

OPTION TO PURCHASE REAL ESTATE AGREEMENT

This OPTION TO PURCHASE REAL ESTATE AGREEMENT (“Option” or “Agreement”) is made by and between JJP Group LLC (“Optionor”), and the CITY OF OLYMPIA, a municipal corporation organized under the laws of the State of Washington (“Optionee”), together known as the parties (“Parties”), effective as of the “Effective Date” (as defined below in Section 15.15).

A. Optionor is the owner of certain real property located in the City of Olympia, Thurston County, Washington, legally described on **Exhibit A** attached hereto (“Property”).

B. Optionee has determined that Optionor’s Property is suitable for future temporary shelter/housing, affordable low income housing, a public roadway, wetlands preservation, and open space purposes.

C. The signatories to this Option are authorized to execute associated documents, to correct legal descriptions if need be, and to correct scrivener’s errors and other errors or omissions that are otherwise in substantial conformance with this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Optionor and Optionee agree as follows:

1. Property. Optionor hereby agrees to and does grant to Optionee an Option to Purchase the fee title rights to certain real property legally described herein on **Exhibit A** subject to the terms and conditions set forth herein, and Optionee hereby agrees to and does purchase an Option from Optionor to purchase the Property legally described on **Exhibit A**, subject to the terms and conditions set forth herein:

1.1 Land. Approximately 11.59 acres, more or less, consisting of Tax Parcel Number 11818420200 (1.76 acres, more or less) and Tax Parcel Number 11818420100 (9.83 acres, more or less) constituting the Property located in the City of Olympia, Thurston County, Washington, shown in a sketch on **Exhibit B**, attached hereto (the “Property”).

1.2 Appurtenances. All rights, privileges and easements appurtenant to the Property owned by Optionor, including without limitation any and all easements, rights-of-way and other appurtenances used in connection with the beneficial use and enjoyment of the Property (all of which are collectively referred to as the “Appurtenances”); and

1.3 Property for Right of Way. In addition to the foregoing, Optionor agrees to grant Optionee an Option to purchase right of way for public roadway purposes across the western portion of Tax Parcel Number 09840007000 (1.47 acres, more or less), as shown on **Exhibit C**. The width of the public road right of way shall be up to sixty-five (65) feet.

The Property, Appurtenances, and Right of Way described in **Section 1** above are herein collectively referred to as the “Property.”

2. Option Term. The term of the Option shall be as follows:

2.1 Term of Option. The term of this Option shall be for a period of two years, expiring after June 30, 2026.

3. Option Price. Optionee shall pay Optionor the amount of Eighty Thousand Dollars and No/100 Cents (\$80,000.00) U.S. per year for the Option to purchase the Property. The first Option payment shall be due to Optionor on or before June 30, 2024. Payment for the second year of the Option shall be made to Optionor on or before June 30, 2025.

4. Application of Option Payments Towards Purchase Price. The Parties agree that all Option payments made by Optionee shall be applied toward and deducted from the purchase price of the Property, if Optionee elects to exercise its Option to purchase. In the event the Optionee decides not to purchase the Property, all Option payments made by Optionee to Optionor are nonrefundable.

5. Purchase Price for Property. The listed Purchase Price for the Property is Three Million Dollars and No/100 Cents (\$3,000,000.00) U.S.. Optionee and its agents and employees are hereby granted the right to access the Property for the purposes of performing an appraisal and to perform any and all environmental studies or assessments of the Property during the Option terms.

6. Option to Purchase Shall Be a Covenant. The Option granted by Optionors to Optionee shall be a covenant running with the Property and shall be binding on all present and future owners and occupiers of the Property, their successors, heirs and assigns. This Option shall be recorded with the Auditor of Thurston County, Washington on the Option Closing Date (as defined below) at Optionee's sole cost and expense.

7. Option Closing Date, Deposit of Documents, and Closing Costs. The Closing for this Option to Purchase shall be at the offices of the "Escrow Agent" on a mutually acceptable date not later than ten (10) days after the Effective Date of this Option (the "Option Closing Date"), unless otherwise agreed to by the Parties. The Escrow Agent shall be Thurston County Title Insurance Company, in its capacity as Escrow Agent, located at 105 8th Ave SE, Olympia, Washington 98501. On the Option Closing Date, Escrow Agent shall record the executed Option to Purchase Real Estate Agreement between Optionor and Optionee and the Option amount for the first Option period shall be delivered by Optionee to the Escrow Agent and may be immediately released to Optionor. Optionors and Optionee will use their reasonable best efforts, consistent with and subject to their respective rights and obligations as otherwise set forth in this Option, to cause Closing for the Option to Purchase to occur on or before June 30, 2024. The Optionee shall pay the costs of Closing such as the escrow fee, preliminary title report, and any recording fees for the Option agreement. Optionor shall pay any real estate excise taxes that may be due or any overdue real property taxes due and owing.

8. Exercise of Option to Purchase. The Optionee may exercise this Option to Purchase by timely giving notice prior to the expiration of the Option term to Optionor or their successors, heirs or assigns, as provided in Section 14 below, of Optionee's decision to purchase the Property upon the terms set forth herein. If Optionee fails to timely exercise the Option to Purchase, this Agreement shall terminate and no longer be effective.

9. Title and Survey Matters for Option. Optionee has ordered a preliminary title report for the Property, describing the Property, showing all matters pertaining to the Property and

Optionor as vested fee owner in the Property. Nothing herein shall be construed as imposing any cost obligation upon the Optionor for Optionee's title report.

10. Initial Inspection; Environmental Reports. Optionor shall provide Optionee any environmental reports in Optionor's possession related to any hazardous materials or chemicals regulated by the Model Toxics Control Act concerning the Property, including Phase 1 and 2 environmental assessments. Optionee shall be entitled to perform any of its own tests or other studies concerning all aspects of the Property, including without limitation the environmental condition of the Property, within the period after the Effective Date and shall have the right and permission for its employees, representatives, consultants and agents to enter upon the Property, or any part thereof, at all reasonable times for the purpose, at Optionee's cost and expense, of making all tests and/or studies of the Property that Optionee may wish to undertake, including, without limitation, soils tests, toxic and hazardous waste studies, and surveys, provided, however, that Optionee shall schedule all access to the Property in advance with Optionor and shall be required to obtain Optionor's written consent prior to conducting any invasive testing (including approval of any proposed work plan), which consent shall not be unreasonably withheld by Optionor. Optionee shall further indemnify and hold harmless Optionor from and against any mechanic's or other liens or claims, causes of action, costs, expenses, or liabilities that may be filed or asserted against the Property or Optionor arising out of or relating to any actions taken by Optionee or its employees, agents, consultants or representatives in connection with the Property. Optionee, to the extent necessary, shall reasonably restore the Property at Optionee's sole cost and expense to its conditions immediately prior to any access or testing by Optionee or its employees, agents, consultants and representatives.

11. No Lease, License, or Occupancy Agreement. Optionor shall not enter into any lease, license or other occupancy agreement with any person for the Property until after the Option term has expired or Optionee has elected not to exercise its Option to Purchase the Property.

12. Additional Terms. The following additional terms shall also apply to this Option to Purchase Real Estate Agreement:

12.1 Access and Clean-up of Trash, Garbage, and Debris. Optionor hereby grants to Optionee or Optionee's agents, contractors, employees, or officials, the right to access the Property for the purpose of clean-up of garbage, trash, and debris at Optionee's own expense during the Option term.

12.2 Homeless Outreach Activities. In addition to the foregoing, Optionor grants Optionee the right to perform outreach activities for homeless persons located upon Optionor's Property.

12.3 Installation and Construction of Fences. Optionor further grants to Optionee the right to construct and install a fence along the Property line with the restaurant/bar known as Fatso's and THC Olympia, a seller of recreational/medicinal marijuana, located adjacent to the Property. Said fence construction and installation shall be at Optionee's sole discretion and expense.

13. After Exercise of Option to Purchase. If Optionee timely exercises the Option to Purchase, the Parties shall enter into an as-is, where-is Real Estate Purchase and Sale Agreement within thirty (30) days after Optionee's exercise of its Option to Purchase the Property. The Parties

agree to negotiate in good faith on the terms and conditions of the Real Estate Purchase and Sale Agreement.

14. Notices. Unless applicable law requires a different method of giving notice, any and all notices, demands or other communications required or desired to be given hereunder by any party (collectively, "Notices") shall be in writing and shall be validly given or made to the other party if delivered either personally or by FedEx or other overnight delivery service of recognized standing, or if deposited in the mail of the United States Postal Service by certified, registered, or express mail, with postage prepaid. If such Notice is personally delivered, it shall be conclusively deemed given at the time of such delivery. If such Notice is delivered by FedEx or other overnight delivery service of recognized standing, it shall be deemed given twenty-four (24) hours after the deposit thereof with such delivery service. If such Notice is mailed as provided herein with the United States Postal Service, such Notice shall be deemed given five (5) days after the deposit thereof in the mail of the United States Postal Service. Each such Notice shall be deemed given only if properly addressed to the party to whom such notice is to be given as follows:

To Optionor: Darshan Kaur, Registered Agent
 JJP Group LLC
 3200 Pacific Avenue SE
 Olympia, WA 98501-2045
 Email: satnamtmobile@gmail.com
 Phone: (360) 990-4621

[Remainder of page is left intentionally blank.]

To Optionee:: Steven J. Burney, City Manager
City of Olympia
601 4th Ave E
P.O. Box 1967
Olympia, WA 98507-1967
Email: jburney@ci.olympia.wa.us
Phone: (360) 753-8740

With copies to: Rich Hoey, Assistant City Manager
City of Olympia
601 4th Ave E
P.O. Box 1967
Olympia, WA 98507-1967
Email: rhoey@ci.olympia.wa.us
Phone: (360) 753-8227

Mark Barber, City Attorney
City of Olympia
601 4th Ave E
P.O. Box 1967
Olympia, WA 98507-1967
Email: mbarber@ci.olympia.wa.us
Phone: (360) 753-8338

Any party hereto may change its address for the purpose of receiving notices as herein provided by a written notice given in the manner aforesaid to the other party hereto.

15. Miscellaneous.

15.1 Applicable Law and Venue. This Option to Purchase Real Estate Agreement shall in all respects, be governed by the laws of the State of Washington. Venue for any lawsuits concerning this Agreement shall be brought only in the Superior Court for Thurston County.

15.2 Further Assurances. Each of the Parties shall execute and deliver any and all additional papers, documents and other assurances, and shall do any and all acts and things reasonably necessary in connection with the performance of its obligations under this Option to Purchase Real Estate Agreement, and to carry out the intent of the Parties hereto.

15.3 Modification or Amendment, Waivers. No amendment, change or modification of this Option to Purchase Real Estate Agreement shall be valid, unless in writing and signed by all of the Parties hereto.

15.4 Successors and Assigns. All of the terms and provisions contained in this Option to Purchase Real Estate Agreement shall inure to the benefit of and shall be binding upon the Parties hereto and their respective heirs, legal representatives, successors and assigns.

15.5 Entire Agreement. This Option to Purchase Real Estate Agreement shall constitute the entire understanding and agreement of the Parties with respect to the subject matter of this Option, and any and all prior agreements, understandings or representations with respect to such subject matters are hereby canceled in their entirety and are of no further force or effect.

15.6 Attorneys' Fees. Should either party bring suit to enforce the terms and conditions of this Option to Purchase Real Estate Agreement, the substantially prevailing party in such lawsuit shall be entitled to an award of its reasonable attorneys' fees and costs incurred in connection with such lawsuit.

15.7 Construction. Captions are solely for the convenience of the Parties and are not a part of the Option to Purchase Real Estate Agreement. This Option to Purchase Real Estate Agreement shall not be construed as if it had been prepared by one of the Parties, but rather as if both Parties had prepared it. If the date on which Optionor or Optionee are required to take any action under the terms of this Option to Purchase Real Estate Agreement is not a business day, the action shall be taken on the next succeeding business day.

15.8 Partial Invalidity. If any term or provision of this Option to Purchase Real Estate Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Option to Purchase Real Estate Agreement shall not be affected thereby; and each such term and provision of this Option to Purchase Real Estate Agreement shall be valid and be enforced to the fullest extent permitted by law.

15.9 Survival. The covenants, agreements, representations and warranties made in this Option to Purchase Real Estate Agreement shall survive the Option Closing Date unimpaired and the recordation thereof of this Option agreement with the Auditor of Thurston County, Washington.

15.10 Finders' or Brokers' Fees. Optionor and Optionee each hereby represent and warrant to the other that no broker, agent or finders' fees or commissions, or other similar fees, are due or arising in connection with any of the transactions contemplated by this Option to Purchase Real Estate Agreement. Optionor and Optionee each hereby agree to indemnify, defend and hold the other harmless from and against any loss, liability, damage, cost, damage, claim or expense, including interest, penalties and reasonable attorneys' fees, that the other party shall incur or suffer because of any claim by a broker, agent, or finder claiming by, through, or under such indemnifying party, whether or not such claim is meritorious, for any compensation with respect to the entering into of this Option to Purchase Real Estate Agreement, the subsequent possible potential sale and purchase of the Property by Optionee, or the consummation of the transactions contemplated herein, except as provided herein.

15.11 Time. Time is of the essence of every provision of this Option to Purchase Real Estate Agreement.

15.12 Force Majeure. Performance by Optionor or Optionee of their obligations under this Option to Purchase Real Estate Agreement shall be extended by the period of delay caused by force majeure. Force majeure is war, natural catastrophe, strikes, walkouts or other labor industrial disturbance, order of any government, court or regulatory body having jurisdiction, shortages, blockade, embargo, riot, civil disorder, or any similar cause beyond the reasonable control of the party who is obligated to render performance (but excluding financial inability to perform, however caused).

15.13 No Individual Liability. In no event shall any shareholder, officer, director, member, partner, affiliate, agent, or employee of Optionor be or be held liable or responsible in any way for the obligations or liabilities of Optionor under this Option to Purchase Real Estate Agreement.

15.14 Counterparts. This Option to Purchase Real Estate Agreement may be executed in a number of identical counterparts which, taken together, shall constitute collectively one agreement; but in making proof of this Option to Purchase Real Estate Agreement, it shall not be necessary to produce or account for more than one such counterpart. Additionally, (i) the signature pages taken from separate individually executed counterparts of this Option to Purchase Real Estate Agreement may be combined to form multiple fully executed counterparts; and (ii) a facsimile signature or an electronically or digitally inserted or scanned signature shall be deemed to be an original signature for all purposes where permitted by law. All executed counterparts of this Option to Purchase Real Estate Agreement shall be deemed to be originals, but all such counterparts, when taken together, shall constitute one and the same agreement.

15.15 Effective Date. The term, “**date of this Agreement**”, or “**date hereof**”, or “**Effective Date**”, as used herein, shall mean the later of the following dates: (1) the date of Optionee’s signature; or (2) the date of Optionor’s signature.

15.16 Release of Option. If Optionee fails to timely exercise its Option to Purchase Real Estate Agreement for any reason hereafter, Optionee, if so requested by Optionor, shall promptly execute and deliver to Optionor a termination and release of the Option to Purchase Real Estate Agreement in recordable format in order for Optionor to clear title of the obligations hereunder by recording same.

[Signatures follow on next page.]

EXHIBIT A
Legal Description

PARCEL A:

THAT PORTION OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 18, TOWNSHIP 18 NORTH, RANGE 1 WEST, W.M. LYING SOUTHERLY OF MARTIN WAY, WEST OF COLLEGE CITY BERRY TRACTS, ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 9 OF PLATS, PAGE 7, AND OF LEACH JOHNSON HILL TRACTS, ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 10 OF PLATS, PAGE 2, AND NORTH OF THE SOUTH LINE OF TRACT CONVEYED TO E. CHRISTENSEN AND WIFE BY DEED DATED JANUARY 7, 1937, AND RECORDED IN VOLUME 154 OF DEEDS, PAGE 392;

EXCEPTING THEREFROM, THAT PORTION LYING NORTH AND EAST OF A LINE DESCRIBED AS BEGINNING AT A POINT ON THE WEST LINE OF SAID COLLEGE CITY BERRY TRACTS, 470 FEET SOUTH OF THE INTERSECTION OF THE SOUTHERLY LINE OF SAID MARTIN WAY THEREWITH, SAID SOUTHERLY LINE OF MARTIN WAY BEING 60 FEET DISTANT SOUTHERLY FROM ITS ESTABLISHED CENTERLINE ACCORDING TO SURVEY THEREOF, AND RUNNING THENCE WEST 139.35 FEET AND NORTH 200 FEET, MORE OR LESS, TO THE SOUTHEAST CORNER OF TRACT CONVEYED TO ALFRED R. HENDERSON AND WIFE, BY DEED DATED JULY 22, 1952 AND RECORDED UNDER AUDITOR'S FILE NO. 508131, AND THENCE ALONG THE BOUNDARY OF SAID HENDERSON TRACT WEST 109 FEET, MORE OR LESS, AND NORTH 250 FEET TO SAID SOUTHERLY LINE OF MARTIN WAY.

IN THURSTON COUNTY, WASHINGTON.

PARCEL B:

THAT PART OF THE SMITH DONATION CLAIM NO. 42, IN SECTION 18, TOWNSHIP 18 NORTH, RANGE 1 WEST, W.M., DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE NORTH LINE OF SAID SMITH CLAIM WITH THE WEST LINE OF THE SOUTHEAST QUARTER OF SECTION 18, SAID TOWNSHIP AND RANGE; RUNNING THENCE EAST ALONG SAID NORTH LINE OF CLAIM 161.15 FEET; THENCE SOUTH 150 FEET; THENCE WEST 26 FEET; THENCE SOUTH 356 FEET, MORE OR LESS, TO THE NORTHERLY MARGIN OF PACIFIC AVENUE; THENCE NORTHWESTERLY ALONG SAID NORTHERLY MARGIN 147.9 FEET, MORE OR LESS, TO A POINT SOUTH OF THE POINT OF BEGINNING; THENCE NORTH 450 FEET, MORE OR LESS, TO SAID POINT OF BEGINNING. EXCEPTING THEREFROM THAT PORTION DEEDED TO THE STATE OF WASHINGTON BY DEED RECORDED APRIL 24, 1985 UNDER AUDITOR'S FILE NO. 8504240091.

IN THURSTON COUNTY, WASHINGTON.

EXHIBIT B
Sketch of Property

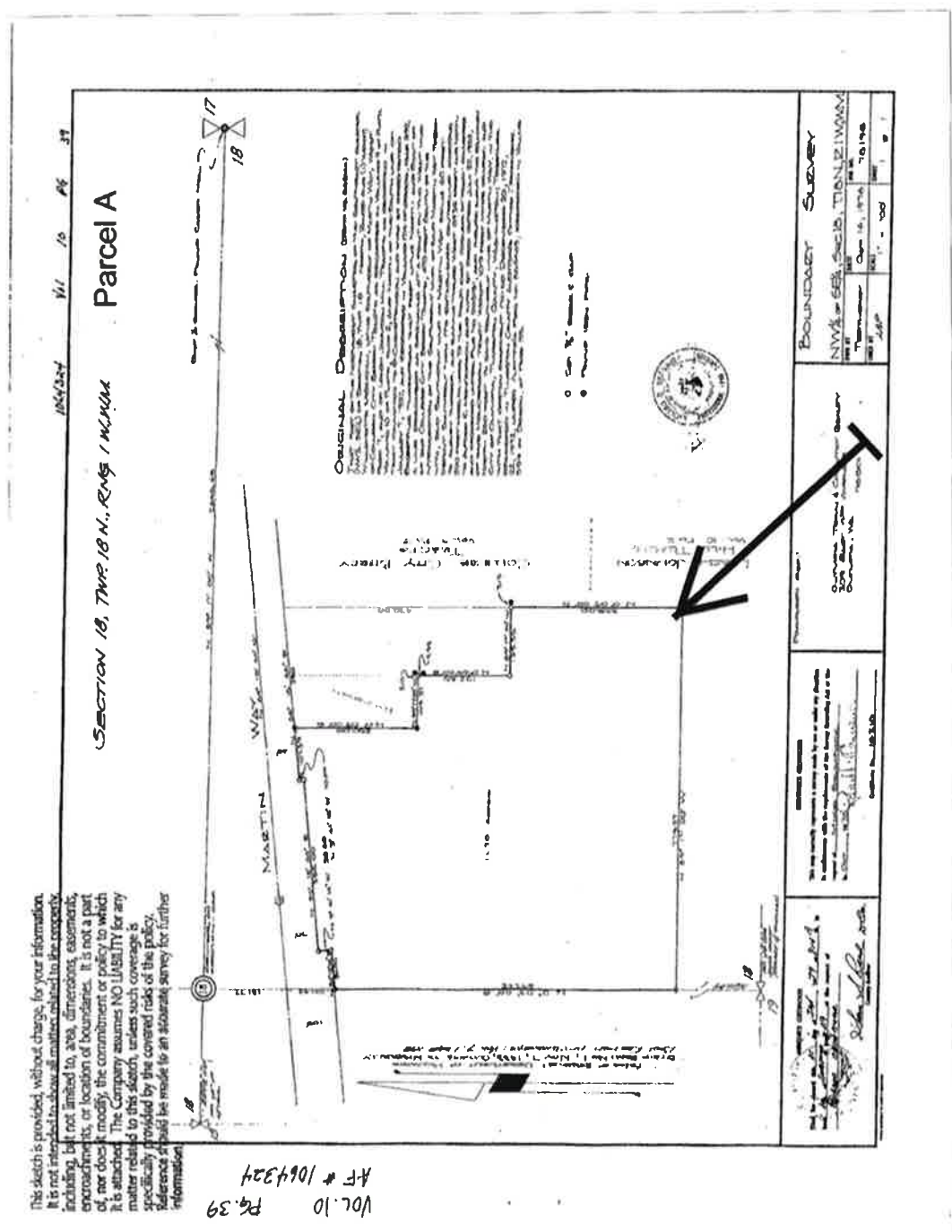
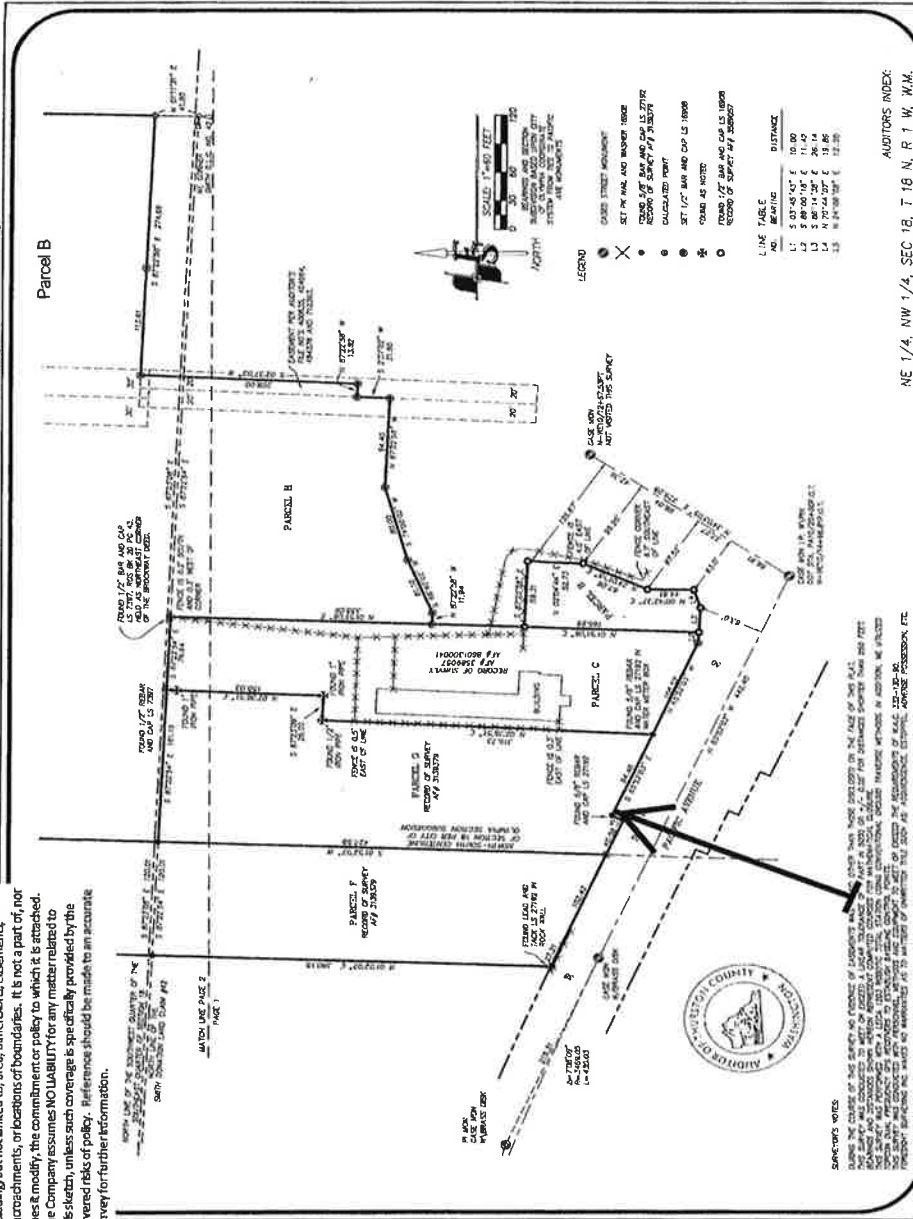


EXHIBIT C Sketch of Property

This sketch is provided, without charge, for your information. It is not intended to show all matters related to the property, including, but not limited to, area, dimensions, easements, encroachments, or locations of boundaries. It is not a part of, nor does it modify, the commitment or policy to which it is attached. The company assumes NO LIABILITY for any matter related to this sketch, unless such coverage is specifically provided by the covered risks of policy. References should be made to an accurate survey for further information.

Survey # 418110 1/3



Survey # 418110 1/3

AUDITORS INDEX:
NE 1/4, NW 1/4, SEC 18, T 18 N, R 1 W, N.M.

LINE	BEARING	DISTANCE
L1	S 03° 45' 41\"	10.00
L2	S 89° 15' 00\"	10.00
L3	S 08° 14' 28\"	26.14
L4	N 70° 44' 27\"	13.86
L5	N 84° 08' 58\"	12.29

RECORD OF SURVEY FOR
TILAND SCHMIDT

Professional Land Surveyors
15513 N. National Ave
Orem, UT, WA 98532 (360) 748-4200 (360) 748-2873 fax



SUPERVISOR'S CERTIFICATE
THIS MAP CORRECTLY REPRESENTS A SURVEY MADE BY ME OR UNDER MY CLOSE PERSONAL SUPERVISION AND IN ACCORDANCE WITH THE REQUIREMENTS OF WAC 173-030-010.
TILAND SCHMIDT
Surveyor

AUDITORS CERTIFICATE
I HAVE REVIEWED THIS SURVEY AND FIND IT TO BE A TRUE AND CORRECT REPRESENTATION OF THE SURVEY AS CONDUCTED BY THE SURVEYOR.
TILAND SCHMIDT
Auditor