

RESOLUTION NO. 2489

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND AUTHORIZING PURCHASE OF CERTAIN WATERFRONT PROPERTY COMMONLY KNOWN AS THE SAILBOATS EAST PROPERTY.

WHEREAS, the City of Kirkland has heretofore received grant assistance and authorization to acquire certain waterfront properties commonly known as the Sailboats East properties, and

WHEREAS, the owner thereof heretofore gave to the City of Kirkland an option to purchase said property for the reasonable fair market value thereof as determined by appraisal, and

WHEREAS, the City has been requested by said owner to be released from said option and in-lieu thereof enter into a three-way property exchange contract, wherein the City will actually purchase the property from a third party, but at the agreed fair market value as determined by appraisal nevertheless,

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Kirkland as follows:

Section 1. The Mayor is hereby authorized and directed to sign on behalf of the City of Kirkland that certain exchange contract between the City of Kirkland, Sailboats East, inc., and Harbor Marina Yacht Basin, Inc., a copy of which said contract is attached to this resolution, and by this reference incorporated herein.

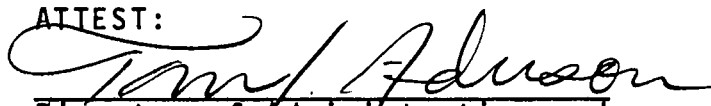
Section 2. The City Manager is hereby authorized to perform any and all conditions or terms of said agreement required to be performed by the City of Kirkland including payment of the purchase price in the amount of \$245,000.00 in order to effectuate purchase of the real property described in paragraph 1 of said contract by the City of Kirkland.

PASSED BY MAJORITY VOTE of the Kirkland City Council in regular meeting on the 9th day of January, 1978.



 MAYOR

ATTEST:



 Director of Administration and
 Finance
 (ex officio City Clerk)

EXCHANGE CONTRACT

THIS AGREEMENT entered into between the CITY OF KIRKLAND, hereinafter referred to as "Kirkland," SAILBOATS EAST, INC., a Washington corporation, hereinafter referred to as "Sailboats East," and HARBOR MARINA YACHT BASIN, INC., a Washington corporation, hereinafter referred to as "Harbor Marina."

1. Sailboats East, Inc., in consideration of \$1.00 paid and also in consideration of the conveyance by Harbor Marina of the premises hereinafter secondly described hereby agrees to sell and convey to Harbor Marina at a valuation for the purpose of this contract of \$245,000.00 the following real estate situated in King County, Washington, to wit:

A tract of land in and in front of Government lot 2, Section 8, Township 25 North, Range 5 East, W.M., in King County, Washington, described as follows:

Beginning at the intersection of Lake Street south and 5th Avenue South in the Town of Kirkland and running thence along the center line of said Lake Street South, south 0°57'09" west 133.20 feet to a point of curve; thence continuing on the center line tangent produced, south 0°57'09" west 23.71 feet to a point on the westerly production of the southerly boundary of the Seattle Addition to Kirkland, according to plat recorded in Volume 7 of Plats, page 15, in King County, Washington; thence along the said westerly production south 88°20'24" west 57.46 feet to a point on the meander line of said Section 8; thence north 88°20'24" east 26.99 feet to the westerly margin of Lake Street South; thence southerly on the arc of a curve to the right of radius 734.49 feet (the tangent to which at this point bears south 2°54'30" west) a distance of 160.00 feet to the true point of beginning of this description; thence continuing along the said margin on the arc of said curve a distance of 121.40 feet to a point on a line which is 40 feet northerly from and parallel with the north line of Crane and Dickey's Addition to Kirkland, according to plat recorded in Volume 3 of Plats, page 98, in King County, Washington thence south 88°34'34" west along the said parallel line 601.62 feet to the inner harbor line of Lake Washington; thence along the said inner harbor line north 1°47'17" west 146.99 feet to a point which bears north 88°24'00" west from the true point of beginning; thence south 88°24'00" east 648.02 feet to the true point of beginning.

Subject to the following encumbrances:

A. Contract of Sale dated 23 September 1965 and recorded under Auditor's Fee No. 5935801, between Frank W. Erikson and Eva D. Erikson; vendors, and Clyde A. Marmsoler and Dorothy E. Marmsoler, vendees, the balance of which contract owing as of December 31, 1977, is \$22,450.75.

B. Contract of Sale dated December 31, 1964 and recorded under Auditor's Fee No. 5834199 (amended October 7, 1971 and filed under Auditor's Fee No. 7110190566), between George Van Nostrom, vendor, and Robert Hass, vendee, the balance of which contract owing as of December 31, 1977, is \$20,887.56.

Both encumbrances shall be paid at closing out of the proceeds paid by Kirkland pursuant to Paragraph 4 of this agreement.

2. Harbor Marina in consideration of \$1.00 paid and also in consideration of such conveyance by Sailboats East, agrees to sell and convey to Sailboats East at a valuation for the purpose of this contract of \$564,325.24 the following real estate situated in Pierce County, Washington, to wit:

PARCEL A:

That part of Government Lot 1, Section 27, Township 21 North, Range 3 East of the W.M., and of Block 3 as the same is designated on the replat of Blocks 13 to 48, Tacoma Tide Lands, King County Annex, known as "Ashton Replat," which plat was filed for record in the office of the Auditor of Pierce County, Washington, December 23rd, 1918, described as follows:

Beginning at the intersection of the south line of the north 5 acres of said Government Lot 1 with the southwesterly right of way line of Marine View Drive, thence north 32°53' west along said right of way line 122.17 feet, more or less, to a point on said right of way line 46.36 feet southwest of its intersection with the north line of the south 2 1/2 acres of the north 5 acres of said Government Lot 1; thence at right angle to said right of way line south 57°07' west 43.30 feet, which line is 29.5 feet northwest of the northwest side of the house owned by Lillian Payne Casey as referred to in deed recorded November 13, 1951 in Book 1003 of Deeds at page 689, under Auditor's Fee No. 1609996; thence south 32°53' east parallel to said southwesterly right of way line of Marine View Drive, 117.22 feet; thence north 22°36'38" east 19.10 feet, more or less, to the sound line of the north 5 acres of Government Lot 1; thence easterly on said south line 46.38 feet, more or less, to the point of beginning.

PARCEL B:

Beginning at the intersection of the northwesterly line of Block 3 as the same is designated on the replat of Blocks 13 to 48, Tacoma Tide Lands, King County Annex, known as "Ashton Replat," which plat was filed for record in the office of the Auditor of said County, December 23rd, 1918, with the northerly right of way line of Hylebos Waterway, in Section 27, Township 21 North, Range 3 East of the W.M., thence south $47^{\circ}15'36''$ east a distance of 80 feet to the southeasterly line of Pile Bulkhead; thence north $42^{\circ}44'24''$ east along said Pile Bulkhead 27.70 feet, more or less, to the southwesterly line of Marine View Drive; thence north $32^{\circ}53'$ west along said southwesterly line 38.88 feet, more or less, to the south line of the north 5 acres of Government Lot 1 in Section 27, Township 21 North, Range 3 East of the W.M.' thence on the boundary line of property conveyed to Lillian Payne Casey by quit claim deed recorded November 13, 1951 under Auditor's Fee No. 1609996, records of said county, (which property is Parcel A above described) west 46.38 feet, more or less, to an angle point on said Casey Tract; thence continue on said boundary line south $22^{\circ}36'38''$ west 19.10 feet, more or less, to an angle point on said Casey Tract; thence on the southwesterly line of said Casey property north $32^{\circ}53'$ west parallel with the southwesterly line of Marine View Drive a distance of 117.22 feet to the southeasterly line of property conveyed to Lloyd A. Beeler and Jeanne D. Beeler, his wife, by warranty deed recorded under Auditor's Fee No. 1634586, records of said county; thence south $57^{\circ}11'40''$ west a distance of 46.86 feet to the northeasterly line of property conveyed to C. A. Witner, a bachelor, by warranty deed recorded under Auditor's Fee No. 1464561, records of said county; thence south $32^{\circ}48'20''$ east a distance of 34.78 feet to the most easterly corner of said Witner property; thence south $43^{\circ}47'40''$ west 575.41 feet; thence south $47^{\circ}15'38''$ east 92.53 feet to the point of beginning, being a portion of Government Lot 1 in Section 27, Township 21 North, Range 3 East of the W.M., and a portion of Blocks 2 and 3 as the same are designated on the replat of Blocks 13 to 48, Tacoma Tide Lands, King County Annex, known as "Ashton Replat," which plat was filed for record in the office of the Auditor of said County, December 23rd, 1918.

PARCEL C:

The easterly 50 feet of the westerly 300 feet (fronting on Hylebos Waterway) of Block 3, as the same is designated, in "STATE LAND COMMISSIONER'S REPLAT OF BLOCKS 13 TO 48, TACOMA TIDE LANDS, KING COUNTY ANNEX, KNOWN AS "ASHTON REPLAT," which plat was filed for record in the office of the Auditor of said County, December 23rd, 1918, in Section 27, Township 21 North, Range 3 East of the W.M., more particularly described as follows: Beginning at the intersection of the northwesterly line of said Block 3 with the

northerly right of way line of Hylebos Waterway; thence south 47°15'36" east along the said northerly line of the said Hylebos Waterway, 250 feet to the true place of beginning for this description; commencing at the true place of beginning, thence continuing south 47°15'36" east along the said northerly line of said waterway for a distance of 50 feet; thence north 42°44'24" east and at right angles to said northerly line of said waterway for a distance of 470 feet, more or less, to a point in the Government Meander Line; thence north 27°45'48" west along said Government Meander Line for a distance of 53.04 feet; thence south 42°44'24" west for a distance of 490 feet, more or less, to the true place of beginning.

PARCEL D:

A part of "STATE LAND COMMISSIONER'S REPLAT OF BLOCKS 13 TO 48, TACOMA TIDE LANDS, KING COUNTY ANNEX, KNOWN AS "ASHTON REPLAT," which plat was filed for record in the office of the Auditor of said County, December 23rd, 1918, in Section 27, Township 21 North, Range 3 East of the W.M., more particularly described as follows: Beginning at a point located south 47°15'36" east 80 feet, more or less, from the intersection of the northwesterly line of Lot 3 with the northerly line of Hylebos Waterway, said point being located on the southeasterly line of a pile bulkhead line extended as the same existed on May 13, 1947; thence continuing south 47°15'36" east 170 feet; thence north 42°44'24" east 496.86 feet to an intersection with the Government Meander Line; thence north 27°45'48" west 67.32 feet; thence north 22°36'38" west 117.22 feet, more or less, to an intersection with the southeasterly line of a pile bulkhead extended; thence south 42°44'24" west along the southeasterly face of said pile bulkhead line 568.22 feet, more or less, to point of beginning.

PARCEL E:

Beginning at meander corner on south line of Lot 2, Section 27, Township 21 North, Range 3 East of the W.M.; thence running east 20.62 feet to surveyed line of Marine View Highway; thence along said line north 51°38' west 136.2 feet; thence north 60°57' west 587.9 feet; thence north 21°56' west 338.3 feet to Station 78 + 49.4 of said surveyed line; thence south 68°04' west 30 feet to southwesterly line of said Highway and true place of beginning; thence continuing south 68°04' west 52 feet, more or less, to meander line of said lot; thence northerly on said meander line to the south line of a tract conveyed to Maurice Crain and Helen Crain by deed recorded December 21, 1954 under Auditor's Fee No. 1704207, records of said county; thence north 42°44'24" east 59.49 feet to the westerly line of Marine View Drive; thence southerly along said westerly line to true place of beginning.

Subject to the following encumbrances:

A. Real estate contract dated September 3, 1975 between B. Bruce Neilson and Marilyn J. Neilson, husband and wife, and L. Preston Blatter and E. June Blatter, husband and wife, vendors, and Harbor Marina Yacht Basin, Inc., a corporation, vendees, recorded on September 15, 1975 in the office of Pierce County Auditor under Auditor's File No. 2629007, the balance due on said contract on December 31, 1977, being \$147,463.50.

B. Contract of sale dated April 30, 1973 and recorded May 11, 1973 under Auditor's Fee No. 2499974 between Clifford C. Clarke and Ruth A. Clarke, husband and wife, vendors, and B. Bruce Neilson and Marilyn J. Neilson, husband and wife, and L. Preston Blatter and E. June Blatter, husband and wife, vendees, the balance due on said contract as of December 31, 1977, being \$128,100.60.

C. Mortgage dated May 11, 1967 executed by Harbor Marina Yacht Basin, Inc. to National Bank of Washington recorded under Auditor's Fee No. 2189412, the balance due on the note and mortgage as of December 31, 1977 being \$21,666.30.

D. Mortgage, dated May 1, 1973, executed by Harbor Marina Yacht Basin, Inc. to Clifford C. Clarke and Ruth A. Clarke, husband and wife, recorded June 15, 1973 under Auditor's Fee No. 2505753, the balance due on said mortgage as of December 31, 1977, being \$67,094.84.

E. Deed and seller's assignment of contract in nature of a mortgage dated December 30, 1976, executed by Clifford C. Clarke and Ruth A. Clarke, husband and wife, to Pacific National Bank of Washington for security purposes recorded March 15, 1973, under Auditor's Fee No. 2723130, which is a rerecord of instrument recorded under Auditor's Fee No. 2707885.

Sailboats East agrees to assume and pay A, B, C and D of the aforementioned contract notes and mortgages from the date of closing in accordance with the terms of that real estate contract dated September 3, 1975 between B. Bruce Neilson and Marilyn J. Neilson, husband and wife, and L. Preston Blatter and E. June Blatter, husband and wife, as sellers, and Harbor Marina Yacht Basin, Inc., a corporation, as purchaser recorded on September 15, 1975 in the office of the Pierce County Auditor under Auditor's

Fee No. 2629007 and Harbor Marina Yacht Basin, Inc. represents and warrants that the payments upon said contract are up to date as of the date of closing, and upon said date of closing the principal balance due to the sellers therein is no more than the principal sum of \$364,325.24 and this sum is payable by installments under the terms of the said contract.

3. Harbor Marina agrees to sell to Kirkland and Kirkland agrees to purchase from Harbor Marina the real estate described previously in paragraph 1. The purchase price for such sale shall be \$245,000.00 payable in cash by Kirkland into escrow prior to or at the closing date. Harbor Marina shall receive at closing \$195,000.00, Sailboats East shall receive \$6,661.69 and the balance of \$43,338.31 shall be used to pay off the encumbrances described in paragraphs 1A and 1B. Sailboats East shall hold \$5,000.00 of the \$6,661.69 as a holdback pending completion to the satisfaction of Sailboats East of certain sewer connection work being undertaken by and at the expense of Harbor Marina. In the event the work is not completed to the satisfaction of Sailboats East within 60 days after closing, Sailboats East may use all or any part of the held back money to complete said work. Kirkland hereby cancels those option agreements by and between Kirkland and Sailboats East dated April 14, 1977. All premises are sold subject to building and use restrictions whether imposed in the title or by governmental regulations.

5. Sailboats East shall have the following obligations to Harbor Marina for the property described in paragraph 2 above:

5.1 Sailboats East assumes and agrees to pay before delinquency all taxes and assessments that may as between grantor and grantee hereafter become a lien on said real estate.

5.2 Sailboats East agrees, until the purchase price is fully paid, to keep the buildings now and hereafter placed on said real estate insured to the actual cash value thereof against loss or damage by both fire and windstorm.

5.3 Sailboats East assumes all hazards of damage to or destruction of any improvements now on said real estate or hereafter placed thereon, and of the taking of said real estate or any part thereof for public use; and agrees that no such damage, destruction or taking shall constitute a failure of consideration. In case any part of said real estate is taken for public use, the portion of the condemnation award remaining after payment of reasonable expenses of procuring the same shall be paid to Harbor Marina and applied as payment on the purchase price herein unless Harbor Marina elects to allow Sailboats East to apply all or a portion of such condemnation award to the rebuilding or restoration of any improvements damaged by such taking. Sailboats East shall receive any portion of such award left after payment of the purchase price. In case of damage or destruction from a peril insured against, the proceeds of such insurance remaining after payment of the reasonable expense of procuring the same shall be devoted to the restoration or rebuilding of such improvements within a reasonable time, unless Sailboats East elects that said proceeds shall be paid to Harbor Marina for application on the purchase price herein.

5.4 Harbor Marina agrees, upon receiving full payment of the purchase price and interest in the manner above specified, to execute and deliver to purchaser an assignment of real estate contract or statutory warranty deed as appropriate to said real estate, excepting any part thereof hereafter taken for public use, free of encumbrances except as noted herein and any that may attach after date of closing through any person other than Harbor Marina.

5.5 Unless a different date is provided for herein, Sailboats East shall be entitled to possession of said real estate on date of closing and to retain possession so long as Sailboats East is not in default hereunder. Sailboats East

covenants to keep the buildings and other improvements on said real estate in good repair and not to permit waste and not to use, or permit the use of, the real estate for any illegal purpose. Sailboats East covenants to pay all service, installation or construction charges for water, sewer, electricity, garbage or other utility services furnished to said real estate after the date Sailboats East is entitled to possession.

5.6 In case Sailboats East fails to make any payment herein provided or to maintain insurance, as herein required, Harbor Marina may make such payment or effect such insurance, and any amounts so paid by Harbor Marina, together with interest at the rate of 10% per annum thereon from date of payment until repaid, shall be repayable by Sailboats East on Harbor Marina's demand, all without prejudice to any other right Harbor Marina might have by reason of such default.

5.7 Time is of the essence of this contract, and it is agreed that in case Sailboats East shall fail to comply with or perform any condition or agreement hereof or to make any payment required hereunder promptly at the time and in the manner herein required, Harbor Marina may elect to declare all Sailboat East's rights hereunder terminated, and upon his doing so, all payments made by Sailboats East hereunder and all improvements placed upon the real estate shall be forfeited to Harbor Marina as liquidated damages, and Harbor Marina shall have right to re-enter and take possession of the real estate; and no waiver by Harbor Marina of any default on the part of Sailboats East shall be construed as a waiver of any subsequent default.

Service upon Sailboats East of all demands, notices or other papers with respect to forfeiture and termination of Sailboat East's rights may be made by United States Mail, postage pre-paid, return receipt requested, directed to Sailboats East at the address last known to Harbor Marina.

5.8 Sailboats East shall not assign its interest in this contract without the express written consent of Harbor Marina endorsed thereon, but the consent of Harbor Marina shall not be arbitrarily or unreasonably withheld, and cause shall be stated therefor.

5.9 It is agreed that contemporaneously with the execution of this real estate contract that the parties hereto will execute a lease whereby Sailboats East as lessor will lease the above described real estate to Harbor Marina as lessee and that Harbor Marina will operate the marina moorage and dry storage rental operations and the marina lifts and ways service operation for Sailboats East.

6. The difference between the values of the respective premises over and above encumbrances shall be deemed for the purpose of this contract to be \$6,661.69 and said sum shall be due and payable by Harbor Marina to Sailboats East in cash at closing.

7. Harbor Marina agrees within 10 days from the date hereof to procure from Commonwealth Title Insurance Company a purchaser's policy of title insurance insuring the full amount of the contract valuation of the property described in paragraph 2 above against loss or damage by reason of defect in the title to said described premises or by reason of prior liens not assumed under this contract.

8. Sailboats East agrees within 10 days from the date hereof to procure at their expense from Chicago Title Insurance Company a policy of title insurance, including a report preliminary thereto, insuring that the title conveyed for the property described in paragraph 1 is as set forth in paragraph 9.

9. The purchase price of the property purchased by Kirkland from Harbor Marina is based upon the appraised value of the real property pursuant to RCW 8.26.010 and shall include any and all

statutory benefits flowing to a property owner as a result of acquisition by the City of Kirkland whether as a result of condemnation or otherwise. At closing Harbor Marina shall deliver to Kirkland a warranty deed conveying fee simple title free and clear of all encumbrances, liens, easements and restrictions except such easements and restrictions as may be acceptable to or required by the Washington State Interagency Committee for Outdoor Recreation and such other governmental agencies as may participate in any grant, assistance to Kirkland in connection with this property acquisition.

10. If the title to either or both of said properties described above is not good or cannot be made good by closing, then this agreement shall be void provided that any party may elect to take title of the other party as it is and in such case the other party shall convey as agreed provided that written notice of such election shall be given personally or by certified mail prior to the date of closing, said party also tendering performance.

11. Rents, insurance premiums and mortgage interest shall be adjusted as of date of delivery of deeds hereunder at which time proper transfers of existing leases and insurance policy shall be made.

12. Taxes for the current year shall be pro rated as of the date of closing. For the sale of property from Harbor Marina to Kirkland, pursuant to state law, Harbor Marina's portion of taxes thereof together with any delinquent property taxes shall be paid directly to the King County Treasurer by Kirkland out of the purchase price.

13. Each conveyance shall be by statutory warranty deed conveying the respective properties free of encumbrances except as herein stated and those created or suffered by the act or default of the party acquiring the property.

14. This contract shall be closed and deeds delivered at the office of Puget Sound National Bank, Main Tacoma Branch, at 2 p.m. in the afternoon January 3, 1978 ("Closing Date"), or such other date and place as shall be acceptable to all the parties hereto.

15. Risk of damages to the property until delivery of the deeds is assumed by the seller of each of the properties respectively.

16. The property of each of the parties hereto has been carefully inspected by the other parties and no agreements or representations pertaining thereto or to this transaction have been made save such as are stated herein.

17. Costs of any escrow and other closing costs not otherwise covered herein shall be divided equally between the parties, provided that Kirkland shall not bear any more expenses than if it had purchased the property directly from Sailboats East.

18. Sellers shall bear the 1% excise tax, if any.

19. In the event the City of Kirkland puts out for bid the removal of the structure located on the property described in paragraph 1 Sailboats East shall have the first right of refusal to remove and purchase said structure for the highest bid received by Kirkland.

20. Kirkland previously paid \$1,000 for options on the property described in paragraph 1. At the time of closing and cancellation of the options pursuant to paragraph 3, Sailboats East shall refund the \$1,000 to Kirkland.

21. In the event closing is at a later date than that date specified in paragraph 14, all allocations, costs, expenses, mortgage payments, contract payments and other similar payments shall be accounted for as though closing was January 1, 1978, provided that nothing herein shall be deemed to transfer risk of

loss or the duty to keep the property insured or to make necessary utility, mortgage, contract or other payments until actual closing.

22. Time is of the essence hereof.

DATED this 29 day of December, 1977.

CITY OF KIRKLAND

By S/ Robert L. Hein

SAILBOATS EAST, INC.

By [Signature]
President

By [Signature]
Secretary

HARBOR MARINA YACHT BASIN, INC.

By [Signature]
President

By [Signature]
Secretary

STATE OF WASHINGTON)
COUNTY OF King) ss.

On this day personally appeared before me R. L. Hesse and [Signature], to me known to be the President and Secretary, respectively, of SAILBOATS EAST, INC., the corporation that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that they are authorized to execute said instrument and that the seal affixed is the corporate seal of said corporation.

Given under my hand and official seal this 29th day of Dec, 1977.

[Signature]
NOTARY PUBLIC in and for the State of Washington, residing at Kirkland

STATE OF WASHINGTON)
) ss.
COUNTY OF _____)

On this day personally appeared before me Robert W. Hamilton
and Richard S. Hamilton to me known to be the President and
Secretary, respectively, of HARBOR MARINA YACHT BASIN, INC., the
corporation that executed the within and foregoing instrument,
and acknowledged the said instrument to be the free and voluntary
act and deed of said corporation, for the uses and purposes
therein mentioned, and on oath stated that they are authorized to
execute said instrument and that the seal affixed is the corporate
seal of said corporation.

Given under my hand and official seal this 23 day of
December, 1977.

Robert W. Hamilton
NOTARY PUBLIC in and for the State of
Washington, residing at _____

STATE OF WASHINGTON)
) ss.
COUNTY OF _____)

On this day personally appeared before me _____
and _____, to me known to be the
and _____, respectively, of the CITY OF KIRKLAND,
a municipal corporation organized under the laws of the State of
Washington that executed the within and foregoing instrument,
and acknowledged the said instrument to be the free and voluntary
act and deed of said corporation, for the uses and purposes
therein mentioned, and on oath stated that they are authorized to
execute said instrument and that the seal affixed is the corporate
seal of said corporation.

Given under my hand and official seal this _____ day of
_____, 1977.

NOTARY PUBLIC in and for the State of
Washington, residing at _____

HARBOR
MARINA
YACHT
BASIN
INC.



4224 Marine View Drive
Tacoma, Washington 98422

December 17, 1977

To whom it may concern:

Harbor Marina Yacht Basin, Inc. agrees to use
Chicago Title Company as the escrow agent for closing
Harbor Marina/ Sailboats East/ City of Kirkland in real
estate exchange.

A handwritten signature in cursive script that reads 'Robert W. Hamilton'. The signature is written in dark ink and is positioned above a horizontal line.

Robert W. Hamilton, President

A handwritten signature in cursive script that reads 'Richard L. Landon'. The signature is written in dark ink and is positioned above a horizontal line.

Richard L. Landon, Secretary

SAILBOATS EAST ALSO AGREE
TO USE CHICAGO TITLE AS ESCROW
AGENT FOR THE ABOVE

RJH
Secretary
SAILBOATS EAST INC.



and SAILBOATS EAST, Inc.

4224 Marine View Drive
Tacoma, Washington 98422

December 30, 1977

TO WHOM IT MAY CONCERN:

It is agreed that the closing date for the Real Estate exchange/sale between the City of Kirkland/Harbor Marina Yacht Basin, Inc./Sailboats East, Inc. will be on or around January 10th, 1978.

Harbor Marina Yacht Basin, Inc.

by

Robert W. Hamilton

Robert W. Hamilton, President

Richard L. Landon

Richard L. Landon, Secretary

Sailboats East, Inc.

by

Robert Haas

Robert Haas

Barbara Haas Sec.