

CONSULTANT: Lee & Associates Commercial Real Estate
Servcies, LLC

CONTACT PERSON: James Bowles

ADDRESS: 701 Pike Street, Suite 1025
Seattle, WA 98101

FEDERAL TAX ID NUMBER/U.B.I. NUMBER: 81-4374046 / 604 055 462

TELEPHONE: 206-773-2673

COUNTY DEPT: Public Works

DEPT. CONTACT PERSON: Randy Blair

TELEPHONE: 425-388-6650

PROJECT: Real Estate Brokerage and Marketing Services

AMOUNT: Not to exceed 4% of the Purchase Price as
defined in Section 3.f.

FUND SOURCE: Property Sale

CONTRACT DURATION: Execution through December 31, 2023,
unless extended or renewed pursuant
to Section 2 hereof

AGREEMENT CC04-21 FOR PROFESSIONAL SERVICES

THIS AGREEMENT (the "Agreement") is made by and between SNOHOMISH COUNTY, a political subdivision of the State of Washington (the "County") and Lee & Associates Commercial Real Estate Services, LLC, a Washington limited liability company (the "Contractor"). In consideration of the mutual benefits and covenants contained herein, the parties agree as follows:

1. Purpose of Agreement; Scope of Services. The purpose of this Agreement is for a Real Estate Brokerage and Marketing Services. The scope of services is as defined in Schedule A and the terms of the listing are defined in the Exclusive Sale Listing Agreement (Schedule B) attached hereto and by this reference made a part hereof. This Agreement is the product of County RFP No. RFP-008-20SB.

The services shall be performed in accordance with the requirements of this Agreement and with generally accepted practices prevailing in the western Washington region in the occupation or industry in which the Contractor practices or operates at the time the services are performed. The Contractor shall perform the work in a timely manner and in accordance with the terms of this Agreement. Any materials or equipment used by the Contractor in connection with performing the services shall be of good quality. The Contractor represents that it is fully qualified

to perform the services to be performed under this Agreement in a competent and professional manner.

The Contractor will prepare and present status reports and other information regarding performance of the Agreement as the County may reasonably request.

2. Term of Agreement; Time of Performance. This Agreement shall be effective upon Execution (the "Effective Date") and shall terminate on December 31, 2023. The Contractor shall commence work upon the Effective Date and shall complete the work required by this Agreement no later than December 31, 2023, PROVIDED, HOWEVER, that the County's obligations after December 31, 2021 are contingent upon local legislative appropriation of necessary funds for this specific purpose in accordance with the County Charter and applicable law.

3. Compensation.

a. Services. The County will pay the Contractor for services as and when set forth in Schedule B (Exclusive Sale Listing Agreement), which is attached hereto and by this reference made a part of this Agreement.

b. Overhead and Expenses. The Contractor's compensation for services includes overhead but does not include specific reimbursable expenses, which will be allowed only as and to the extent set forth in Schedule C attached hereto and by this reference made a part of this Agreement.

c. Invoices. The Contractor shall submit properly executed invoices to the County no more frequently than monthly. Each invoice shall include an itemization of the dates on which services were provided, including the number of hours and a brief description of the work performed on each such date. Each invoice shall also include an itemization of any reimbursable expenses incurred by the Contractor during the time period covered by the invoice, together with reasonable documentation substantiating such expenses, all in accordance with this Section 3 and Schedule C. Subject to Section 8 of this Agreement, the County will pay such invoices within thirty (30) calendar days of receipt.

d. Payment. The County's preferred method of payment under this contract is electronic using the County's "e-Payable" system with Bank of America. The Contractor is highly encouraged to take advantage of the electronic payment method.

In order to utilize the electronic payment method, the Contractor shall email SnocoEpaybles@snoco.org and indicate it was awarded a contract with Snohomish County and will be receiving payment through the County's e-Payable process. The Contractor needs to provide contact information (name, phone number and email address). The Contractor will be contacted by a person in the Finance Accounts Payable group and assisted with the enrollment process. This should be done as soon as feasible after County award of a contract or purchase order, but not exceeding ten (10) business days.

Department approved invoices received in Finance will be processed for payment within seven calendar days for e-Payable contractors. Invoices are processed for payment by Finance two times a week for contractors who have selected the e-Payable payment option.

In the alternative, if the Contractor does not enroll in the electronic (“e-Payable”) payment method described above, contract payments will be processed by Finance with the issuance of paper checks or, if available, an alternative electronic method. Alternative payment methods, other than e-Payables, will be processed not more than 30 days from receipt of department approved invoices to Finance.

THE COUNTY MAY MAKE PAYMENTS FOR PURCHASES UNDER THIS CONTRACT USING THE COUNTY’S VISA PURCHASING CARD (PCARD).

Upon acceptance of payment, the Contractor waives any claims for the goods or services covered by the Invoice. No advance payment shall be made for the goods or services furnished by Contractor pursuant to this Contract.

e. Payment Method. In addition to Payment section above, the County may make payments for purchases under this contract using the County’s VISA purchasing card (PCARD).

Are you willing to accept PCARD payments without any fees or surcharges?

Yes No

f. Contract Maximum. Total compensation under this Agreement, all fees and expenses included, shall not exceed four percent (4.0%) of the total Purchase Price of the Property. For the purposes of calculating the compensation, the “Purchase Price” shall mean the total consideration offered by the buyer, including cash payment and any deductions, offsets, allowances, or credits, whereby the County has agreed to reduce the cash payment in return for other consideration or value from the buyer.

4. Independent Contractor. The Contractor agrees that Contractor will perform the services under this Agreement as an independent contractor and not as an agent, employee, or servant of the County. This Agreement neither constitutes nor creates an employer-employee relationship. The parties agree that the Contractor is not entitled to any benefits or rights enjoyed by employees of the County. The Contractor specifically has the right to direct and control Contractor’s own activities in providing the agreed services in accordance with the specifications set out in this Agreement. The County shall only have the right to ensure performance. Nothing in this Agreement shall be construed to render the parties partners or joint venturers.

The Contractor shall furnish, employ and/or have contractual control of all persons to be engaged in performing the Contractor’s obligations under this Agreement (the “Contractor personnel”), and shall prescribe and control the means and methods of performing such obligations by providing adequate and proper supervision. Such Contractor personnel shall for all purposes be solely the employees or agents of the Contractor and shall not be deemed to be employees or agents of the County for any purposes whatsoever. With respect to Contractor personnel, the Contractor shall be solely responsible for compliance with all rules, laws and regulations relating

to employment of labor, hours of labor, working conditions, payment of wages and payment of taxes, including applicable contributions from Contractor personnel when required by law.

Because it is an independent contractor, the Contractor shall be responsible for all obligations relating to federal income tax, self-employment or FICA taxes and contributions, and all other so-called employer taxes and contributions including, but not limited to, industrial insurance (workers' compensation). The Contractor agrees to indemnify, defend and hold the County harmless from any and all claims, valid or otherwise, made to the County because of Contractor's obligations outlined in this section.

The Contractor assumes full responsibility for the payment of all payroll taxes, use, sales, income, or other form of taxes, fees, licenses, excises or payments required by any city, county, federal or state legislation which are now or may during the term of the Agreement be enacted as to all persons employed by the Contractor and as to all duties, activities and requirements by the Contractor in performance of the work under this Agreement. The Contractor shall assume exclusive liability therefor, and shall meet all requirements thereunder pursuant to any rules or regulations that are now or may be promulgated in connection therewith.

5. Ownership. Any and all data, reports, analyses, documents, photographs, pamphlets, plans, specifications, surveys, films or any other materials created, prepared, produced, constructed, assembled, made, performed or otherwise produced by the Contractor or the Contractor's subcontractors or consultants for delivery to the County under this Agreement shall be the sole and absolute property of the County. Such property shall constitute "work made for hire" as defined by the U.S. Copyright Act of 1976, 17 U.S.C. § 101, and the ownership of the copyright and any other intellectual property rights in such property shall vest in the County at the time of its creation. Ownership of the intellectual property includes the right to copyright, patent, and register, and the ability to transfer these rights. Material which the Contractor uses to perform this Agreement but is not created, prepared, constructed, assembled, made, performed or otherwise produced for or paid for by the County is owned by the Contractor and is not "work made for hire" within the terms of this Agreement. Notwithstanding the foregoing, the County acknowledges that certain content contained in work product may be from, or derivative from, third party sources and copyrighted materials, for which Contractor has no authority or right to assign ownership or interest. Certain license(s) will be granted to various third parties for their use of the work product and will possess certain rights to the content. County further acknowledges that the work product may be disseminated broadly to third parties as part of the marketing efforts, and Contractor shall have no responsibility for any third party's conduct with respect to the work product, including enforcement of any of County's rights herein described. Notwithstanding the foregoing, County hereby grants to Contractor an irrevocable, non-exclusive, royalty-free, paid-up, transferable (including sublicensing), and perpetual license for the unfettered use of any work product.

6. Changes. No changes or additions shall be made in this Agreement except as agreed to by both parties, reduced to writing and executed with the same formalities as are required for the execution of this Agreement.

7. County Contact Person. The assigned contact person (or project manager) for the County for this Agreement shall be:

Name: Randy Blair
Title: Special Projects Manager
Department: Public Works
Telephone: (425) 388-6650
Email: randy.blair@snoco.org

8. County Review and Approval. When the Contractor has completed any discrete portion of the services, the Contractor shall verify that, to the best of its knowledge, the work is free from errors and defects and otherwise conforms to the requirements of this Agreement. The Contractor shall then notify the County that said work is complete. The County shall promptly review and inspect the work to determine whether the work is acceptable. If the County determines the work conforms to the requirements of this Agreement, the County shall notify the Contractor that the County accepts the work. If the County determines the work contains errors, omissions, or otherwise fails to conform to the requirements of this Agreement, the County shall reject the work by providing the Contractor with written notice describing the problems with the work and describing the necessary corrections or modifications to same. In such event, the Contractor shall promptly remedy the problem or problems and re-submit the work to the County. The Contractor shall receive no additional compensation for time spent correcting errors. Payment for the work will not be made until the work is accepted by the County. The Contractor shall be responsible for the accuracy of work even after the County accepts the work. The County's approval for the closing/settlement of a sale transaction shall be deemed acceptance of such work by the County.

If the Contractor fails or refuses to correct the Contractor's work when so directed by the County, the County may withhold from any payment otherwise due to the Contractor an amount that the County in good faith believes is equal to the cost the County would incur in correcting the errors, in re-procuring the work from an alternate source, and in remedying any damage caused by the Contractor's conduct.

9. Subcontracting and Assignment. The Contractor shall not subcontract, assign, or delegate any of the rights, duties or obligations covered by this Agreement without prior express written consent of the County. Any attempt by the Contractor to subcontract, assign, or delegate any portion of the Contractor's obligations under this Agreement to another party in violation of the preceding sentence shall be null and void and shall constitute a material breach of this Agreement.

10. Records and Access; Audit; Ineligible Expenditures. The Contractor shall maintain adequate records to support billings. Said records shall be maintained for a period of seven (7) years after completion of this Agreement by the Contractor. The County or any of its duly authorized representatives shall have access at reasonable times to any books, documents, papers and records of the Contractor which are directly related to this Agreement for the purposes of making audit examinations, obtaining excerpts, transcripts or copies, and ensuring compliance by the County with applicable laws. Expenditures under this Agreement, which are determined by audit to be ineligible for reimbursement and for which payment has been made to the Contractor, shall be refunded to the County by the Contractor.

11. Indemnification.

The Contractor shall be responsible for its own intentional or negligent acts, errors and omissions (or anyone directly or indirectly employed by the Contractor, including subcontractors) and hereby agrees to indemnify, defend, hold harmless and release the County, its officers, officials, employees and agents and each of the heirs, personal representatives, successors and assigns of any of the foregoing, from and against any liabilities, losses, claims, damages, costs, demands, fines, judgments, penalties, obligations and payments, together with any reasonable costs and expenses (including, without limitation, reasonable attorneys' fees and out-of-pocket expenses and reasonable costs and expenses of investigation) incurred. Notwithstanding the foregoing, Contractor's liability for such matters shall be apportioned based on Contractor's actual contributory share.

The above indemnification obligations shall include, but are not limited to, all claims against the Contractor by an employee or former employee of the Contractor or its subcontractors, and the parties, by mutual negotiation, expressly waive all immunity and limitation on liability, as respects only the other party under any industrial insurance act, including Title 51 RCW, other Worker's Compensation act, disability benefit act, or other employee benefit act of any jurisdiction which would otherwise be applicable in the case of such claim.

In the event the County incurs any judgment, award and/or cost including attorney's fees to enforce the provisions of this section, any such judgment, award, fees, expenses and costs shall be recoverable from the Contractor.

The indemnification, protection, defense and save harmless obligations contained herein shall survive the expiration, abandonment or termination of this Agreement.

12. Insurance Requirements. The Contractor shall procure by the time of execution of this Agreement, and maintain for the duration of this Agreement, (i) insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the services hereunder by the Contractor, its agents, representatives, or employees, and (ii) a current certificate of insurance and additional insured endorsement when applicable.

a. General. Each insurance policy shall be written on an "occurrence" form, except that Professional Liability, Errors and Omissions coverage, if applicable, may be written on a claims made basis. If coverage is approved and purchased on a "claims made" basis, the Contractor warrants continuation of coverage, either through policy renewals or the purchase of an extended discovery period, if such extended coverage is available, for not less than three (3) years from the date of completion of the work which is the subject of this Agreement.

By requiring the minimum insurance coverage set forth in this Section 12, the County shall not be deemed or construed to have assessed the risks that may be applicable to the Contractor under this Agreement. The Contractor shall assess its own risks and, if it deems appropriate and/or prudent, maintain greater limits and/or broader coverage.

b. No Limitation on Liability. The Contractor's maintenance of insurance as required by this Agreement shall not be construed to limit the liability of the Contractor to the coverage provided by such insurance, or otherwise limit the County's recourse to any remedy available at law or in equity.

c. Minimum Scope and Limits of Insurance. The Contractor shall maintain coverage at least as broad as, and with limits no less than:

(i) General Liability: \$1,000,000 combined single limit per occurrence for bodily injury, personal injury and property damage, and for those policies with aggregate limits, a \$2,000,000 aggregate limit. CG 00 01 current edition, including Products and Completed Operations;

(ii) Automobile Liability: \$1,000,000 combined single limit per accident for bodily injury and property damage. CA 0001 current edition, Symbol 1;

(iii) Workers' Compensation: To meet applicable statutory requirements for workers' compensation coverage of the state or states of residency of the workers providing services under this Agreement;

(iv) Employers' Liability or "Stop Gap" coverage: \$1,000,000;

(v) Professional Liability: \$1,000,000.

d. Other Insurance Provisions and Requirements. The insurance coverages required in this Agreement for all liability policies except workers' compensation and Professional Liability, if applicable, must contain, or must be endorsed to contain, the following provisions:

(i) The County, its officers, officials, employees and agents are to be covered as additional insureds as respects liability arising out of activities performed by or on behalf of the Contractor in connection with this Agreement. Such coverage shall be primary and non-contributory insurance as respects the County, its officers, officials, employees and agents. Additional Insured Endorsement shall be included with the certificate of insurance, "CG 2026 current edition and CG 2037 current edition or its equivalent is required.

(ii) The Contractor's insurance coverage shall apply separately to each insured against whom a claim is made and/or lawsuit is brought, except with respect to the limits of the insurer's liability.

(iii) Any deductibles or self-insured retentions must be declared to, and approved by, the County. The deductible and/or self-insured retention of the policies shall not limit or apply to the Contractor's liability to the County and shall be the sole responsibility of the Contractor.

(iv) Insurance coverage must be placed with insurers with a Best's Underwriting Guide rating of no less than A:VIII, or, if not rated in the Best's Underwriting Guide, with minimum surpluses the equivalent of Best's surplus size VIII. Professional Liability, Errors and Omissions insurance coverage, if applicable, may be placed with insurers with a Best's rating of B+:VII. Any exception must be approved by the County.

Coverage shall not be suspended, voided, canceled, reduced in coverage or in limits until after forty-five (45) calendar days' prior written notice has been given to the County.

If at any time any of the foregoing policies fail to meet minimum requirements, the Contractor shall, upon notice to that effect from the County, promptly obtain a new policy, and shall submit the same to the County, with the appropriate certificates and endorsements, for approval.

e. Subcontractors. The Contractor shall include all subcontractors as insureds under its policies, or shall furnish separate certificates of insurance and policy endorsements for each subcontractor. **Insurance coverages provided by subcontractors instead of the Contractor as evidence of compliance with the insurance requirements of this Agreement shall be subject to all of the requirements stated herein.**

13. County Non-discrimination. It is the policy of the County to reject discrimination which denies equal treatment to any individual because of his or her race, creed, color, national origin, families with children, sex, marital status, sexual orientation, age, honorably discharged veteran or military status, or the presence of any sensory, mental, or physical disability or the use of a trained dog guide or service animal by a person with a disability as provided in Washington's Law against Discrimination, Chapter 49.60 RCW, and the Snohomish County Human Rights Ordinance, Chapter 2.460 SCC. These laws protect against specific forms of discrimination in employment, credit transactions, public accommodation, housing, county facilities and services, and county contracts.

The Contractor shall comply with the substantive requirements of Chapter 2.460 SCC, which are incorporated herein by this reference. Execution of this Agreement constitutes a certification by the Contractor of the Contractor's compliance with the requirements of Chapter 2.460 SCC. If the Contractor is found to have violated this provision, or to have furnished false or misleading information in an investigation or proceeding conducted pursuant to this Agreement or Chapter 2.460 SCC, this Agreement may be subject to a declaration of default and termination at the County's discretion. This provision shall not affect the Contractor's obligations under other federal, state, or local laws against discrimination.

14. Federal Non-discrimination. Snohomish County assures that no persons shall on the grounds of race, color, national origin, or sex as provided by Title VI of the Civil Rights Act of 1964 (Pub. L. No. 88-352), as amended, and the Civil Rights Restoration Act of 1987 (Pub. L. No. 100-259) be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any County sponsored program or activity. Snohomish County further assures that every effort will be made to ensure nondiscrimination in all of its programs and activities, whether those programs and activities are federally funded or not.

15. Employment of County Employees. SCC 2.50.075, "Restrictions on future employment of County employees," imposes certain restrictions on the subsequent employment and compensation of County employees. The Contractor represents and warrants to the County that it does not at the time of execution of this Agreement, and that it shall not during the term of this Agreement, employ a former or current County employee in violation of SCC 2.50.075. For breach or violation of these representations and warranties, the County shall have the right to terminate this Agreement without liability.

16. Compliance with Other Laws. The Contractor shall comply with all other applicable federal, state and local laws, rules, and regulations in performing this Agreement.

17. Compliance with Grant Terms and Conditions. The Contractor shall comply with any and all conditions, terms and requirements of any federal, state or other grant, if any, that wholly or partially funds the Contractor's work hereunder.

18. Prohibition of Contingency Fee Arrangements. The Contractor warrants that it has not employed or retained any company or person, other than a bona fide employee or agent/independent contractor working solely for the Contractor, to solicit or secure this Agreement and that it has not paid or agreed to pay any company or person, other than a bona fide employee or agent/independent contractor working solely for the Contractor, any fee, commission, percentage, brokerage fee, gifts or any other consideration, contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, the County shall have the right to terminate this Agreement without liability or, in its discretion, to deduct from the Agreement price or consideration, or otherwise recover, the full amount of such fee, commission, percentage, brokerage fee, gift or contingent fee.

19. Force Majeure. If either party is unable to perform any of its obligations under this Agreement as a direct result of an unforeseeable event beyond that party's reasonable control, including but not limited to an act of war, act of nature (including but not limited to earthquake and flood), embargo, riot, sabotage, labor shortage or dispute (despite due diligence in obtaining the same), or governmental restriction imposed subsequent to execution of the Agreement (collectively, a "force majeure event"), the time for performance shall be extended by the number of days directly attributable to the force majeure event. Both parties agree to use their best efforts to minimize the effects of such failures or delays.

20. Suspension of Work. The County may, at any time, instruct the Contractor in writing to stop work effective immediately, or as directed, pending either further instructions from the County to resume the work or a notice from the County of breach or termination under Section 21 of this Agreement.

21. Non-Waiver of Breach; Termination.

a. The failure of the County to insist upon strict performance of any of the covenants or agreements contained in this Agreement, or to exercise any option conferred by this Agreement, in one or more instances shall not be construed to be a waiver or relinquishment of those covenants, agreements or options, and the same shall be and remain in full force and effect.

b. If the Contractor breaches any of its obligations hereunder, and fails to cure the same within thirty (30) business days of written notice to do so by the County, the County may terminate this Agreement, in which case the County shall pay the Contractor only for the services and corresponding reimbursable expenses, if any, accepted by the County in accordance with Sections 3 and 8 hereof.

c. The County may terminate this Agreement upon five (5) business days' written notice to the Contractor for any reason other than stated in subparagraph b above, in which case payment shall be made in accordance with Sections 3 and 8 hereof for the services and corresponding reimbursable expenses, if any, reasonably and directly incurred by the Contractor in performing this Agreement prior to receipt of the termination notice.

d. Termination by the County hereunder shall not affect the rights of the County as against the Contractor provided under any other section or paragraph herein. The County does not, by exercising its rights under this Section 21, waive, release or forego any legal remedy for any violation, breach or non-performance of any of the provisions of this Agreement. At its sole option, the County may deduct from the final payment due the Contractor (i) any damages, expenses or costs arising out of any such violations, breaches or non-performance and (ii) any other set-offs or credits including, but not limited to, the costs to the County of selecting and compensating another contractor to complete the work of the Agreement.

22. Notices. All notices and other communications shall be in writing and shall be sufficient if given, and shall be deemed given, on the date on which the same has been mailed by certified mail, return receipt requested, postage prepaid, addressed as follows:

If to the County: Snohomish County Public Works
 3000 Rockefeller Ave, M/S 607
 Everett, Washington 98201
 Attention: Randy Blair
 Special Projects Manager

If to the Contractor: Lee & Associates Commercial Real Estate Services, LLC
 701 Pike Street, Suite 1025
 Seattle WA 98101
 Attention: Jim Bowles
 President

The County or the Contractor may, by notice to the other given hereunder, designate any further or different addresses to which subsequent notices or other communications shall be sent.

23. Confidentiality. The Contractor shall not disclose, transfer, sell or otherwise release to any third party any confidential information gained by reason of or otherwise in connection with the Contractor's performance under this Agreement. The Contractor may use such information solely for the purposes necessary to perform its obligations under this Agreement. The Contractor shall promptly give written notice to the County of any judicial proceeding seeking disclosure of such information. Confidential Information shall not include information which: a) was lawfully possessed by the Contractor prior to receiving from the County; (b) becomes known by Contractor from a third-party source not under an obligation to the County to maintain confidentiality; (c) is generally known by the public through no fault of or failure to act by Contractor, or inconsistent with its obligations under this Agreement; (d) is required to be disclosed in a judicial or administrative proceeding, or is otherwise requested or required to be disclosed by law or regulation; or (e) is or has been independently developed by employees, consultants or agents of

the Contractor without violation of the terms of this Agreement and without reference or access to any Confidential Information provided by the County.

24. Public Records Act. This Agreement and all public records associated with this Agreement shall be available from the County for inspection and copying by the public where required by the Public Records Act, Chapter 42.56 RCW (the "Act"). To the extent that public records then in the custody of the Contractor are needed for the County to respond to a request under the Act, as determined by the County, the Contractor agrees to make them promptly available to the County. If the Contractor considers any portion of any record provided to the County under this Agreement, whether in electronic or hard copy form, to be protected from disclosure under law, the Contractor shall clearly identify any specific information that it claims to be confidential or proprietary. If the County receives a request under the Act to inspect or copy the information so identified by the Contractor and the County determines that release of the information is required by the Act or otherwise appropriate, the County's sole obligations shall be to notify the Contractor (a) of the request and (b) of the date that such information will be released to the requester unless the Contractor obtains a court order to enjoin that disclosure pursuant to RCW 42.56.540. If the Contractor fails to timely obtain a court order enjoining disclosure, the County will release the requested information on the date specified.

The County has, and by this section assumes, no obligation on behalf of the Contractor to claim any exemption from disclosure under the Act. The County shall not be liable to the Contractor for releasing records not clearly identified by the Contractor as confidential or proprietary. The County shall not be liable to the Contractor for any records that the County releases in compliance with this section or in compliance with an order of a court of competent jurisdiction.

25. Interpretation. This Agreement and each of the terms and provisions of it are deemed to have been explicitly negotiated by the parties. The language in all parts of this Agreement shall, in all cases, be construed according to its fair meaning and not strictly for or against either of the parties hereto. The captions and headings of this Agreement are used only for convenience and are not intended to affect the interpretation of the provisions of this Agreement. This Agreement shall be construed so that wherever applicable the use of the singular number shall include the plural number, and vice versa, and the use of any gender shall be applicable to all genders.

26. Complete Agreement. The Contractor was selected through the County's RFP identified in Section 1. The RFP and the Contractor's response are incorporated herein by this reference. To the extent of any inconsistency among this Agreement, the RFP and the Contractor's response, this Agreement shall govern. To the extent of any inconsistency between the RFP and the Contractor's response, the RFP shall govern.

27. Conflicts between Attachments and Text. Should any conflicts exist between any attached exhibit or schedule and the text or main body of this Agreement, the text or main body of this Agreement shall prevail.

28. No Third Party Beneficiaries. The provisions of this Agreement are for the exclusive benefit of the County and the Contractor. This Agreement shall not be deemed to have conferred any rights, express or implied, upon any third parties.

29. Governing Law; Venue. This Agreement shall be governed by the laws of the State of Washington. The venue of any action arising out of this Agreement shall be in the Superior Court of the State of Washington, in and for Snohomish County.


30. Severability. Should any clause, phrase, sentence or paragraph of this agreement be declared invalid or void, the remaining provisions of this Agreement shall remain in full force and effect.

31. Authority. Each signatory to this Agreement represents that he or she has full and sufficient authority to execute this Agreement on behalf of the County or the Contractor, as the case may be, and that upon execution of this Agreement it shall constitute a binding obligation of the County or the Contractor, as the case may be.

32. Survival. Those provisions of this Agreement that by their sense and purpose should survive expiration or termination of the Agreement shall so survive.

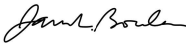
33. Execution in Counterparts. This Agreement may be executed in counterparts, each of which shall constitute an original and all of which shall constitute one and the same Agreement.

SNOHOMISH COUNTY:


Ken Klein
2021.09.16 07:57:10
-07'00'

County Executive Date

LEE & ASSOCIATES COMMERCIAL
REAL ESTATE SERVICES, LLC:


James L. Bowles
2021.09.14 11:00:27
-07'00'

Date

Approved as to insurance
and indemnification provisions:

Barker, Sheila Digitally signed by Barker, Sheila
Date: 2021.09.15 16:26:31
-07'00'

Risk Management Date

Approved as to form only:

/s/ George Marsh 08/11/21
Deputy Prosecuting Attorney Date

Schedule A Scope of Services

The Scope of Services will have two major elements, each with their own distinct tasks. These elements are:

- 1) Supplement as necessary the strategic marketing plan previously prepared by Leland Consulting Group for marketing and disposition of the property consistent with the County's objectives;
- 2) Identify qualified prospective purchasers and assist the County with purchaser/ developer selection and negotiation of purchase and sale agreements and other documents as necessary to close the sale of the property.

Element 1: Strategic Marketing Plan

- Task 1. Consultant will, as necessary, supplement the strategic disposition plan previously prepared by Leland Consulting Group to successfully position and maximize the value of the property in the real estate marketplace.
- Task 2. Consultant will meet with County officials and the staff team to reaffirm the County's objectives for the property and to refine and finalize the scope of services for this project including a detailed timeline for delivery of required work products.
- Task 3. If necessary assist County Communications team with community outreach.

Element 2: Purchaser/Developer Selection and Negotiation of Purchase and Sale Documents

- Task 1. Consultant will have lead responsibilities in marketing the properties to prospective purchaser/ developers or real estate investors, including the preparation of marketing materials and the formation of outreach strategies to identify and attract potential buyers.
- Task 2. Consultant will assist with structuring and managing a purchaser/developer selection process.
- Task 3. Consultant will assist the County in evaluating proposals for consistency with County objectives, financial risk and feasibility within the real estate marketplace.
- Task 4. Consultant will participate in negotiating and reviewing any terms with respect to the sale of the property

Ongoing Task: At regular intervals during the duration of the contract, the consultant will provide a written status report updating the County on the status of work.

In addition and more specifically this scope of work will include the following;

Phase 1 – Pre-Marketing & Development Feasibility

Upon formal engagement by the County, Lee & Associates (hereinafter referred to as the “Team”) will begin reviewing existing information available from the County, the City of Snohomish, and other public sources, in order to better understand the property conditions. The Team will conduct a market analysis, to include valuation of the property as-is, detailing comparable transactions, potentially competitive properties, and a highest-and-best use in order to formulate a tailored marketing plan. To the degree there are pieces of information missing, the Team will inform the County. Lee & Associates will perform a feasibility study for the development of the property to ensure we understand its highest and best use.

This will include:

- Full document review, including any reports (ALTA survey, environmental assessments, Physical Condition Assessments, capital expenditure and ongoing capital budgets, title reports, and any other relevant documentation) in the County’s possession.
- Consider procuring additional studies, if warranted (the team will assist the County in procuring them via third party providers).
- Zoning/code research and determine any additional regulatory issues that may affect the sites.
- Determine the approximate maximum building density allowed.
- Prepare a mock pro-forma financial analysis

Phase 2 – Marketing Materials

Informed by the groundwork that was performed in the previous phase, the Team will prepare a comprehensive Offering Memorandum / Request for Proposal (for Acquisition and Development). The marketing materials will be prepared by our professional in-house graphics and marketing team. The marketing materials will incorporate the benefits and opportunities of the property as well as highlight the location within Snohomish County, especially its proximity to amenities. The marketing package will include the general parameters that the County expects to see in the proposals, so that offerors have advance knowledge of key proposal requirements thereby ensuring their vision of this asset and its relationship to the surrounding area aligns with that of the County (and City).

Phase 3 – Marketing Campaign

Upon approval of marketing materials by the County, the Team will publish the property broadly to the public via a multi-pronged marketing campaign, which includes (but not limited to) the following:

- Signage – Install signage at the property that makes clear the property is for sale and provides contact information to reach us for further detail. Special signage, renderings, and large signs may be asked to have shared participation in costs by the County (at County’s sole discretion).

- Electronic Mail/Proprietary Buyer List - Broadcast email to a list of active brokers announcing the availability of the properties to the market. Given our recent experiences with similar development sites, we will also utilize a proprietary distribution list of local, regional, and national developers that would be suitable for this project.
- Developers/Cold Call - Once the marketing materials are out to the public, the Team will call potential Developers that are active and working on like-kind projects to present the opportunity.
- Lee & Associates Website - Listing information will be posted to the local and national Lee & Associates company websites at www.lee-nw.com and www.lee-associates.com. Listings are updated regularly and are visited by brokers as well as potential buyers.
- CBA Multiple Listing Service - Listing information will be submitted to the Commercial Brokers Association (CBA) for publication on their website.
- Other Online Listing Services - Lee & Associates selects the best marketing mediums for our client's property and pays for premium listing services. In addition to our calling efforts, the properties will be showcased on CoStar, Crexi, Loopnet, and others, maximizing the exposure and practicing Search Engine Optimization (SEO) to push to the forefront.
- NWMLS - Lee & Associates are members of, and upon request, have the ability to list property on the NW MLS, one of the largest, primarily residential listing services – which will “push” to other platforms, including Redfin, Trulia, Zillow and other major websites.
- Influencers Campaign – Real Estate Attorneys, architects, other industry vendors, EDC's, industry/trade groups, and other organizations are excellent lead generators, and will be leveraged by the Team.
- Print Media – At the County's discretion, the Listing Team can coordinate print media advertisements, as well as public notices, particularly the RFP. The County would pay for these third-party services directly.
- Social Media - In an effort to broaden the reach of listings, our company posts updates on sales activity, new listings, availabilities and pertinent market information on social media channels.

During the marketing period, the Team will also be coordinating all tours of the subject property and transmittal of preliminary due diligence materials with prospective buyers, brokers, and third-party vendors to facilitate the transaction and ensure the process moves along at an acceptable pace. In addition, having organized due diligence materials and the answers to questions that come up.

The Team will provide thorough reporting that is designed to keep the County's staff informed throughout the process. As the marketing campaign is underway, the team will continuously monitor all activity and report the current status on a regular basis, as agreed to with the County. Communications with the County will likely include regular monthly meetings, verbal and email status reports, and preparation of memoranda and presentations for County Council meetings.

Phase 4 – Offer Review & Negotiations

Given the interest to maximize the proceeds in the current strong market conditions, the Team will likely recommend a "Call for Offers" date to ensure potential buyers move judiciously on the opportunity.

The Team will collect and send all offers and provide a matrix to compare the offers received in a transparent way that allows the County to make an informed decision. Such comparison includes detailed economic and financial analysis. In some instances, we have worked with the client to develop a scoring system, which can offer a somewhat less subjective comparison. The Team will perform research on the prospective buyer to assist the County in determining if a buyer is capable of closing on the property. This is done by researching the buyer's previous transactions/projects and inquiries to vendors or other third-parties in our network that may have experiences with the prospective buyer(s).

Once a buyer is selected by the County, the Team would assist the County and its counsel with the drafting and negotiating a Purchase & Sale Agreement.

Phase 5 – Due Diligence & Closing

The closing will be split into two parts: a feasibility/due diligence period and a closing period. During the feasibility/due diligence period, the Team will be in constant discussions with the buyer to ensure appropriate reports are ordered and steps taken. Upon conclusion of the due diligence period, the buyer will typically convert their earnest money to non-refundable, but will likely be continuing its entitlement work. After that the Team will facilitate the distribution and collection of documents, as needed, and help coordinate with buyer, lender, and counsel to facilitate a smooth and timely closing.

Schedule B
Exclusive Sale Listing Agreement

This Agreement is made by and between the Snohomish County, a Washington municipal corporation ("Seller") and Lee & Associates Commercial Real Estate Services, LLC ("Firm"). Seller hereby grants to Firm the exclusive and irrevocable right to sell Seller's commercial real estate legally described as set forth on attached Exhibit A and commonly described as the Snohomish Shops Property of approximately 9.4 acres of land located between Bonneville Avenue and Avenue "D" in Snohomish, Washington (the "Property").

1. DURATION OF AGREEMENT. This Agreement shall commence and expire on the same dates as the Professional Services Agreement for which this Exclusive Sale Listing Agreement is a part.

2. PRICE AND TERMS. The sale price and any sale terms shall be subject to Seller's approval in its sole discretion.

3. DEFINITIONS. As used in this Agreement, (a) "CBA" shall mean the Commercial Brokers Association; and (b) "sell" shall mean sell, contract to sell, exchange, grant, option, lease, transfer, or convey the Property or portions thereof. The phrases "this Agreement" and "during the term hereof" include separate, written extensions or renewals of this Agreement.

4. AGENCY/DUAL AGENCY. Seller authorizes Firm to appoint Zane Shiras and Chris Peterson as Seller's Listing Broker(s). This Agreement creates an agency relationship with Listing Broker and any of Firm's brokers who supervise Listing Broker's performance as Seller's agent ("Supervising Broker"). No other brokers affiliated with Firm are agents of Seller, except to the extent that Firm, in its discretion, appoints other brokers to act on Seller's behalf as and when needed.

If the Property is sold to a buyer represented by one of Firm's brokers other than Listing Broker ("Buyer's Broker"), Seller consents to any Supervising Broker, who also supervises Buyer's Broker, acting as a dual agent. If the Property is sold to a buyer who Listing Broker also represents, Seller consents to Listing Broker and Supervising Broker acting as dual agents. Seller has received from Listing Broker the pamphlet entitled "The Law of Real Estate Agency." If any of Firm's brokers act as a dual agent, Firm shall be entitled to the entire commission payable under this Agreement plus any additional compensation Firm may have negotiated with the buyer.

5. PROPERTY OWNERSHIP AND INFORMATION. Seller warrants that Seller has the right to sell the Property on the terms set forth in this Agreement and agrees to furnish and pay for a buyer's policy of title insurance showing marketable title to the Property. Seller also warrants that the Property information provided to the Firm by Seller is correct. Seller understands that Firm and other members of CBA will make representations to prospective buyers based solely on the Property information and agrees to indemnify and hold Firm and other members of CBA harmless in the event the foregoing warranties are incorrect. Seller confirms that following closing, the amount of the purchase price and any other terms of the sale of the Property shall not be deemed

confidential information and Seller authorizes disclosure of the same. Seller acknowledges receipt of a copy of this Agreement.

6. COMMISSION. Firm shall be entitled to a commission if: (a) Seller sells the Property during the term of this Agreement; (b) Seller sells the Property within twelve (12) months after the expiration or sooner termination of this Agreement (the "Protection Period") to a person or entity that submitted an offer to purchase the Property during the term of this Agreement or that appears on a registration list provided by Firm pursuant to this Agreement or to an "Affiliate" of such a person or entity that submitted an offer or that appears on the registration list and such sale eventually closes (including if a pending transaction closes after the expiration of the Protection Period); or (c) the Property is made unmarketable by Seller's voluntary act.

The commission shall be calculated as follows: The commission shall be equal to four percent (4.0%) of either the gross sale price of the Property, or the appraised value of the Property, whichever is greater. The commission shall be due and payable at the closing of the sale of the Property and will be paid from the transaction escrow. In the event that the Property is sold to a buyer represented by any other broker(s) other than Listing Broker, then the buyer shall be responsible for any commission owed to such co-operating broker.

Firm shall submit any registration list to Seller within 15 days after the expiration or sooner termination of this Agreement and shall include on the registration list persons or entities to whose attention the Property was brought through the signs, advertising or other action of Firm, or who received information secured directly or indirectly from or through Broker during the term of this Agreement. Seller shall provide the registration list to any other brokers that assist the Seller with this Property. "Affiliate" means, with respect to any person or entity that submitted an offer during the term of this Agreement or that appears on the registration list, any buyer which has more than a 10% ownership or voting interest in such an entity or any buyer in which more than 10% of the ownership or voting interests are owned or controlled by such a person or entity.

8. FIRM/MULTIPLE LISTING. Firm shall cause this listing to be published by CBA for distribution to all CBA members through CBA's listing distribution systems. Firm shall cooperate with all other members of CBA in working toward the sale of the Property. Seller understands and agrees that all Property information contained in this Agreement or otherwise given to CBA becomes the Property of CBA, is not confidential, and will be given to third parties, including prospective buyers, other cooperating members of CBA who do not represent the Seller and, in some instances, may represent the buyer and other parties granted access to CBA's listing systems. Regardless of whether a cooperating member is the Firm of the buyer, the Seller, neither or both, the member shall be entitled to receive the selling office's share of the commission as designated by the listing office. It is understood that CBA is not a party to this Agreement, and its sole function is to furnish the descriptive information set forth in this listing to its members, without verification and without assuming any responsibility for such information or in respect to this Agreement.

9. ATTORNEY'S FEES. In the event either party employs an attorney to enforce any terms of this Agreement and is successful, the other party agrees to pay a reasonable attorney's fee and any

costs and expenses incurred. In the event of trial, venue shall be in the county in which the Property is located, and the amount of the attorney's fee shall be as fixed by the court.

10. OTHER PROPERTIES. In the event that Seller elects to sell additional properties during the Term, then Seller shall have the option to list those additional properties for sale by Firm, upon the same terms and conditions as the subject Property. For each additional property for which the Seller desires Firm's services, Seller shall deliver written notice to Firm with an address, parcel number, and legal description for each additional property.

11. ADDITIONAL TERMS. In addition to the Exhibit A (legal description), the following amendments or addenda (which are also attached hereto) are part of this Agreement: None.

SELLER


Ken Klein, Executive Director

Ken Klein
2021.09.16 07:57:42 -07'00'

(Seller/Authorized Signature)

Title: _____


Date: _____

(Seller/Authorized Signature)

Title: _____

Date: _____

FIRM



James L. Bowles
2021.09.14 11:03:22 -07'00'

(Office)

By: _____

(Authorized Representative)

Date: _____

EXHIBIT A
(Legal Description)

For APN/Parcel ID(s): 28051200405400, 00538900200100 and 00487700000901

Parcel A:

That portion of the northeast quarter of the southeast quarter of Section 12, Township 28 North, Range 5 East, W.M., in Snohomish County, Washington, described as follows:

Beginning at the northeast corner of the northeast quarter of the southeast quarter of said Section;
Thence South 89°38'00" West 627.32 feet to the easterly boundary of the Snohomish-Marysville County Road and the true point of beginning;
Thence North 89°38'00" East 627.32 feet;
Thence South 01°13'55" East 194.33 feet;
Thence South 89°38'00" West 100 feet;
Thence South 01°13'55" East 464.82 feet parallel to and 100 feet west at right angles to the east boundary line of said northeast quarter of the southeast quarter of Section 12;
Thence South 89°31'00" West 200 feet to to the easterly boundary line of the Snohomish-Marysville County Road;
Thence North 27°24'00" West along said County Road 735 feet, more or less, to the true point of beginning;
Except road; and

Beginning at the northwest corner of Lot 9, Map of the Lake Addition to the City of Snohomish, according to the plat thereof recorded in [Volume 5 of Plats, Page 10](#), records of Snohomish County, Washington;
Thence South 89°38'00" West 100 feet;
Thence South 01°13'55" East to a point west of the southwest corner of said Lot 9;
Thence North 89°38'00" East 100 feet;
Thence north along the east boundary line of the northeast quarter of the southeast quarter of said Section 12 to the point of beginning; and

Beginning at the northwest corner of Lot 8, Map of the Lake Addition to the City of Snohomish, according to the plat thereof recorded in [Volume 5 of Plats, Page 10](#), records of Snohomish County, Washington;
Thence south 18 feet;
Thence west to the easterly boundary line of the Snohomish-Marysville County Road;
Thence northerly along the east line of said County Road to a point west of the point of beginning;
Thence east to the point of beginning; and

Beginning at a point 18 feet south of the northwest corner of Lot 8, Map of the Lake Addition to the City of Snohomish, according to the plat thereof recorded in [Volume 5 of Plats, Page 10](#), records of Snohomish County, Washington;
Thence south 80 feet;
Thence west to the easterly boundary line of the Snohomish-Marysville County Road;
Thence northerly along the east line of said County Road to a point west of the point of beginning;
Thence east to the point of beginning.

This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by Chicago Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I-Requirements; Schedule B, Part II-Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.

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Situate in the County of Snohomish, State of Washington.

Parcel B:

Lots 1 through 6, inclusive, Block 2, Panting's Addition to Snohomish, Washington, according to the plat thereof recorded in Volume 2 of Plats, Page 10, records of Snohomish County, Washington;

Together with that portion of vacated James Street and the west half of vacated Summit Avenue adjoining, and of vacated alley adjoining, which upon vacation, attached to said premises by operation of law;

Together with all that portion of vacated Summit Avenue and James Street lying adjacent to Lots 17 through 19, inclusive, Block 1, Panting's Addition to Snohomish, Washington, according to the plat thereof recorded in Volume 2 of Plats, Page 10, records of Snohomish County, Washington, described as follows:

Beginning at point of intersection of the centerline of vacated alley in Block 1 and the south line of the northeast quarter of Section 12, Township 28 North, Range 5 East of the Willamette Meridian;
Thence North 0°17'30" West for 11.5 feet;
Thence South 89°42'30" West for 148 feet;
Thence North 10°40'24" West for 91 feet, more or less, to the centerline of Summit Avenue;
Thence south along said centerline to the south line of the northeast quarter of said Section 12;
Thence North 89°42'30" East for 163 feet to the true point of beginning,

Except that portion described as follows:

All that portion of Lots 3 through 6, inclusive, together with the west half of vacated Summit Avenue, Block 2, Panting's Addition to Snohomish, Washington, according to the plat thereof recorded in Volume 2 of Plats, Page 10, records of Snohomish County, Washington, described as follows:

Beginning at the northwest corner of Lot 6;
Thence North 89°59'30" East 80 feet to the true point of beginning;
Thence South 48°00'00" East for 53 feet;
Thence South 37°00'00" East for 56.56 feet;
Thence South 10°40'24" East for 17 feet, more or less, to an intersection of the centerline of vacated Summit Avenue;
Thence north along said centerline of Summit Avenue to a point that is North 89°59'30" East of the true point of beginning;
Thence South 89°59'30" West to the true point of beginning.

Situate in the County of Snohomish, State of Washington.

Parcel C:

This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by Chicago Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I-Requirements; Schedule B, Part II-Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.

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That portion of Lot 9, Map of the Lake Addition to the City of Snohomish, according to the plat thereof recorded in [Volume 5 of Plats, Page 10](#), records of Snohomish County, Washington, lying westerly of State Highway No. 15 (Avenue D); and

The south 10 feet of Lot 9, Map of the Lake Addition to the City of Snohomish, according to the plat thereof recorded in [Volume 5 of Plats, Page 10](#), records of Snohomish County, Washington, lying easterly of State Highway No. 15 (Avenue D);

Together with that vacated portion of 13th Street adjoining, as vacated pursuant to City of Snohomish Ordinance No. 1811 recorded under [Recording Number 9705160185](#).

Situate in the County of Snohomish, State of Washington.

Schedule C
Expenses

The Commission is inclusive of all costs and expenses that are typical and customary for commercial real estate transactions. The County, at the County's sole discretion, may elect to fund above-standard materials and services directly.

THIRD PARTY VENDORS

Any other third-party reports and studies (by way of example, surveys, geotechs, etc.) that are needed shall be contracted directly between the County and the service provider, although the Contractor will assist in procuring/liasing any needed third-party services at no additional charge.