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1 REAL ESTATE PURCHASE AND SALE AGREEMENT

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3 This Agreement is made this day by and between DOUGLAS COUNTY, a political
4 subdivision of the State of Washington, hereafter referred to as SELLER, and SUNSET
5 CKG-80, LLC, a Washington limited liability company, as PURCHASER.
6

7 WHEREAS, on or about September 10, 1991, Douglas County purchased
8 approximately 22 acres from C.K. Miller Orchards, Inc. located in East Wenatchee,
9 Washington, west of Sunset Highway and immediately south of 19th Street N.W., as set
10 forth in the Statutory Warranty Deed; recorded on September 11, 1991, at Book 318,
11 Page 258, under AFN 270172;
12

13 WHEREAS, certain terms, conditions and affirmative obligations to adjacent real
14 property owned by Claudia K Goodfellow are set forth in Covenants and Promises
15 recorded on September 11, 1991, at Book 318, Page 261, under AFN 20173, including
16 acknowledgement of a Right of First Refusal held by Claudia K. Goodfellow;
17

18 WHEREAS, Daniel R. Goodfellow and Claudia K. Goodfellow, husband and wife,
19 are the members of PURCHASER;
20

21 WHEREAS, Douglas County has subdivided the property under Binding Site Plan
22 EW #2009-001;
23

24 WHEREAS, Lot 4 in Binding Site Plan EW #2009-01 contains approximately 12.57
25 acres and has been appraised as having a fair market value of approximately \$1,300,000;
26

27 WHEREAS, Douglas County has declared the 12.57 acres in Lot 4 surplus and
28 has not been successful in its efforts to sell Lot 4 under sealed bid or through further
29 marketing;
30

31 WHEREAS, the terms, conditions and affirmative obligations contained in the
32 Covenants and Promises, if enforceable and fully imposed on Douglas County, have an
33 estimated compliance cost exceeding \$1,000,000; and
34

35 WHEREAS, the parties wish to fully settle and satisfy any and all obligations of
36 Douglas County under the Covenants and Promises, except as specifically set forth
37 herein at Paragraph 3.
38

39 NOW, THEREFORE, it is agreed as follows:
40

41 1. PURCHASE AND SALE: On the terms and conditions of this Agreement,
42 SELLER hereby agrees to sell to PURCHASER and PURCHASER hereby agrees to
43 purchase from SELLER, the real property located at East Wenatchee, Douglas County,
44 Washington, and legally described as follows:
45

1 Lot 4, Binding Site Plan EW #2009-01, according to the records of the Douglas
2 County Auditor, AFN 3147636, containing approximately 12.57 acres, TPN
3 40000000810.

4
5 SUBJECT TO all easements, restrictions, reservations and encumbrances
6 apparent or of record.

7
8 ALSO SUBJECT TO the Douglas County Sewer District No. 1 Local Facilities
9 Charge as set forth at Douglas County Auditor File Number 3047695 recorded
10 April 19, 2002.

11
12 2. INCLUDED PROPERTY: The property is undeveloped, bare land, and no
13 personal property is included in this sale. All irrigation water shares appurtenant to Lot 4
14 or as are proportional to Lot 4 are included in the sale to PURCHASER. SELLER shall
15 retain irrigation water shares proportional to the SELLER'S remaining lots in Binding Site
16 Plan EW #2009-01.

17
18 3. PURCHASE PRICE: The total purchase price for the above described real
19 property is Three Hundred Fifty Thousand and No/100 Dollars (\$350,000.00). The
20 PURCHASER shall pay the purchase price to SELLER in cash on closing.

21
22 In addition to payment of the purchase price, the Covenants and Promises recorded on
23 September 11, 1991, at Book 318, Page 261, of the Douglas County Auditor, under AFN
24 270173, shall be fully rescinded by Goodfellows. The SELLER agrees to execute a
25 Restrictive Covenant benefiting the real property of PURCHASER and burdening the
26 remaining lots in Binding Site Plan EW #2009-01 to the following:

27
28 The use of the property for overnight housing of adult prisoners or as parking lots
29 for heavy equipment parking or storage sites for sand, gravel or other road
30 materials is specifically prohibited.

31
32 4. CONVEYANCE: Title shall be conveyed by SELLER to PURCHASER by
33 statutory warranty deed, subject to all easements, restrictions, reservations and
34 encumbrances apparent or of record.

35
36 5. TITLE INSURANCE: SELLER shall apply for a standard owner's policy of title
37 insurance to be issued through First American Title Insurance Company. Title shall be
38 marketable. If title to the real property is not marketable and cannot be made marketable
39 prior to closing, PURCHASER may elect to either waive such encumbrances or defects,
40 or to terminate this Agreement.

41
42 6. DATE OF CLOSING: The date of closing shall be on or before
43 _____, 2012, and shall be closed at First American Title Insurance
44 Company, Wenatchee, Washington.

1 7. POSSESSION: Possession shall be granted to the PURCHASER on the date
2 of closing.

3
4 8. TAXES, ASSESSMENTS AND UTILITIES: The real property has not been
5 subject to real property taxes due to ownership by Douglas County. PURCHASER shall
6 be responsible for all real property taxes due or assessed after closing. PURCHASER
7 shall assume the obligations of SELLER for the Douglas County Sewer District No. 1
8 Local Facilities Charge as to the real property described in Paragraph 1, as set forth at
9 Douglas County Auditor File Number 3047695 recorded April 19, 2002, having a
10 balance of approximately \$41,477. PURCHASER shall indemnify, defend and hold
11 SELLER and SELLER'S successors and assigns, harmless from all principal and
12 interest for such Local Facilities Charge as to the real property described in Paragraph
13 1. Other assessments and utilities, if any, shall be prorated as of the date of closing.

14
15 9. CLOSING COSTS: SELLER and PURCHASER shall each pay one-half of all
16 escrow fees. SELLER shall pay all real estate excise taxes, if any, and owner's title
17 insurance premiums. SELLER and PURCHASER shall each pay all remaining closing
18 costs as customarily allocated.

19
20 10. PURCHASER'S REPRESENTATIONS: PURCHASER represents that
21 PURCHASER has sufficient funds available to close this sale in accordance with this
22 Agreement and is not relying on any contingent source of funds unless otherwise set forth
23 in this Agreement. PURCHASER further agrees that PURCHASER is familiar with the
24 real property and SELLER shall not be held to any express or implied representations or
25 warranties regarding conditions or material facts adversely affecting the real property.

26
27 11. CONTINGENCIES: This Agreement is not subject to any contingencies
28 except as expressly included in this Agreement.

29
30 12. DEFAULT-TERMINATION: If this Agreement is terminated for any reason,
31 the non-defaulting party may seek specific performance only and may not seek damages
32 against the other party.

33
34 SELLER: _____ PURCHASER: _____

35
36 13. GENERAL PROVISIONS: TIME IS THE ESSENCE OF THIS AGREEMENT.
37 There are no oral agreements which modify this Agreement. This Agreement constitutes
38 the full and complete understanding of the terms and provisions of the transaction
39 between SELLER and PURCHASER.

40
41 14. SETTLEMENT OF DISPUTED CLAIM. It is understood and agreed that this
42 Real Estate Purchase and Sale Agreement and the contemplated purchase of the subject
43 real property constitutes a compromise and complete settlement of a disputed claim.
44 This Real Estate Purchase and Sale Agreement shall not be construed as an admission
45 of liability on the part of Douglas County or its related parties. Liability is denied by
46 Douglas County and its related parties. This settlement is made to avoid litigation and the

1 costs thereof.

2
3 15. DRAFTING: This Agreement affects your legal rights and obligations and will
4 have tax implications for each party. This Agreement has been prepared by the Douglas
5 County Prosecuting Attorney's Office which represents SELLER. No legal advice or
6 representation is being provided to PURCHASER, who is entitled to and is encouraged to
7 obtain legal advice and representation.

8
9 16. ENFORCEMENT: In the event of enforcement of this Agreement, each party
10 shall pay its own attorney's fees and costs. Venue of any suit to enforce this Agreement
11 shall be Douglas County, Washington.

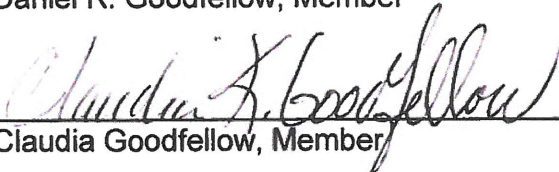
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13 17 ASSIGNMENT: PURCHASER'S rights under this Agreement may not be
14 assigned by PURCHASER without SELLER'S prior written consent, which shall not be
15 unreasonably withheld.

PURCHASER

SUNSET CKG-80, LLC

Dated: _____

By: 
Daniel R. Goodfellow, Member

By: 
Claudia Goodfellow, Member

SELLER

Dated: _____

DOUGLAS COUNTY, WASHINGTON
BOARD OF COUNTY COMMISSIONERS

Chair

Vice Chair

Commissioner

Attest By:

Clerk of the Board

Approved as to Form:

Prosecuting Attorney