the transaction contemplated under this Agreement.

10.1.1 **Power and Authority.** Upon adoption of an Ordinance, as described under Paragraph 5.1.1(a) above, of approval of this Agreement with the grant of authority to the City Mayor to execute this Agreement and close the transaction contemplated under this Agreement, Seller shall be deemed to have the authority and power under its governing authority and under the rights granted by and through its rights, title, and interests in the Subject Property to consummate the transaction provided for herein in accordance with the terms and conditions of this Agreement. This Agreement and all other documents executed and/or delivered by Seller shall thereupon constitute a legal, valid, binding and enforceable obligation of Seller.

10.1.2 **No Claims/Legal Action/Investigations.** To Seller's knowledge, there are no claims, actions, lawsuits, proceedings, investigations pending, or notices of violation of any statutes, ordinances, regulations or policies from any Federal, State or local governmental authority, entity or agency or to Seller's knowledge, threatened, before any governmental entity, agency, court or other governmental authority, including Seller, relating in any manner to the Subject Property or this Agreement.

10.1.3 No Liens. There are no notices of or any threatened claims or judgments against the Subject Property.

10.1.4 No Agreements/Contracts/Obligations. Except as disclosed to Purchaser under this Agreement, Seller represents that it has not entered into any written or verbal contract, agreement, or obligation for the prior sale, lease, rental, use, rights, including but not limited to rights of first refusal, improvement, debt, or encumbrance on, of or in the Subject Property or any portion thereof, which agreement, contract, rights, or obligation may still be binding against said Subject Property and may subsequently result in any claim of any rights, title, or interests in the Subject Property. Seller further represents that no individual or entity has made any claim, whether written or oral, of any rights, title, or interests in or to the Subject Property. Seller shall not sell, assign or convey any rights, title, or interests whatsoever in the Subject Property to any third party, or create, agree, or permit to exist any lien, agreement, contract, encumbrance, easement, obligation, or charge thereon with respect to or relating in

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any manner to the Subject Property which will not be settled, released and/or paid in full at time of Closing.

10.1.5 Hazardous Substances. To Seller's knowledge, Seller represents, except to the extent that there may be permissible hazardous substances utilized in conjunction with the maintenance activities on the Subject Property, that (i) no environmentally significant amount of hazardous substances has been generated, treated, released, stored or disposed of, or otherwise deposited on the Subject Property, including without limitation the surface and subsurface waters of the Subject Property; (ii) there are no above ground tanks on the Subject Property; (iii) there are no environmentally significant amount of hazardous substances on any other property adjacent to the Subject Property which may support a claim or cause of action under any federal, state or local environmental statute, ordinance, regulation or other regulatory requirement; and (iv) Seller has not received any notification from any Federal, State or local governmental entity or agency of any violation of or claim of violation for the storage or disposal of any toxic or hazardous waste, material, or substance. As used herein the term "**Hazardous Substances**" shall mean: (a) any radioactive materials and (b) any substance or material the transportation, storage, treatment, handling, use, removal or release of which is subject to any law under the Washington State Model Toxics Control Act regarding health, safety, radioactive materials or the environment (an "**Environmental Law**"). Without limiting the generality of the foregoing, "Hazardous Substances" shall include: asbestos and asbestos containing materials (whether or not friable); urea-formaldehyde in any of its forms; polychlorinated biphenyls; oil, used oil; petroleum products and their by-products; lead-based paint; and any substances defined as "hazardous waste," "hazardous substances," "pollutants or contaminants," "toxic substances," "hazardous chemicals," "hazardous pollutants," or "toxic chemicals" under an Environmental Law.

10.1.6 Creditors. No attachments, execution proceedings, assignments for the benefit of creditors, insolvency, bankruptcy, reorganization or other proceedings are pending or threatened against Seller, nor are any of such proceedings contemplated by Seller.

10.1.7 Assessments. There are no special or general assessments which have been levied against the Subject Property or to the best of Seller's knowledge, there are no assessments proposed to be levied against the Subject Property.

10.1.8 Permitting. Without further action by Seller, Seller: (a) consents to the District, acting as Lead Agency, for any future proposed development or construction on the Subject Property, as authorized under the State Environmental Policy Act ("SEPA"), inclusive of any determinations thereunder, and (b) deems the current, as of the Effective Date of this Agreement, recreational and athletic-related or associated facilities and improvements proposed to be developed, sited, or constructed by Purchaser on the Subject Property as a pre existing, established (vested) use, subject only to any required building and site development (SIT) permits. Any and all other future projects or applications related to the Subject Property will be required to undergo individualized review to determine if any such future project or proposal is categorically exempt from, or subject to, SEPA and/or other appropriate permits.

10.1.9 Foreign Person or Entity. Seller is not a foreign person, non resident alien, foreign corporation, foreign partnership, foreign trust, or foreign estate, as those terms are defined in the Internal Revenue Code and the Income Tax Regulations promulgated thereunder.

10.2 Purchaser's Representations and Warranties. Purchaser makes the following representations and warranties to Seller:

10.2.1 Purchaser's Authority. Upon Purchaser's Board of Directors approval of this Agreement, Purchaser represents it has the requisite power and authority to enter into the transaction contemplated in this Agreement; and the execution, delivery and performance of this Agreement by Purchaser has been duly and validly authorized by all necessary action and proceedings consistent with Purchaser's governing authority, regulations, policies, and procedures.

10.2.2 No Conflict. Neither the execution nor delivery of this Agreement by Purchaser, nor performance of any of its obligations hereunder, nor consummation of the transaction contemplated hereby, will conflict with, result in a breach of, or constitute a default under, the terms and conditions of any governing charter, regulations, policies, or procedures, any organizational documents, or any agreement to which Purchaser is a party or by which it is bound, or any order of any court, regulatory body, administrative agency or governmental body having jurisdiction over Purchaser.

10.3 Disclosure. If prior to Closing either party discovers a fact or circumstance which renders a representation or warranty by Seller under Paragraphs 10.1.1 through 10.1.8 inaccurate in any material respect, it shall advise the other party thereof in writing within three (3) business days of such discovery but no later than the day prior to

Closing. If Purchaser discovers or is so advised in writing of such a fact or circumstance, and Seller is unwilling to correct the inaccuracy, then Purchaser shall have, as its sole and exclusive remedy, the option, exercisable within three (3) business days thereafter but in any event prior to Closing, to either (a) elect to terminate this Agreement and receive a return of the Deposit or (b) to waive such inaccuracy in writing, in which event it shall be deemed to have waived all claims and causes of action against Seller related to the inaccuracy.

11. **"AS-IS" SALE.** PURSUANT TO THIS AGREEMENT, PURCHASER AND ITS REPRESENTATIVES AND AGENTS (INCLUDING BUT NOT LIMITED TO ENVIRONMENTAL CONSULTANTS, ARCHITECTS AND ENGINEERS) HAVE BEEN OR WILL BE AFFORDED THE RIGHT AND OPPORTUNITY TO ENTER UPON THE SUBJECT PROPERTY AND TO MAKE SUCH INSPECTIONS OF THE SUBJECT PROPERTY AND MATTERS RELATED THERETO, INCLUDING THE CONDUCT OF SOIL, ENVIRONMENTAL AND ENGINEERING TESTS, AS PURCHASER AND ITS REPRESENTATIVES AND AGENTS DEEM APPROPRIATE IN THEIR SOLE DISCRETION. PURCHASER ACKNOWLEDGES THAT, NOTWITHSTANDING ANY PRIOR OR CONTEMPORANEOUS ORAL OR WRITTEN REPRESENTATIONS, STATEMENTS, DOCUMENTS OR UNDERSTANDINGS, THIS AGREEMENT AND THE DOCUMENTS TENDERED INTO CLOSING AS REQUIRED UNDER THIS

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AGREEMENT CONSTITUTE THE ENTIRE UNDERSTANDING OF THE PARTIES WITH RESPECT TO THE SUBJECT MATTER HEREOF AND SUPERSEDES ANY SUCH PRIOR OR CONTEMPORANEOUS ORAL OR WRITTEN REPRESENTATIONS, STATEMENTS, DOCUMENTS OR UNDERSTANDINGS EXCEPT AS PROVIDED HEREIN. PURCHASER FURTHER ACKNOWLEDGES THAT, EXCEPT FOR THE BARGAIN AND SALE DEED, SELLER REPRESENTATIONS UNDER SECTION 10 WHICH SURVIVE CLOSING, NEITHER SELLER, NOR ANY PRINCIPAL, AGENT, ATTORNEY, EMPLOYEE, OR OTHER REPRESENTATIVE OF SELLER HAS MADE ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND WHATSOEVER REGARDING THE SUBJECT PROPERTY, EITHER EXPRESS OR IMPLIED, AND THAT PURCHASER IS NOT RELYING ON ANY WARRANTY, REPRESENTATION OR COVENANT, EXPRESS OR IMPLIED, WITH RESPECT TO THE SUBJECT PROPERTY, EXCEPT AS SET FORTH UNDER SECTION 10 OF THIS AGREEMENT AND THE BARGAIN AND SALE DEED, AND THAT PURCHASER IS ACQUIRING THE SUBJECT PROPERTY IN WHOLLY AN "AS-IS" CONDITION WITH ALL FAULTS WHETHER KNOWN OR UNKNOWN CONDITION OF THE SUBJECT PROPERTY, INCLUDING WITHOUT LIMITATION THE CONDITION OF THE SOILS OR GROUNDWATERS OF THE SUBJECT PROPERTY AND THE PRESENCE OR ABSENCE OF HAZARDOUS SUBSTANCES ON OR UNDER THE SUBJECT PROPERTY OR ITS COMPLIANCE WITH APPLICABLE STATUTES, LAWS, CODES, ORDINANCES, REGULATIONS OR REQUIREMENTS EXCEPT AS OTHERWISE DESCRIBED UNDER SECTION 10 WHICH SURVIVES CLOSING.

By: _____

Laurie Dent, Ph.D.
Its: Superintendent

12. **Closing.**

12.1 **Date of Closing.** The closing of this transaction shall take place no later than thirty (30) calendar days following the effective date of that certain Ordinance adopted by the City Council as described under Section 5.2.6(a) above. For purposes of this Agreement, "Date of Closing" shall be construed as the date upon which all appropriate documents are recorded and proceeds of this sale are available for disbursement to Seller.

12.2 **Place of Closing.** The closing of this transaction shall take place through the escrow offices of Stewart Title Guaranty Company, 6050 Tacoma Mall Boulevard, Suite 100, Tacoma WA 98409; Attention: Chelsey Parra, Telephone: (206) 770-8880; Email: chelsey.parra@stewart.com (the "Closing Agent"). Closing Agent shall arrange with Seller and Purchaser for delivery of Escrow Documents by overnight delivery or such other delivery method as agreed upon by the parties for the convenience of Seller and Purchaser.

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12.3 **Closing Adjustments and Closing Costs.**

12.3.1 Purchaser shall be responsible for the cost of standard title insurance to insure title to the Subject Property.

12.3.2 Purchaser shall be responsible for the cost of extended title coverage and any title endorsements as may be elected by Purchaser, in its sole discretion.

12.3.3 Real property taxes shall be paid by Purchaser.

12.3.4 Purchaser shall bear all escrow fees of Seller and Purchaser.

12.3.5 The payment of real estate excise tax is subject to exemption under WAC 458-61A-205(1) and (2). Purchaser shall be responsible for the filing fees associated with filing of the Real Estate Excise Tax Affidavit with the Pierce County Auditor.

12.3.6 Purchaser shall be responsible for recording fees required by the Pierce County Auditor associated with conveyance of the Bargain and Sale Deed.

12.3.7 Any utilities shall be handled outside of Closing except as otherwise may be addressed under the Third-Party Termination Agreement set forth under Paragraphs 5.2.6(f) and 5.2.7(e).

For purposes of calculating prorations, if any, Seller shall be deemed to be in

title to the Subject Property, and responsible for the expenses thereof, through midnight of the day before the Closing Date.

12.4 **Execution of Documents**. Both parties shall be obligated to execute all documents reasonably necessary to close the transaction as described under this Agreement and upon request by the Closing Agent or other party in order that all appropriate and necessary documents are tendered to the Closing Agent prior to the Closing Date, including but not limited to any and all instruments and conveyances to clear title of any and all monetary liens and the Bargain and Sale Deed.

13. **Default**.

13.1 **Purchaser's Default**. In the event the transaction contemplated under this Agreement fails to be consummated according to the terms of this Agreement by reason of any default of Purchaser, then, as Seller's sole remedy, Seller shall be relieved of any obligation to sell the Subject Property to Purchaser and the Deposit shall be retained by Seller as liquidated damages and as consideration for Seller keeping the Subject Property off of the market for sale to others. Purchaser and Seller agree that it would be impractical and extremely difficult to fix the actual damages that Seller might suffer in the event of Purchaser's default hereunder. Purchaser and Seller agree that the amount of liquidated damages provided for in this section is a fair and reasonable estimate of such damages.

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13.2 **Seller's Default**. If Seller fails or refuses to consummate the transaction contemplated under this Agreement without legal excuse, Purchaser shall have the right to the return of its Deposit together with accrued interest thereon, or shall have the right to enforce this Agreement by specific performance or any other remedy available at law or in equity.

13.3 **Damages**. In no event shall Seller or Purchaser be liable for indirect, consequential (including but not limited to lost opportunities), exemplary, punitive, or other similar damages.

Purchaser's Signature

Seller's Signature

Laurie Dent, Ph.D.,
Superintendent

Name: _____ Its: _____

14. **Risk of Loss**. Seller shall bear the risk of casualty or loss to the Subject Property, including the improvements on the Subject Property until this transaction has closed. In the event of any casualty or loss of any nature or in any amount occurs to the Subject Property before Closing, Purchaser shall have the option, at Purchaser's sole and absolute discretion, of terminating this Agreement and the Deposit shall be immediately refundable to Purchaser.

15. **Possession**. Purchaser shall be entitled to possession of the Subject Property upon Closing.

16. **Real Estate Commission**. At the close of escrow, Seller and Purchaser represent and warrant to the other party that no broker or finder has been engaged by Seller or Purchaser in connection with the transaction contemplated by this Agreement, or to their respective knowledge is in any way connected with any of such transaction. In the event of any claims for brokers' or finders' fees, commissions, or moneys due in connection with the negotiation, execution, or consummation of this Agreement, then Purchaser or Seller, as the case may be, shall defend, indemnify, hold harmless, and defend the other party for, from, and against such claims if they shall be based on any statement or representation or agreement by Purchaser or Seller, as the case may be.

17. **Attorney's Fees**. In the event that either party to this Agreement institutes a suit, action, arbitration, or other legal proceeding of any nature whatsoever relating to this Agreement or to the rights or obligations of the parties with respect thereto, the prevailing party shall be entitled to recover from the losing party its reasonable attorney, paralegal, accountant, expert witness (whether or not called to testify at trial or other proceeding) and other professional fees and all other fees, costs, and expenses actually incurred and reasonably necessary in connection therewith, including but not limited to deposition transcript and court reporter costs, as determined by the judge or arbitrator at trial or other proceeding, and including such fees, costs and expenses incurred in any appellate or review proceeding, or in collecting any judgment or award, or in enforcing any decree rendered with respect thereto, in addition to all other amounts, provided for by law. This cost and attorney fees provision shall apply with respect to any litigation or other proceedings in bankruptcy court, including litigation or

proceedings related to issues unique to bankruptcy law. The "prevailing party" is the party that receives a net monetary award after all just and due credits and offsets.

18. **Integration; Modification; Waiver**. This Agreement constitutes the complete and final expression of the agreement of the parties relating to the Subject Property, and supersedes all previous contracts, agreements, and understandings of the parties, either oral or written, relating to the Subject Property. This Agreement cannot be modified, or any change hereof waived, except by an instrument in writing (referring specifically to this Agreement) executed by the party against whom enforcement of the modification or waiver is sought.

19. **Assignment/Binding Nature**. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their successors and assigns; provided, however, neither Seller or Purchaser shall have the right to assign this Agreement without the consent of either party which consent shall be within the sole and absolute discretion of a party.

20. **Notices**. Except for such notices required under Sections 5, 6, 8, and 10.3, and subparagraphs thereunder, which may be delivered by electronic mail, all notices provided for

under this Agreement may be delivered by a recognized overnight, national courier service, or delivered by United States Postal Service registered or certified mail, return receipt requested. If a notice is mailed, it shall be considered delivered three (3) calendar days after the date of the postmark on said mailing. If a notice is delivered via overnight courier, it shall be deemed received upon the next business day. The addresses to be used in connection with such correspondence and notices are the following, or such other address as a party shall from time to time direct:

Seller: City of Sumner

1148 Maple Street
Sumner, WA 98390

Attention: Jason Wilson, City Administrator
Telephone: 253- 299-5501
Email: jasonw@sumnerwa.gov

with a copy to: Doug Ruth

Deputy City Attorney
Telephone: 253-299-5611
Email: dougr@sumnerwa.gov

Purchaser: Sumner-Bonney Lake School District

1202 Wood Avenue
Sumner, WA 98390
Attention: Laurie Dent, Ph.D., Superintendent
Telephone: 253-891-6081
Email: laurie_dent@sumnersd.org

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with a copy to: Matthew Guilanians

Project Manager
Falcon & Fern LLC
c/o 1202 Wood Avenue
Sumner, WA 98390
Telephone: 206-880-8505
Email: matt@falconandfern.com

with a copy to: Mary J. Urback

Mary J. Urback PLLC
c/o 1202 Wood Avenue
Sumner, WA 98390
Telephone: 253-826-9504
Email: murback@urbackpllc.com

21. **Calculation of Time Periods.** Unless otherwise specified, in computing any period of time described in this Agreement, the day of the act or event after which the designated period of time begins to run is not to be included and the last day of the period so computed is to be included, unless such last day is a Saturday, Sunday or legal holiday. The final day of any such period shall be deemed to end at 5:00 p.m., Pacific Daylight or Pacific Standard Time, as applicable, during such period.

22. **Costs and Expenses.** Except as otherwise provided herein, each party hereto will bear its own costs and expenses in connection with the negotiation, preparation and execution of this Agreement and other documentation related hereto and in the performance of its duties hereunder.

23. **Governing Law/Venue.** This Agreement shall be governed by and construed in accordance with the laws of the State of Washington. Venue for any action or proceeding under this Agreement shall be Pierce County, Washington.

24. **Severability.** If any term or provision of this Agreement shall, to any extent, be held invalid or enforceable, the remaining terms and provisions of this agreement shall not be effected thereby, but each remaining term and provisions shall be valid and enforced to the fullest extent permitted by law.

25. **Construction.** Seller and Purchaser acknowledge that each party has had an opportunity to employ legal counsel or other representative to review this Agreement and such representative or legal counsel have reviewed and revised this Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendments thereto, and the same shall be given a reasonable interpretation in accordance with the plain meaning of its terms and the intent of the parties.

26. **Survival.** Sections 6.2, 6.3, 10, 11, 12.3, 13, and 15 – 27 shall survive the Closing of the transaction contemplated under this Agreement.

27. **Time.** Time is of the essence in each and every covenant and condition of the Agreement.

IN WITNESS WHEREOF, this Agreement is executed on the date and year set forth below the parties respective signatures.

SELLER:

CITY OF SUMNER, a Washington
municipal corporation

By: _____

Name: _____

Its: _____

Date: _____

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PURCHASER:

**SUMNER-BONNEY LAKE SCHOOL
DISTRICT NO. 320**, a Washington
municipal corporation

By:

Laurie Dent, Ph.D.

Its: Superintendent

Date: _____

Parcel A: (051920-2-134)

The South 339.01 feet of the East 122 feet of the West 1176.98 feet as measured along the South line of Government Lot 2, Section 19, Township 20 North, Range 5 East of the W.M., in Pierce County, Washington.

Parcel B: (051920-2-135)

The South 339.01 feet of the East 122 feet of the West 1054.95 feet as measured along the South line of Government Lot 2, Section 19, Township 20 North, Range 5 East of the W.M., in Pierce County, Washington.

Parcel C: (051920-2-138)

The South 339.01 feet of the East 122 feet of the West 932.95 feet as measured along the South line of Government Lot 2, Section 19, Township 20 North, Range 5 East of the W.M., in Pierce County, Washington.

(Also known as a portion of revised Parcel 'A' of Boundary Line Adjustment recorded under Recording No. 9909230343.)

Parcel D: (051920-2-163)

Parcel B, City of Sumner Lot Line Adjustment recorded under Recording No. [902095001](#), records of Pierce County, Washington.

Parcel E: (051920-3-180)

The East 122 feet of the West 932.98 feet of the North half of the North half of Government Lot 3, Section 19, Township 20 North, Range 5 East of the W.M., in Pierce County, Washington;

Except that portion conveyed to the City of Sumner for right of way recorded under Recording No. 9807290254.

(Also shown as portion of revised Parcel C of Boundary Line Adjustment recorded under Recording No. 9909230343.)

Parcel F: (051920-3-181)

The East 122 feet of the West 1054.98 feet of the North half of the North half of Government Lot 3, Section 19, Township 20 North, Range 5 East of the W.M., in Pierce County, Washington;

Except that portion conveyed to the City of Sumner for right of way in deed recorded under Recording No. 9807290255.

EXHIBIT A

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Parcel G: (051920-3-182)

The East 122 feet of the West 1176.98 feet of the North half of the North half of Government Lot 3, Section 19, Township 20 North, Range 5 East of the W.M., in Pierce

County, Washington;

Except that portion conveyed to the City of Sumner for right of way in deed recorded under Recording No. 9807290256.

Parcel H: (051920-3-183)

The North half of the North half of Government Lot 3, Section 19, Township 20 North, Range 5 East of the W.M., in Pierce County, Washington;

Except the West 1176.98 feet thereof;

Also Except the East 30 feet conveyed to the City of Sumner recorded under Recording No. 9310290092;

And Except that portion conveyed to the City of Sumner for right of way in deed recorded under Recording No. 9807290257.

Parcel I: (051920-3-208)

The South 110.00 feet of the East 55.00 feet of Parcel A of the City of Sumner Lot Line Adjustment recorded under Recording No. [9902095001](#), in Government Lots 2 and 3, Section 19, Township 20 North, Range 5 East of the W.M., in Pierce County, Washington;

Except that portion conveyed to the City of Sumner for right of way in deeds recorded under Recording Nos. 9809090405 and 9809090406, which is a correction of deed recorded under Recording No. 9712100610;

(Also shown as a portion of Parcel B of Boundary Line Adjustment recorded under Recording No. 200106200171.)

Parcel J: (051920-2-126)

The South 339 feet of Government Lot 2, Section 19, Township 20 North, Range 5 East of the W.M., in Pierce County, Washington, lying East of the following described line: The West line of that certain parcel described under Deed dated December 29, 1977 and recorded February 22, 1978 under Recording No. 2801302, extended North across the South 339 feet of said Government Lot 2;

Except that portion conveyed to the City of Sumner for right of way in deed recorded under Recording No. 9310290093.

All situate in the City of Sumner, County of Pierce, State of Washington.

EXHIBIT A

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EXHIBIT B

ILLUSTRATIVE MAP OF SUBJECT PROPERTY

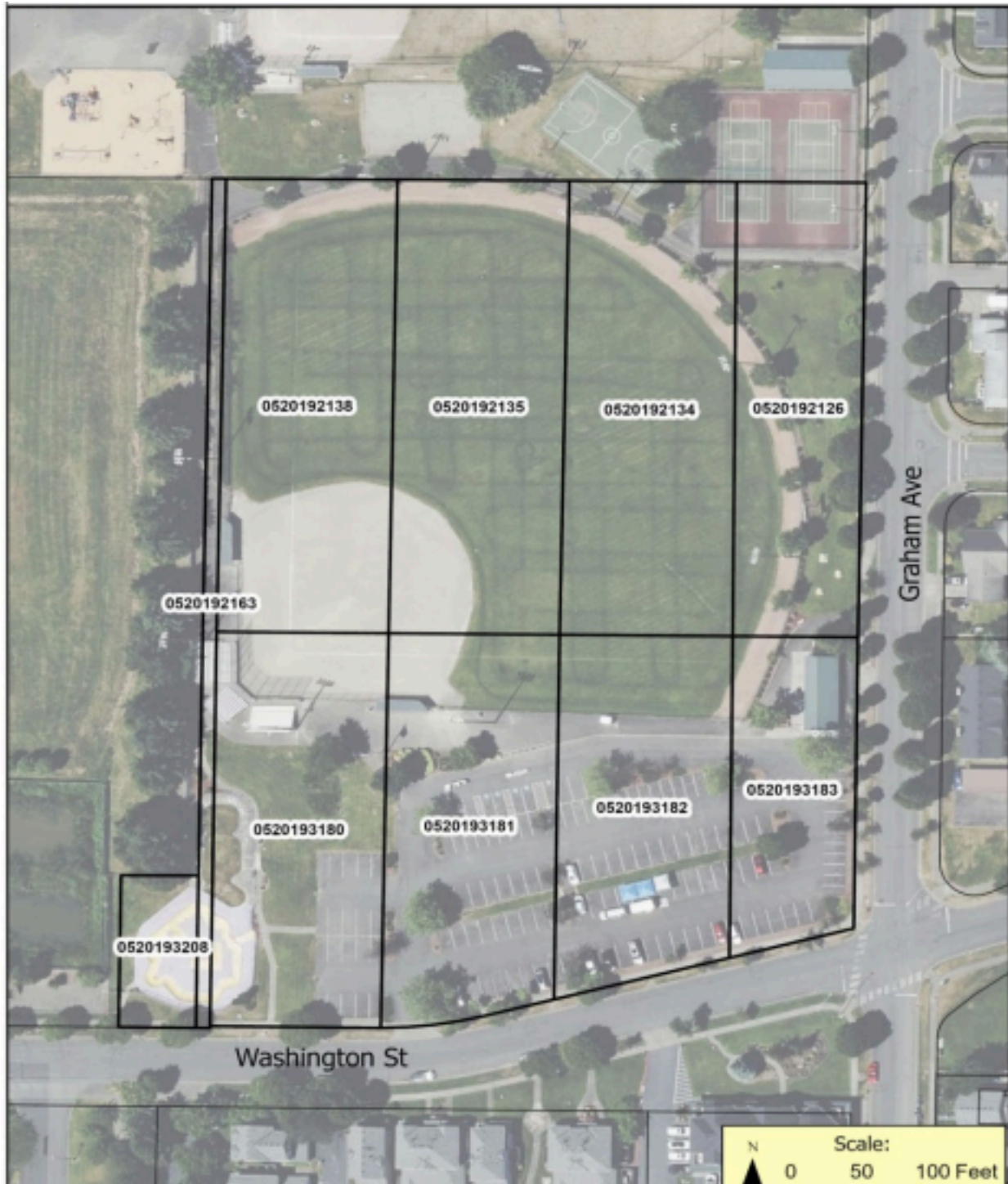


EXHIBIT B

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EXHIBIT C

RCW Ch. 64.06 DISCLOSURE STATEMENT, ENVIRONMENTAL SECTION ONLY

☐ Yes ☐ No ☐ Don't know *A. Have there been any flooding, standing water, or drainage problems on the property that affect the property or access to the property?

☐ Yes ☐ No ☐ Don't know *B. Is there any material damage to the property from fire, wind, floods, beach movements, earthquake, expansive soils, or landslides?

☐ Yes ☐ No ☐ Don't know *C. Are there any shorelines, wetlands, floodplains, or critical areas on the property?

☐ Yes ☐ No ☐ Don't know *D. Are there any substances, materials, or products in or on the property that may be environmental concerns, such as asbestos, formaldehyde, radon gas, lead-based paint, fuel or chemical storage tanks, or contaminated soil or water?

☐ Yes ☐ No ☐ Don't know *E. Is there any soil or groundwater contamination?

☐ Yes ☐ No ☐ Don't know *F. Has the property been used as a legal or illegal dumping site?

☐ Yes ☐ No ☐ Don't know *G. Has the property been used as an illegal drug manufacturing site?

EXHIBIT C