

REAL ESTATE PURCHASE AND SALE AGREEMENT

This REAL ESTATE PURCHASE AND SALE AGREEMENT (this "Agreement") is entered into as of 9/29/16, 2016 between the CITY OF TACOMA, a first class municipal corporation ("Buyer") and Big Rooster Investments, LLC, a Washington limited liability company ("Seller").

RECITALS

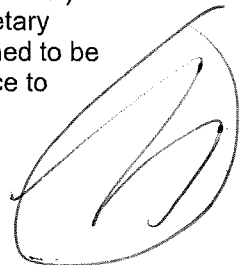
WHEREAS, Seller is the owner of certain real property more particularly described in Section 1, below.

WHEREAS, Buyer desires to purchase from Seller, and Seller desires to sell to Buyer the real property on the terms and conditions set forth herein.

NOW THEREFORE, in consideration of the mutual covenants contained in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller and Buyer agree as follows:

AGREEMENT

1. Real Property. Seller agrees to sell and convey to Buyer and Buyer agrees to purchase from Seller, subject to the terms and conditions set forth in this Agreement, the real property located in Pierce County, Washington, legally described in Exhibit A attached hereto and made a part hereof, together with all right, title and interest in and to any rights licenses, privileges, reversions and easements pertinent to the real property, including without limitation, all minerals, oil, gas and other hydrocarbon substances on and under the real property as well as all development rights, air rights, water rights, water and water stock relating to the real property and any other easements rights of way or appurtenances used in connection with the beneficial use and enjoyment of the real property (collectively, the "Property"). This disposition is being made under threat of potential condemnation.
2. Purchase Price. The total purchase price for the Property (the "Purchase Price") will be Five Hundred Fifty Thousand U.S. Dollars (\$550,000). The Purchase Price will be paid to Seller in cash through escrow at closing.
3. Title to Property.
 - 3.1 Conveyance. At closing Seller shall convey to Buyer marketable fee simple title to the Property by duly executed and acknowledged statutory warranty deed (the "Deed"), subject only to those encumbrances that Buyer approves pursuant to Section 4.3 below (the "Permitted Encumbrances").
 - 3.2 Preliminary Commitment. Upon execution of this Agreement, Seller authorizes Buyer to order a preliminary commitment for an owner's standard coverage policy of title insurance (or, at Buyer's election, an owner's extended coverage policy of title insurance) in the amount of the Purchase Price to be issued by Chicago Title (the "Title Company") and accompanied by copies of all documents referred to in the commitment (the "Preliminary Commitment").
 - 3.3 Condition of Title. Buyer shall advise Seller by written notice what encumbrances to title, if any, are disapproved by Buyer ("Disapproved Encumbrances") within 10 (ten) business days of receipt of the Preliminary Commitment. All monetary encumbrances other than non-delinquent ad valorem property taxes will be deemed to be disapproved. Seller will have ten (10) business days after receipt of Buyer's notice to



give Buyer notice that (i) Seller will remove Disapproved Encumbrances, or (ii) Seller elects not to remove Disapproved Encumbrances. If Seller fails to give Buyer notice before the expiration of the ten (10) day period, Seller will be deemed to have elected not to remove Disapproved Encumbrances. Notwithstanding anything to the contrary in this Agreement, Seller shall remove from title on or before the Closing Date all monetary encumbrances other than those approved by Buyer. If Seller elects not to remove any Disapproved Encumbrances, Buyer will have fifteen (15) business days to notify Seller of Buyer's election either to proceed with the purchase and take the Property subject to those encumbrances, or to terminate this Agreement. If Buyer elects to terminate this Agreement pursuant to this section, the escrow will be terminated, all documents and other funds will be returned to the party who deposited them, and neither party will have any further rights or obligations under this Agreement, except as otherwise provided for in this Agreement. If this Agreement is terminated through no fault of Seller, then Seller and Buyer shall share equally any costs of terminating the escrow and any cancellation fee for the Preliminary Commitment.

3.4 Title Policy. Seller shall cause the Title Company to issue to Buyer at closing a standard coverage owner's policy of title insurance insuring Buyer's title to the Property in the full amount of the Purchase Price subject only to the Permitted Encumbrances (the "Title Policy"). The Title Policy must be dated as of the Closing Date.

4. Special Use Designation. If the Property currently has a special use tax designation (such as forest land or open space) as described by Chapter 84.33 and Chapter 84.34 of the Revised Code of Washington, any compensating taxes or fees that become due as a result of this transaction will be paid by Seller at closing.

5. Conditions to Closing.

5.1 City Council Approval. This Agreement, and the transaction contemplated hereby, must be duly approved by the Tacoma City Council prior to closing. If such approval is not obtained, this Agreement will terminate, all documents and other funds will be returned to the party who deposited them, and neither party will have any further rights or obligations under this Agreement, except as otherwise provided for in this Agreement. Nothing in this Paragraph 5.1 will obligate the Buyer to obtain City Council approval beyond the ordinary course of City procedure.

5.2 Feasibility Study. Buyer will have NINETY (90) days from mutual acceptance of this agreement (the "Feasibility Study Period") to conduct a review of the Property and satisfy itself with respect to the condition of and other matters related to the Property and its suitability for Buyer's intended use (the "Feasibility Study"). The Feasibility Study may include all inspections and studies Buyer deems reasonably necessary or desirable. Buyer and Buyer's agents, representatives, consultants, architects and engineers will have the right, from time to time, from and after the date of this Agreement to enter onto the Property and make borings, drive test piles and conduct any other reasonable tests and studies that may be necessary or desirable to ascertain the condition and suitability of the Property for Buyer's intended use. Such tests and inspections are to be performed in a manner not disruptive to the operation of the Property. Buyer shall protect, defend and indemnify Seller from and against any construction or other liens or encumbrances arising out of or in connection with its exercise of this right of entry and shall cause any such liens or encumbrances to be promptly released. Buyer shall not, however, be liable for any claims or diminution in value arising or resulting from (i) Buyer's discovery of any pre-existing condition (including, without limitation, the existence of previously unknown or undocumented Hazardous Materials as defined in section 7.4) in, on, under or about the Property, or (ii) any exacerbation of a pre-existing condition in, on, under or about the Property, except to the extent, if any, said exacerbation results from the willful or negligent act or omission of Buyer, its agents, contractors or employees.

5.3 Non-Suitability. Buyer will have the right to terminate this Agreement if, in Buyer's good faith judgment, the Property is not suitable for Buyer's intended use. Buyer's right to terminate must be exercised by delivering written notice of its election to Seller on or before the expiration of the Feasibility Study Period. In the event Buyer does not complete the purchase, Buyer shall return the Property as near as is practicable to its condition as of the execution date of this Agreement. If Buyer terminates this Agreement pursuant to this section Seller and Buyer will be released from all further obligation or liability hereunder, except as otherwise specified by this Agreement and except for Buyer's obligations to indemnify Seller under this section. Failure by Buyer to notify Seller in writing of any matters affecting the suitability of the Property, whether or not an inspection has been carried out, shall deem Buyer to have not waived this contingency.

6. Condition of the Property.

6.1 Seller's Covenant to Operate and Maintain. Seller shall maintain, repair, manage and operate the Property in a businesslike manner in accordance with Seller's prior practices. Seller agrees that it will not damage, dissipate, or commit waste on any portion of the Property between the date of acceptance of this Agreement and the date of closing. Seller shall surrender the Property to Buyer in as good condition (normal wear and tear excepted) as exists on the date of this Agreement.

6.2 Inspections. Buyer agrees that it will rely on its own inspections and evaluations of the Property, with the exception of Seller's representations and warranties listed in Section 7, below, and of written documentation, including, but not limited to any disclosures required by law, provided to it by Seller, to determine the suitability of the Property for Buyer's intended use.

7. Seller's Representations and Warranties. Seller represents and warrants to Buyer as follows:

7.1 Claims or Litigation. To the best of Seller's knowledge, there is no litigation pending or threatened against Seller (or any basis for any claim) that arises out of the ownership of the Property and that might materially and detrimentally affect (i) the use or operation of the Property for Buyer's intended use, or (ii) the ability of Seller to perform its obligations under this Agreement, or (iii) the value of the Property.

7.2 Defaults. Seller has received no notice of any default or breach by Seller under any covenants, conditions, restrictions, rights of way or easements that may affect Seller in respect to the Property or may affect the Property or any portion thereof and no such default or breach now exists.

7.3 Organization. Seller is a limited liability company duly organized and validly existing under the laws of the state of Washington. This Agreement and all documents executed by Seller that are to be delivered to Buyer at closing are, or at the time of closing will be, (i) duly authorized, executed and delivered by Seller, (ii) legal, valid and binding obligations of Seller, (iii) sufficient to convey title (if they purport to do so), and (iv) in compliance with all provisions of all agreements and judicial orders to which Seller is a party or to which Seller or all or any portion of the Property is subject.

7.4 Hazardous Substances. Seller has no actual knowledge of the release of or presence of any hazardous materials on, in, from or onto the Property ("Hazardous Materials" meaning any hazardous or toxic substance, petroleum product or wastes that are regulated or subject to cleanup authority under any state, federal or local statute, regulation or ordinance).

8. Closing. This transaction will be closed in escrow by the Title Company acting as escrow agent ("Escrow Agent"). The closing will be held at the local office of the Title Company on or before that date which is THIRTY (30) days after the end of the Feasibility Study Period (the "Closing Date"). If closing does not occur on or before the Closing Date, or any later date mutually agreed to in writing by Seller and Buyer, Escrow Agent will immediately terminate the escrow, forward the Deposit to the party entitled to receive it as provided in this Agreement and return all documents to the party that deposited them. When notified by Escrow Agent, Buyer and Seller will deposit with Escrow Agent without delay all instruments and moneys required to complete the transaction in accordance with this Agreement. "Closing," for the purpose of this Agreement, is defined as the date that all documents are executed, the sale proceeds are available for disbursement to the Seller, and legal title passes to the Buyer.

9. Closing Costs and Prorations. Seller shall pay the premium for a standard coverage owner's policy of title insurance in the full amount of the Purchase Price, state of Washington real estate excise taxes applicable to the sale, and the Escrow Agent's escrow fee. Buyer shall pay the additional premium, if any, attributable to an extended coverage owner's policy of title insurance (if elected by Buyer, at Buyer's sole discretion) and any endorsements required by Buyer and the cost of recording the deed. Property taxes and assessments for the current year, water and other utility charges, if any, shall be prorated as of the Closing Date unless otherwise agreed. Buyer is a property tax exempt organization pursuant to R.C.W. 84.36.010, and therefore Escrow Agent is directed, to the extent possible, to apply to (give notice to) Pierce County for a change in tax status for the Property, so that property taxes do not have to be collected from Buyer at closing.

10. Casualty Loss. Seller shall promptly notify Buyer of any event prior to the Closing Date which causes damage to or destruction of any portion of the Property. If Buyer and Seller cannot come to an agreement regarding any such damage to or destruction of the Property, including the settlement of any insurance claims, then Buyer and Seller will each have the right to terminate this Agreement by giving written notice of termination to the other party within twenty (20) days after receipt of actual notice of such casualty loss. Upon exercise of such termination election by either party, this Agreement will terminate.

11. Possession. Seller shall deliver possession of the Property to Buyer on the Closing Date. Seller shall remove any and all personal property or debris from the Property on or before the Closing Date, unless specifically authorized otherwise in writing by Buyer.

12. Events of Default. In the event Seller fails, without legal excuse, to complete the sale of the Property, Buyer shall be entitled to immediate return of any funds deposited, and may pursue any remedies available to it in law or equity, including specific performance.

13. Notices. Any notice under this Agreement must be in writing and be personally delivered, delivered by recognized overnight courier service, or given by mail. E-mail transmission of notice shall not be effective. All notices must be addressed to the parties at the following addresses, or at such other addresses as the parties may from time to time direct in writing:

Buyer: City of Tacoma, Public Works Department
Real Property Services
747 Market Street, Rm. 737
Tacoma, WA 98402

With a copy to: City of Tacoma, Legal Department
Attn: Jeff H. Capell, Deputy City Attorney
747 Market Street, Rm 1120
Tacoma, WA 98402

Seller: Big Rooster Investments, LLC

c/o Carl Haglund
1019 California Lane SW
Seattle, WA 98116

Any notice will be deemed to have been given, when personally delivered, and if delivered by courier service, one business day after deposit with the courier service, and if mailed, two business days after deposit in the U.S. mail.

14. Counterparts. This Agreement may be executed in any number of counterparts and by different parties hereto, each of which counterpart when so executed shall have the same force and effect as if that party had signed all other counterparts.

15. Brokers and Finders. In the event any broker or other person makes a claim for a commission or finder's fee based upon the transaction contemplated by this Agreement, the party through whom said broker or other person makes its claim shall indemnify and hold harmless the other party from said claim and all liabilities, costs and expenses related thereto, including reasonable attorneys' fees, which may be incurred by such other party in connection with such claim. This indemnity shall survive the closing of this transaction.

At the signing of this Agreement, the Listing Broker is CBRE, Inc who represented the Seller. Seller agrees to sell the Property on the terms and conditions herein, and further agrees to pay a commission in a total amount computed in accordance with the listing or commission agreement, 6% of the gross sales price.

16. Amendments. This Agreement may be amended or modified only by a written instrument executed by Seller and Buyer.

17. Continuation and Survival of Representations and Warranties. All representations and warranties by the respective parties contained in this Agreement or made in writing pursuant to this Agreement are intended to and will remain true and correct as of the time of closing, will be deemed to be material and will survive the execution and delivery of this Agreement and the delivery of the Deed and transfer of title. Such representations and warranties, however, are not assignable and do not run with the land, except as may be expressly provided herein or contained in a written instrument signed by the party to be charged.

18. Governing Law. This Agreement will be governed and construed in accordance with the laws of the state of Washington without recourse to any principles of Conflicts of Laws.

19. Attorney Fees. If either party fails to perform any of its obligations under this Agreement or if a dispute arises concerning the meaning or interpretation of any provision of this Agreement, the defaulting party or the party not prevailing in the dispute, as the case may be, shall pay any and all costs and expenses incurred by the other party in enforcing or establishing its rights under this Agreement, including without limitation, court costs and reasonable attorney fees incurred in connection with any federal, state or bankruptcy proceeding.

20. Time of the Essence. Time is of the essence of this Agreement and of all acts required to be done and performed by the parties hereto.

21. FIRPTA. The Escrow Agent is instructed to prepare a certification or equivalent that Seller is not a "foreign person" within the meaning of the Foreign Investment in Real Property Tax Act ("FIRPTA"), and Seller agrees to sign this certification. If Seller is a "foreign person" as the same is defined by FIRPTA, and this transaction is not otherwise exempt from FIRPTA, Escrow Agent is instructed to withhold and pay the required amount to the Internal Revenue Service.



22. Waiver. Neither Seller's nor Buyer's waiver of the breach of any covenant under this Agreement will be construed as a waiver of the breach of any other covenants or as a waiver of a subsequent breach of the same covenant.

23. Nonmerger. The terms and provisions of this Agreement, including without limitation, all indemnification obligations, will not merge in, but will survive, the closing of the transaction contemplated under the Agreement.

24. Assignment. Buyer shall not assign this Agreement without Seller's prior written consent, which consent may not be unreasonably withheld or delayed.

25. Negotiation and Construction. This Agreement and each of its terms and provisions are deemed to have been explicitly negotiated between the parties, and the language in all parts of this Agreement will, in all cases, be construed according to its fair meaning and not strictly for or against either party.

26. Additional Acts. Except as otherwise provided herein, in addition to the acts and deeds recited herein and contemplated to be performed, executed and/or delivered by any party hereto, the parties agree to perform, execute and/or deliver, or cause to be performed, executed and/or delivered, any and all such further acts, deeds and assurances, which may reasonably be required to effect the Agreement contemplated herein.

27. Entire Agreement. This Agreement constitutes the entire agreement between the parties with respect to the purchase and sale of the Property, and supersedes all prior agreements and understandings, oral or written, between the parties relating to the subject matter of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date set forth above.

BUYER:

CITY OF TACOMA, a first class municipal corporation



T.C. Broadhax
City Manager

Department Approval



Ricardo Noguera
Community and Economic Development Director

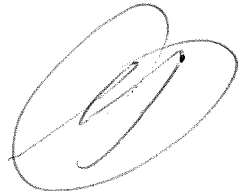
Approved as to form:



Office of City Attorney

SELLER:

BIG ROOSTER INVESTMENTS, LLC, a Washington limited liability company



Title: carl haglund memer

Tax ID Number: 26 3965416 - ein
602 776 930 - ubi

Exhibit "A"

Legal Description

A portion of Block 904, Map of New Tacoma, Washington Territory, according to Plat filed for record February 3, 1875, in the office of the county auditor and more particularly described as follows:

Commencing at the Southeast corner of said Block 904;
Thence North 09°00'00" West along the East line of said block for a distance of 300.98 feet to the Point of Beginning;
Thence South 81°00'00" West, 99.06 feet;
Thence North 09°00'00" West, 73.15 feet;
Thence North 81°00'00" East, 42.12 feet;
Thence South 09°00'00" East, 16.47 feet;
Thence North 81°00'00" East, 6.61 feet;
Thence South 09°00'00" East, 8.70 feet;
Thence North 01°00'00" East, 18.75 feet;
Thence North 09°00'00" West, 8.70 feet;
Thence North 81°00'00" East, 31.58 feet to the East line of said Block 904;
Thence South 09°00'00" East to the Point of Beginning.

TOGETHER WITH a non-exclusive ground floor easement over and across the following described property:

Commencing at the Southwest corner of Lot 21, Block 904;
Thence North 09°00'00" West parallel with the center line pf Pacific Avenue, 2.12 feet to the Point of Beginning;
Thence continuing North 09°00'00" West, 231.96 feet;
Thence North 81°00'00" East, 42.12 feet;
Thence South 09°00'00" East, 16.47 feet;
Thence South 81°00'00" West, 4.00 feet;
Thence North 09°00'00" West, 12.47 feet;
Thence South 81°00'00" West, 34.12 feet;
Thence South 09°00'00" East, 1.33 feet;
Thence North 09°00'00" East, 42.33 feet;
Thence South 81°00'00" West, 1.33 feet;
Thence South 09°00'00" East, 100.93 feet;
Thence North 81°00'00" East, 31.85 feet;
Thence North 09°00'00" West, 8.99 feet;
Thence North 81°00'00" East, 33.84 feet;
Thence South 09°00'00" East, 4.00 feet;
Thence South 81°00'00" West, 29.94 feet;
Thence South 09°00'00" East, 8.99 feet;
Thence South 81°00'00" West, 39.85 feet to the Point of Beginning.

EXCEPTING THEREFROM all of the second, third, fourth, fifth, sixth and seventh decks of the building constructed thereon, a more precise and specific description of said decks of said building as shown on "Self-Parking Facilities for New Tacoma Parking Corporation Drawings" marked L-1 of 1, A-1 through A-13, L-16, and A-32 each of 32, S-1, S-2, S-3, S-11, S-13, S-14 and S-35 each of 37, M-4 and M-5 each of 12, and E-2 and E-3 each of 15, attached to deed recorded under Pierce County Auditor's file No. 2329115, and by this reference incorporated herein and made a part hereof as though fully set forth;

AND further accepting such property as is necessary for the use and maintenance over, along and under Pacific Avenue and Commerce Street in the City of Tacoma, Washington, adjoining the above described property for foundations, pillars, entrances and exits, overhanging walls and other structures, as are provided in said "Self-Parking Facilities for New Tacoma Parking Corporation Drawings", herein above referred to for said parking facilities;

AND further excepting all of the structural components of the escalade and the appurtenances thereto situate on the premises as the same were reserved in a deed recorded August 13, 1968, under Recording No. 2253558;

AND further excepting all air rights above the foregoing exceptions;

Situate in the City of Tacoma, County of Pierce, State of Washington.

A handwritten signature or set of initials, possibly "B" or "D", written in dark ink in the bottom right corner of the page.

Exhibit "B"
General Map Depiction

