

REVISED 5/13/03

14659

**Intergovernmental Land Transfer Agreement Between
King County and the City of AUBURN**

Relating to the Ownership, Operation and Maintenance of Parks,
Open Space, Recreation Facilities and Programs

This Agreement is made and entered into this day by and between the City of Auburn, hereinafter called "City", and King County, hereinafter called "County".

WHEREAS the City desires to own, operate, and maintain parks, open space, recreation facilities and programs and other municipal programs, facilities and property inside its boundaries; and

WHEREAS the County, under the authority of RCW 36.89.050, King County Resolution 34571 and other federal, state and county laws, has acquired and developed a substantial park, recreation and open space system that depends on the continued operation of its many individual properties and facilities in order to fully serve the needs of the residents of King County and the cities within it; and

WHEREAS the County desires to divest itself of ownership, management, and financial responsibility for parks, open space, recreational facilities and programs inside and near the City boundaries; and

WHEREAS the East Auburn Athletic Fields are located in the City's Potential Annexation Area and upon the transfers contemplated by this Agreement the City will exercise its best efforts to annex the remaining land within its Potential Annexation Area as soon as it is reasonably feasible to do so; and

WHEREAS the East Auburn Athletic Fields consist of two parcels totaling approximately 20 acres of real property. One parcel of approximately 10 acres sits adjacent to property owned by Auburn School District No. 408 (the "District"), and is referred to herein as (the "County Property"). The other parcel sits adjacent to property owned by the City and is more particularly described on Exhibit B (the "Jacobsen Parcel"); and

WHEREAS the District is the owner of that certain parcel of real property that comprises approximately 10 acres of real property, and is more particularly described in Exhibit C (the "District Property"); and

WHEREAS the County wishes to transfer the East Auburn Athletic Fields because it can no longer afford to manage and maintain the property for park purposes, the District wishes to obtain the County Property because it is a suitable location for future District facilities, the City wishes to obtain the Jacobsen Parcel for park purposes, the City wishes to obtain the District Property for park purposes because it is adjacent to and surrounded on three sides by real

property currently owned by the City, and the County Property and the District property are of equal monetary and recreational value.

WHEREAS, to the extent the City provides scholarships, reduced fees or other means of assuring access to parks and recreational programming for City residents, the City has a goal of ensuring that such scholarships or other needs-based rates and programs are available to all persons desiring to use the park and recreational programs regardless of residency, and

WHEREAS the County does not have a sufficient, stable source of revenue to continue to manage and maintain its parks, open space, recreational facilities and programs at current levels; and

WHEREAS the County is legally restricted from converting many of these parks, open space, and recreational facilities from their current uses without expending funds to replace the converted facilities; and

WHEREAS, given the legal restriction regarding conversion of the properties, the marketability of the properties is limited and, as a result, the cost of operating the facility is approximately equal to the value of the property to the County; and

WHEREAS it is in the best interest of the public that the City and the County take those actions necessary to meet those desires and to cooperate in any transition to insure a smooth transition and avoid service disruption;

NOW, THEREFORE, in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the City and the County agree as follows:

1. Conveyance of Title

- 1.1. At Closing King County shall convey to the City by deed all its ownership interest, and/or, when possible, by assignment, any leasehold interest or shared use responsibility, in the following listed park/recreation site(s), which are described more fully in Exhibits A and B (the "Property"):

That portion of the East Auburn Athletic Fields referred to as the Jacobsen Parcel

- 1.2 All deeds shall also contain the following specific covenants pertaining to use, which covenants shall run with the land for the benefit of the County and the County land that makes up its public park, recreation and open space system. The County and the City agree that the County shall have standing to enforce these covenants, which shall be set forth as follows:

"The City covenants that the Property shall continue to be used in perpetuity for park or recreation purposes unless other equivalent lands or facilities within the county or the city

are received in exchange therefore and the replacement lands or facilities are used in perpetuity for park or recreation purposes."

"The City further covenants that it will not limit or restrict access to and use of the Property by non-city residents in any way that does not also apply to city residents. The City covenants that if differential fees for non-city residents are imposed, they will be reasonably related to the cost borne by city taxpayers to maintain, improve or operate the Property for parks and recreation purposes."

"The City covenants that it shall place the preceding covenants in any deed transferring the Property or a portion of the Property for public park, recreation or open space uses."

1.3 The conveyance of the Property under paragraph 1.1 is contingent on the City accepting the Partial Assignment from the County of the County's rights, interests, warranties, duties and obligations with regard to the transfer of the District Property in the Intergovernmental Exchange Agreement between the County and the District ("Exchange Agreement"), which Exchange Agreement shall be in substantially the form as that set forth in Exhibit D. The City shall accept the Partial Assignment by fully executing the Partial Assignment of Intergovernmental Exchange Agreement ("Partial Assignment") in substantially the same form as set forth in Exhibit E. The City acknowledges and agrees that the Assignment requires the City to accept the District Property from the District under all the terms, covenants and conditions set forth in the Exchange Agreement, including that said conveyance will be subject to the "Covenant Agreement," in substantially the same form as set forth in Exhibit F, limiting use of the District Property to park purposes as required by the Exchange Agreement. The City agrees to fully execute the Assignment on or before _____, 2003. Should the City fail to do so, the County may, at its option, terminate this Agreement.

2. Existing Restrictions, Agreements, Contracts or Permits

2.1 The City shall abide by and enforce all terms, conditions, reservations, restrictions and covenants of title at the time of conveyance, in the deeds of conveyance of the Property, and/or in the Covenant Agreement for the District Property.

3. Protection of Art

3.1 Any King County artwork currently located at any of the sites referenced in Section 1.1 above shall remain on site, and shall remain the sole property of King County. This Intergovernmental Agreement shall not be construed as conveying ownership of such artwork to the City. The City and the County hereby agree at a later date to negotiate a separate long-term agreement for any such artwork, which fully protects and preserves the artwork, respects the legal rights of the artist(s) and assures continuity of care for and continued public access to these assets. Prior to the execution of such future agreement, the City shall consult with the County prior to undertaking any activity which may impact access to and/or affect any such artwork.

4. Condition of Premises and Responsibility for Operations, Maintenance, Repairs, Improvements, and Recreation Services

- 4.1 The City has inspected and knows the condition of the Property and agrees to accept the Property in AS IS condition, and to assume full and complete responsibility for all operations, maintenance, repairs, improvements of, and provision of recreational services at, the Property.
- 4.2 King County does not make and specifically disclaims any warranties, express or implied, including any warranty of merchantability or fitness for a particular purpose, with respect to the Property, and no official, employee, representative or agent of King County is authorized otherwise.
- 4.3 The City acknowledges and agrees that except as indicated in paragraph 5.2, the County shall have no liability for, and that the City shall release and have no recourse against the County for, any defect or deficiency of any kind whatsoever in the Property without regard to whether such defect or deficiency was known or discoverable by the City or the County.

5. Environmental Liability

- 5.1 "Hazardous Materials" as used herein shall mean any hazardous, dangerous or toxic wastes, materials, or substances as defined in state or federal statutes or regulations as currently adopted or hereafter amended.
- 5.2 Nothing in this agreement shall be deemed to waive any statutory claim for contribution that the City might have against the County under federal or state environmental statutes that arises from hazardous materials deposited or released on the Property by the County during the County's period of ownership. The City may not, however, assert such a claim to the extent that the City creates the need for or exacerbates the cost of remediation upon which a statutory claim for contribution is based as a result of the City performing construction activities on the Property, changing the configuration of the Property, or changing the use of the Property.
- 5.3 If the City discovers the presence of hazardous materials at levels that could give rise to a statutory claim for contribution against the County it shall immediately notify the County in writing. Such notice shall in no event be provided more than 10 days after discovery. After notice is provided the parties shall make their best efforts to reach agreement as to which party is responsible for remediation under the terms of this Agreement. If the City fails to provide timely notice as provided for herein it shall be prohibited from bringing a statutory claim for contribution against the County.

- 5.4 In no event shall the County be responsible for any costs of remediation that exceed the minimum necessary to satisfy the state or federal agency with jurisdiction over the remediation.

6. Indemnification and Hold Harmless

- 6.1 King County shall indemnify and hold harmless the City and its elected officials, officers, agents or employees, or any of them, from and against any and all claims, actions, suits, liability, loss, costs, expenses and damages of any nature whatsoever, (i) which are caused by or result from a negligent action or omission of King County, its officers, agents and employees in performing its obligations pursuant to this Agreement, and/or (ii) arising from those occurrences related to the Property that occurred prior to the effective date of conveyance of the Property to the City, except to the extent that indemnifying or holding the City harmless would be limited by Section 5 of this Agreement. In the event that any suit based upon such a claim, action, loss or damage is brought against the City or the City and King County, King County shall defend the same at its sole cost and expense and, if final judgment be rendered against the City and its elected officials, officers, agents and employees or jointly against the City and King County and their respective elected officials, officers, agents and employees, King County shall satisfy the same.
- 6.2 In executing this Agreement, the County does not assume liability or responsibility for or in any way release the City from any liability or responsibility which arises in whole or in part from the existence or effect of City ordinances, rules or regulations. If any cause, claim, suit, action or administrative proceeding is commenced in which the enforceability and/or validity of any such City ordinance, rule or regulation is at issue, the City shall defend the same at its sole expense and if judgment is entered or damages are awarded against the City, the County or both, the City shall satisfy the same, including all chargeable costs and attorney's fees.
- 6.3 The City shall indemnify and hold harmless King County and its elected officials, officers, agents and employees, or any of them, from and against any and all claims, actions, suits, liability, loss, costs, expenses and damages of any nature whatsoever, (i) which are caused by or result from a negligent act or omission of the City, its officers, agents and employees in performing obligations pursuant to this Agreement, and/or (ii) arising from those occurrences related to the Property that occurred on or after the effective date of conveyance of the Property to the City, except to the extent that indemnifying or holding the County harmless would be limited by Section 5 of this Agreement. In the event that any suit based upon such a claim, action, loss or damage is brought against King County or King County and the City, the City shall defend the same at its sole cost and expense and, if final judgment be rendered against King County and its officers, agents and employees or jointly against King County and the City and their respective officers, agents and employees, the City shall satisfy the same.
- 6.4 Each Party to this Agreement shall immediately notify the other of any and all claims,

actions, losses or damages that arise or are brought against that Party relating to or pertaining to the Property.

- 6.5 Each party agrees that its obligations under this paragraph extend to any claim, demand, and/or cause of action brought by or on behalf of any employees, or agents. For this purpose, each party, by mutual negotiation, hereby waives, with respect to the other party only, any immunity that would otherwise be available against such claims under the Industrial Insurance provisions of Title 51 RCW, but only to the extent necessary to indemnify the other party.

7. Audits and Inspections

- 7.1 Until December 31, 2009, any of either party's records related to any matters covered by this Intergovernmental Agreement not otherwise privileged shall be subject to inspection, review, and/or audit by either party at the requesting party's sole expense. Such records shall be made available for inspection during regular business hours within a reasonable time of the request.

8. Waiver and Amendments

- 8.1 Waiver of any breach of any term or condition of this Agreement shall not be deemed a waiver of any prior or subsequent breach. No term or condition shall be waived, modified or deleted except by an instrument, in writing, signed by the parties hereto.

9. Entire Agreement and Modifications

- 9.1 This Intergovernmental Agreement and its Exhibits sets forth the entire agreement between the parties with respect to the subject matter hereof. It may be supplemented by addenda or amendments, which have been agreed upon by both parties in writing. Copies of such addenda and amendments shall be attached hereto and by this reference made part of this contract as though fully set forth herein.

10. Duration and Authority

- 10.1 This agreement shall be effective upon signature and authorization by both parties. The terms, covenants, representations and warranties contained herein shall not merge in the deed of conveyance, but shall survive the conveyance and shall continue in force unless both parties mutually consent in writing to termination.

11. Closing

- 11.1 **Time and Procedures for Closing:** The date of Closing shall be thirty days from the date this Agreement is fully executed.

On or before Closing the County and the City shall deposit in escrow with the Closing

Agent all instruments, documents and moneys necessary to complete the transfer in accordance with this Agreement. As used in this Agreement, "closing" and "date of closing" mean the date on which all appropriate documents are recorded. The Closing Agent shall be:

TransNation Title Insurance Company
14450 N.E. 29th Place, Suite 200
Bellevue, WA 98007
Attn: Randy L. Rieman
Fax No.: (425) 646-0545
Phone No.: (425) 646-0545

11.2 Costs: County will pay real estate excise taxes (if any are due). The City will pay the premium for its owners title insurance policy (if any). The City and the County will split the cost of recording and the Closing Agent's escrow fees.

12. Notice

12.1 Any notice provided for herein shall be sent to the respective parties at:

King County:	City:
Bob Burns	City of Auburn
Acting Manager, Parks and Recreation	25 West Main Street
Division	Auburn, WA 98901
Rm 700, King Street Center	25 West Main Street
201 South Jackson Street	
Seattle, WA 98104	

IN WITNESS WHEREOF, the parties have executed this Agreement.

King County

City of Auburn

King County Executive

Mayor

Date

Date

Approved as to Form:

Approved as to Form:

King County
Deputy Prosecuting Attorney

City Attorney

DRAFT

DRAFT

14659

DRAFT

My appointment expires _____

DRAFT

DRAFT

DRAFT

EXHIBIT A
King County Parks Transferring to the City of Auburn

14659

Name of park
Jacobsen Parcel

Amenities/facilities
Undeveloped Park

EXHIBIT B
Legal Description for Jacobsen Parcel

PARCEL A:

Lots 1 and 4, as delineated on King County Short Plat No. R477006, recorded under King County Recording No. 7805090949, being a portion of the South 1/2 of the SE 1/4 of the NE 1/4 of Section 4, Township 21 North, Range 5 East, W.M., in King County, Washington.

SUBJECT TO:

- 1) Easement and the terms and conditions thereof:
 GRANTEE: United States of America
 PURPOSE: Maintain, repair, rebuild, operate and patrol one or more electric transmission lines, and one or more telephone and/or telegraph lines including the right to erect such poles and other transmission line structures, wires, cables, and the appurtenances thereto
 AREA AFFECTED: A 100 ft. strip lying along the southerly portion of Parcel A
 RECORDED: December 17, 1940
 RECORDING NO: 3137083

- 2) Right to enter the land to make repairs and the right to cut brush and trees which constitute a menace or danger to the electric transmission line adjoining the land, as granted in instrument recorded under Recording No. 3137083.

- 3) Easement and the terms and conditions thereof:
 GRANTEE: United States of America
 PURPOSE: Covington Tacoma transmission lines
 AREA AFFECTED: A 100 ft. strip lying along the southerly portion of Parcel A
 RECORDED: August 29, 1942
 RECORDING NO: 3261548

- 4) Right to enter the land to make repairs and the right to cut brush and trees which constitute a menace or danger to the electric transmission line adjoining the land, as granted in instrument recorded under Recording No. 3261548.

- 5) Right to make necessary slopes for cuts or fills upon the land herein described as granted to King County by deed recorded under Recording No. 7804130590.
 AFFECTS: Lot 1

- 6) Easement and the terms and conditions thereof:
 PURPOSE: To install, maintain and repair drainage facility
 AREA AFFECTED: Parcel A and other property
 RECORDED: April 14, 1978
 RECORDING NO: 7804140877

- 7) Easement and the terms and conditions thereof:
 PURPOSE: Permanent easement for ingress, egress and utilities over

DRAFT

DRAFT

14659

DRAFT

Tract X
 AREA AFFECTED: The North 30 feet of Parcel A
 RECORDED: May 19, 1978
 RECORDING NO: 7805190191

- 8) All covenants, conditions, restrictions, reservations, easements or other servitudes, if any, disclosed by Short Plat No. R477006, recorded under King County Recording No. 7805090949;
- 9) Road and interceptor drain system construction and maintenance agreement imposed by instrument recorded on June 7, 1978, under Recording No. 7806070243;
- 10) Easement for underground electric transmission system and the terms and conditions thereof:
 GRANTEE: Puget Sound Power & Light Company, a Washington corporation
 PURPOSE: An underground electric transmission and/or distribution system
 AREA AFFECTED: The North 37 feet of Lot 1
 RECORDED: January 16, 1979
 RECORDING NO: 7901160711

PARCEL B:

AN EASEMENT FOR INGRESS, EGRESS AND UTILITIES AS FOLLOWS:
 THE SOUTH 1/2 OF A CUL-DE-SAC WITH A RADIUS OF 25 FEET, THE CENTER OF WHICH IS THE NE CORNER OF THE ABOVE DESCRIBED LOT 4, AND THE NORTH 30 FEET OF THE EAST 3/4 OF THE SOUTH 1/2 OF THE SE 1/4 OF THE NE 1/4; AND THAT PORTION OF A CURVE HAVING A 25 FOOT RADIUS BEING TANGENT TO THE WEST LINE OF THE WEST 30 FEET OF 132ND AVE. SE AND TANGENT TO THE SOUTH LINE OF THE NORTH 30 FEET OF THE SOUTH 1/2 OF THE SE 1/4 OF THE NE 1/4 OF SAID SECTION 4; EXCEPT THE EAST 30 FEET THEREOF CONVEYED TO KING COUNTY FOR ROAD PURPOSES UNDER KING COUNTY RECORDING NO. 7804130590.

PARCEL C:

THAT PORTION OF THE NORTH HALF OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 4, TOWNSHIP 21 NORTH, RANGE 5 EAST OF THE WILLAMETTE MERIDIAN, KING COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:
 COMMENCING AT THE NORTHWEST CORNER OF SAID NORTH HALF OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 4, TOWNSHIP 21 NORTH, RANGE 5 EAST OF THE WILLAMETTE MERIDIAN; THENCE ALONG THE WEST LINE OF SAID SUBDIVISION SOUTH 01°34'25" WEST 337.76 FEET TO A LINE PARALLEL WITH AND 337.73 FEET SOUTHERLY OF THE NORTH LINE OF SAID SUBDIVISION; AND THE TRUE POINT OF BEGINNING OF THIS DESCRIPTION; THENCE SOUTH 87°36'42" EAST ALONG SAID PARALLEL LINE 1292.14 FEET TO THE WEST MARGIN OF 132ND AVENUE EAST (LOCATED 30 FEET WESTERLY OF THE EAST LINE OF SAID SECTION 4); THENCE SOUTH 01°29'46" WEST ALONG SAID WEST MARGIN 170.94 FEET TO THE NORTHEAST CORNER OF THE LANDS DESCRIBED IN DEED TO DONALD L. FRANKLIN AND KATHLEEN D. FRANKLIN, HUSBAND AND WIFE, RECORDED UNDER RECORDING NUMBER 7907170145, RECORDS OF SAID COUNTY; THENCE ALONG THE NORTH LINE OF SAID LANDS NORTH

DRAFT

DRAFT

14659

DRAFT

87°41'44"WEST 120.01 FEET TO THE NORTHWEST CORNER OF SAID LANDS; THENCE ALONG THE WEST LINE OF SAID LANDS SOUTH 01°29'46"WEST 150.01 FEET TO THE SOUTH LINE OF THE NORTH HALF OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 4; THENCE NORTH 87°41'44"WEST ALONG SAID SOUTH LINE 1172.53 FEET TO SAID WEST LINE OF SAID SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 4; THENCE ALONG SAID WEST LINE NORTH 01°34'25"EAST 322.85 FEET TO THE TRUE POINT OF BEGINNING.
(CONTAINING 9.1359 ACRES, MORE OR LESS)

SITUATE IN KING COUNTY, WASHINGTON.

THE BASIS OF BEARINGS AND SECTION BREAKDOWN USED FOR THIS DESCRIPTION IS RECORD OF SURVEY FILED IN BOOK 142 OF SURVEYS AT PAGE 12 UNDER RECORDING NUMBER 20001212900014, RECORDS OF KING COUNTY, WASHINGTON.

DRAFT

DRAFT

14659

DRAFT

EXHIBIT C

Legal Description for District Property

PARCEL A:

THE NORTH 264 FEET OF THE WEST ½ OF LOT 2 OF SHORT PLAT NO. 477006 AS RECORDED UNDER RECORDING NO. 7805090949, RECORDS OF KING COUNTY WASHINGTON;

TOGETHER WITH ACCESS RIGHTS TO THE PRIVATE ROAD DELINEATED AS TRACT X ON SAID SHORT PLAT;

SITUATE IN THE COUNTY OF KING, STATE OF WASHINGTON.

PARCEL B:

LOT 2 OF SHORT PLAT NO. 477006 AS RECORDED UNDER RECORDING NO. 7805090949, RECORDS OF KING COUNTY WASHINGTON;

EXCEPT THE NORTH 264 FEET OF THE WEST ½ THEREOF;

TOGETHER WITH ACCESS RIGHTS TO THE PRIVATE ROAD DELINEATED AS TRACT X ON SAID SHORT PLAT;

SITUATE IN THE COUNTY OF KING, STATE OF WASHINGTON.

PARCEL C:

LOT 3 OF SHORT PLAT NO. 477006 AS RECORDED UNDER RECORDING NO. 7805090949, RECORDS OF KING COUNTY WASHINGTON;

TOGETHER WITH ACCESS RIGHTS TO THE PRIVATE ROAD DELINEATED AS TRACT X ON SAID SHORT PLAT;

SITUATE IN THE COUNTY OF KING, STATE OF WASHINGTON

DRAFT

DRAFT **14659**

DRAFT

EXHIBIT D
Form of Intergovernmental Exchange Agreement

DRAFT

DRAFT

14659

DRAFT

EXHIBIT E

Form of Partial Assignment of Intergovernmental Exchange Agreement

DRAFT

DRAFT **14659**

DRAFT

EXHIBIT F
Form of Covenant Agreement

14659

REVISED 5/13/03

INTERGOVERNMENTAL EXCHANGE AGREEMENT

THIS INTERGOVERNMENTAL EXCHANGE AGREEMENT (this "Agreement") is made and entered into between AUBURN SCHOOL DISTRICT NO. 408, a political subdivision of the State of Washington (the "District"), and KING COUNTY, a municipal corporation of the State of Washington (the "County").

RECITALS

A. The County is the owner of that certain parcel of real property located in King County, Washington, which comprises approximately 10 acres of real property, and more particularly described on Exhibit A (as more particularly defined below, the "County Property"). The County Property is part of a larger parcel of property (the "Jacobsen Parcel") which the County has separated into two legal lots, one of which is the County Property.

B. The District is the owner of that certain parcel of real property located in King County, Washington, which comprises approximately 10 acres of real property, and is more particularly described on Exhibit B (as more particularly defined below, the "District Property").

C. The County, under the authority of RCW 36.89.050, King County Resolution 34571 and other federal, state and county laws, has acquired and developed a substantial park, recreation and open space system that depends on the continued operation of its many individual properties and facilities in order to fully serve the needs of the residents of King County and the cities within it.

D. The County desires to divest itself of ownership, management, and financial responsibility for parks, open space, recreational facilities and programs inside and near the City boundaries.

E. The Jacobsen Parcel is an undeveloped park that is located in the potential annexation area of the City of Auburn (the "City") that is also known as the East Auburn Athletic Fields.

F. The County does not have a sufficient, stable source of revenue to continue to manage and maintain its parks, open space, recreational facilities and programs at current levels.

G. The County is legally restricted from converting many of these parks, open space, and recreational facilities from their current uses without expending funds to replace the converted facilities.

14659

H. Given the legal restriction regarding conversion of the properties, the marketability of the properties is limited and, as a result, the cost of operating the Jacobsen Parcel is approximately equal to the value of the property to the County.

I. It is in the best interest of the public that the County take those actions necessary to ensure that the parks, open space, recreational facilities and programs that it can no longer afford to manage and maintain remain open and available to the public.

J. The County desires to transfer ownership of the Jacobsen Parcel for continued use as a park. The City has informed the County that it wishes to own the portion the Jacobsen Parcel that is not the County Property for use as a park, and that it wishes to own the District Property for use as a park.

K. The County has informed the District that the County does not wish to own the District Property, but instead desires to cause the District to transfer the District Property to the City for use as a park.

L. The County Property and the District Property are of equal monetary and recreational value, and the parties have agreed to make the exchange of properties in consideration of the terms and conditions of this Agreement and no further consideration.

M. The District has determined that the County Property is a more suitable location for future District facilities. By exchanging for the County Property, the District has determined that the District Property has no foreseeable use, rendering it surplus property. The District Property and the County Property are sometimes collectively referred to herein as the "Properties."

N. The District and the County wish to exchange their Properties pursuant to the requirements of, and under the authority of, RCW 39.33.010 *et seq.* (Intergovernmental Disposition of Property), and K.C.C. 4.56.140 (Intergovernmental Sales and Leases of Real Property) and the terms and conditions of this Agreement.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties, the parties agree as follows:

AGREEMENT

1. BASIC DEFINITIONS

As used herein, certain capitalized terms shall have the meanings set forth in this Section 1 for each such term.

1.1 Closing Date

The term "Closing Date" shall mean the date upon which the escrow described in Section 5.1 closes, which date shall be no later than the date specified in Section 5.5 hereof.

1.2 County Property

The term "County Property" shall mean that certain real property located in King County, Washington, more particularly described in Exhibit A attached hereto, together with any and all improvements located thereon, and all right, title and interest of the County in any alleys, strips or gores of land adjoining that real property, and all right, title and interest of the County in any easements and rights of way in, to, on or under that real property, or appurtenant thereto.

1.3 District Leases

The term "District Leases" shall mean (i) that certain Residence Lease, dated July 9, 2001, between the District and Sheila McCord, and (ii) that certain Residence Lease, dated July 24, 2001, among the District, Christopher McNabb and Patricia McNabb. Sheila McCord, Christopher McNabb and Patricia McNabb are collectively referred to herein as the "Lessees."

1.4 District Property

The term "District Property" shall mean that certain real property located in King County, Washington, more particularly described in Exhibit B attached hereto, together with any and all improvements located thereon, and all right, title and interest of the District in any alleys, strips or gores of land adjoining that real property, and all right, title and interest of the District in any easements and rights of way in, to, on or under that real property, or appurtenant thereto.

1.5 Title Company

The term "Title Company" shall mean TransNation Title Insurance Company, whose address for this transaction is as follows:

14450 NE 29th Place, Suite 200
Bellevue, WA 98007
Attn: Randy L. Rieman
Fax No.: (425) 646-0545
Phone No.: (800) 441-7701

2. EXCHANGE OF THE PROPERTIES

2.1 Exchange of the County Property

The County agrees to convey the County Property to the District, and the District agrees to accept the County Property from the County, upon all of the terms, covenants and conditions set forth in this Agreement.

2.2 Exchange of the District Property**2.2.1 Exchange of the District Property**

The District agrees to convey the District Property to the County, or to the City if a Partial Assignment is completed as provided in Section 2.2.3, and the County, or its assignee, agrees to accept the District Property from the District, upon all of the terms, covenants and conditions set forth in this Agreement.

2.2.2 Assignment of the District Leases

The District agrees to assign all right, title and interest in and to the District Leases to the County, or to the City if a Partial Assignment is completed as provided in Section 2.2.3, and the County, or its assignee, agrees to accept and assume the District Leases from the District, pursuant to an Assignment and Assumption of District Leases Agreement substantially in the form attached hereto as Exhibit C (the "Assignment of Leases"). The District shall deposit into escrow written notices to the Lessees regarding the assignment of the District Leases ("Notice to Lessees"). The Notice to Lessees shall inform the Lessees of the new owner of the District Property, and instruct the Lessees to send any rental payments after the Closing Date to the new owner of the District Property.

2.2.3 The County's Assignee; the Partial Assignment; the Covenant

The District agrees to convey the District Property and assign the District Leases to the County's assignee, the City, upon receipt of a Partial Assignment of Intergovernmental Exchange Agreement (the "Partial Assignment") substantially in the form attached hereto as Exhibit D from the County and the City at least one (1) business day prior to the Closing Date. Upon receipt of the Partial Assignment, duly executed and acknowledged by the City and the County, the District shall also duly execute and acknowledge this Assignment. The Partial Assignment shall assign to the City all of the County's rights, interests, warranties, duties and obligations with regard to the transfer of the District Property. It shall not, however, assign or delegate any of the County's rights, interests, warranties, duties or obligations with regard to the transfer of the County Property, and the County shall remain fully liable to the District for the performance of all of the County's obligations hereunder with respect to the conveyance of the County Property to the District. In the event that the Partial Assignment is fully executed, the parties agree to record a covenant against the District Property, substantially in the form attached hereto as Exhibit E (the "Covenant"), whereby the District Property shall be restricted from any use other than as a public park, subject to the pre-existing rights of the Lessees. The County and the District agree to cooperate in good faith in obtaining the City's consent to the Partial Assignment, the District Deed (hereinafter defined), the Assignment of Leases and the Covenant. In the event that the City does not fully execute the Partial Assignment and give its consent to the aforementioned instruments at least one business day prior to the Closing Date, then this Agreement shall terminate automatically without further action required of either party.

2.3 Review of the County Property; Disclaimer

Except as otherwise expressly provided in Section 3 below, the County does not make any representations or warranties, express or implied, regarding the County Property or its value or matters affecting the County Property, including, without limitation, the physical condition of the County Property, pest control matters, wetlands, soil and groundwater condition, compliance with the Americans With Disabilities Act of 1990, or other building, health, safety, land use and zoning laws, regulations and orders, structural and other engineering characteristics, traffic patterns, access or availability of utilities. The District acknowledges (i) that the District has entered into this Agreement with the intention of relying upon its own investigation of the physical, environmental, economic, title and legal condition of the County Property, and (ii) that the District is not relying upon any representations and warranties, other than those specifically set forth in Section 3 below, made by the County or anyone acting or claiming to act on the County's behalf concerning the County Property or its value. The District agrees that, except as otherwise expressly provided in Section 3 below, the County Property is to be conveyed to and accepted by the District in its "AS IS" condition with all faults on the Closing Date and assumes the risk that adverse physical, environmental (including the existence or nonexistence of hazardous materials) or economic conditions may not have been revealed by its investigation. Effective upon closing, and except with respect to any claims arising out of (1) any breach by the County of (a) any covenants of the County contained in this Agreement or in any instruments delivered to the District at closing pursuant to this Agreement, or (b) any of the representations or warranties of the County set forth in Section 3 below or in any instruments delivered to the District at closing pursuant to this Agreement, or (2) the County's fraud or deliberate misrepresentation, the District, for itself and its agents and its successors and assigns, hereby releases and forever discharges the County from any and all rights, claims and demands at law or in equity, whether known or unknown at the time of this Agreement, which the District has or may have in the future, arising out of the physical or economic condition of the County Property as of the Closing Date. The District hereby specifically acknowledges that the District has carefully reviewed this subsection and discussed its import with legal counsel and that the provisions of this subsection are a material part of this Agreement.

2.4 Review of the District Property; Disclaimer

Except as otherwise expressly provided in Section 3 below, the District does not make any representations or warranties, express or implied, regarding the District Property or its value or matters affecting the District Property, including, without limitation, the physical condition of the District Property, pest control matters, wetlands, soil and groundwater condition, compliance with the Americans With Disabilities Act of 1990, or other building, health, safety, land use and zoning laws, regulations and orders, structural and other engineering characteristics, traffic patterns, access or availability of utilities. The County acknowledges (i) that the County has entered into this Agreement with the intention of relying upon its own investigation of the physical, environmental, economic, title and legal condition of the District Property, and (ii) that the County is not relying upon any

representations and warranties, other than those specifically set forth in Section 3 below, made by the District or anyone acting or claiming to act on the District's behalf concerning the District Property or its value. The County agrees that, except as otherwise expressly provided in Section 3 below, the District Property is to be conveyed to and accepted by the County in its "AS IS" condition with all faults on the Closing Date and assumes the risk that adverse physical, environmental (including the existence or nonexistence of hazardous materials) or economic conditions may not have been revealed by its investigation. Effective upon closing, and except with respect to any claims arising out of (1) any breach by the District of (a) any covenants of the District contained in this Agreement or in any instruments delivered to the County at closing pursuant to this Agreement, or (b) any of the representations or warranties set forth in Section 3 below or in any instruments delivered to the County at closing pursuant to this Agreement, or (2) the District's fraud or deliberate misrepresentation, the County, for itself and its agents and its successors and assigns, hereby releases and forever discharges the District and its agents, directors and employees from any and all rights, claims and demands at law or in equity, whether known or unknown at the time of this Agreement, which the County has or may have in the future, arising out of the physical or economic condition of the District Property as of the Closing Date. The County hereby specifically acknowledges that the County has carefully reviewed this subsection and discussed its import with legal counsel and that the provisions of this subsection are a material part of this Agreement.

2.5 Exchange Price

The parties agree that the County Property and the District Property are of equal monetary and recreational value, and further agree to convey their respective Properties to each other in consideration of the mutual promises and covenants contained in this Agreement, and the receipt by each party of the other party's property, and for no additional consideration.

3. REPRESENTATIONS AND WARRANTIES

Each party represents and warrants to the other party as follows:

(i) Such party has all requisite power and authority to own its Property; has requisite power and authority to execute and deliver this Agreement and to perform its obligations hereunder and the transactions contemplated hereby; and the documents and instruments contemplated hereby will be duly authorized by all necessary action on such party's part.

(ii) This Agreement has been, and the documents and instruments contemplated hereby will be, duly executed and delivered by such party, and constitute such party's legal, valid and binding obligation(s) enforceable according to its terms.

The foregoing representations and warranties shall remain true at all times from the Effective Date of this Agreement through the Closing Date, and each party's rights to enforce such representations and warranties shall survive the closing and shall not be merged into any documents delivered at closing. Each party shall indemnify and defend the other party against all claims, suits, actions, proceedings, judgments, liabilities, obligations, liens, losses, damages, penalties, fines, costs, and expenses, including reasonable attorney fees, court costs, and settlement costs, arising out of, or having to do with, the breach by the other party of any of the foregoing representations and warranties, regardless of whether such breach is discovered before or after the closing.

4. CONDITIONS PRECEDENT

4.1 Conditions to the County's Obligations

Notwithstanding anything in this Agreement to the contrary, the County's obligations under this Agreement shall be subject to and contingent upon the satisfaction, or waiver by the County, of the following conditions precedent under this Section 4.1:

(i) On or before the Closing Date, the District shall have delivered into escrow the documents specified in Section 5.1.2; and

(ii) On or before the Closing Date, all other conditions to closing for the benefit of the County expressly set forth in this Agreement with regard to the exchange of the Properties shall have been fulfilled or waived.

4.2 Conditions to the District's Obligations

Notwithstanding anything in this Agreement to the contrary, the District's obligations under this Agreement shall be subject to and contingent upon the satisfaction, or waiver by the District, of the following conditions precedent under this Section 4.2:

(i) On or before the Closing Date, the County shall have delivered into escrow the documents specified in Section 5.1.1; and

(ii) On or before the Closing Date, all other conditions to closing for the benefit of the District expressly set forth in this Agreement with regard to the exchange of the Properties shall have been fulfilled or waived.

4.3 Failure or Waiver of Conditions Precedent

In the event any of the conditions set forth in Section 4 are not fulfilled or waived by the party intended to be benefited thereby, this Agreement shall terminate and the parties shall have no further obligations except as otherwise expressly provided in this Agreement. Either party may, at its election, at any time or times on or before the date (and, if indicated, the time) specified for the satisfaction of the condition, waive in writing the benefit of any of the conditions set forth in this Section 4.

5. ESCROW AND CLOSING

5.1 Escrow Arrangements

The parties acknowledge and agree that an escrow for the exchange of the Properties contemplated by this Agreement shall be opened with the Title Company. On or before the Closing Date, the County and the District shall each deliver escrow instructions to the Title Company consistent with this Section 5 and the parties shall deposit in escrow the funds and documents described below.

5.1.1 The County Deliveries

The County shall deposit or cause to be deposited:

- (i) a duly executed and acknowledged quitclaim deed in the form attached to this Agreement as Exhibit F (the "County Deed") for the County Property;
- (ii) a counterpart original of the Assignment of Leases, duly executed and acknowledged by the County, or if the County so elects, by the City;
- (iii) the Partial Assignment, duly executed and acknowledged by the County and the City, if necessary;
- (iv) sufficient cash to pay the County's share of escrow costs, prorations and closing expenses as set forth in Sections 5.3 and 5.4 below;
- (v) a duly executed real estate excise tax affidavit with respect to each Property; and
- (vi) such other documents and instruments as may be necessary to transfer, convey, and assign to the District all other rights and interests to effectuate the terms of this Agreement.

5.1.2 The District Deliveries

The District shall deposit:

- (i) a duly executed and acknowledged quitclaim deed in the form attached to this Agreement as Exhibit G (the "District Deed") for the District Property, together with the consent of the City to the conveyance, if necessary;
- (ii) in the event that the Partial Assignment for the transfer the District Property to the City is fully executed, a duly executed and acknowledged copy of the Covenant, together with the consent of the City to the encumbrance;
- (iii) a counterpart original of the Assignment of Leases, duly executed and acknowledged by the District;

- (iv) a counterpart original of the Partial Assignment, duly executed and acknowledged by the District, if necessary;
- (v) originals of the Notices to Lessees;
- (vi) sufficient cash to pay the District's share of escrow costs, prorations and closing expenses as set forth in Sections 5.3 and 5.4 below;
- (vii) a duly executed real estate excise tax affidavit with respect to each Property; and
- (viii) such other documents and instruments as may be necessary to transfer, convey, and assign to the County (or its assignee, the City) all other rights and interests to effectuate the terms of this Agreement.

5.2 Title Company's Duties and Closing

The County and the District shall instruct the Title Company to close escrow on the Closing Date by:

- (i) (a) Recording the following documents in the following order: the County Deed, the District Deed, and, if applicable, the Covenant, and (b) delivering the real estate excise tax affidavits to the appropriate governmental office;
- (ii) Mailing the Notices to Lessees;
- (iii) Paying all closing costs and making all prorations in accordance with Sections 5.3 and 5.4 of this Agreement, and preparing a closing statement of adjustments and prorations to be approved by the County and the District (the "Closing Statement");
- (iv) Delivering to the County, or its assignee, a pro forma of an owner's policy of title insurance (a "Title Policy") (together with the Title Company's irrevocable commitment to deliver the original of the Title Policy to the County as soon as possible after the closing) if a Title Policy is requested by the County, the Title Company's certified Closing Statement, a conformed copy of the District Deed, a conformed copy of the Covenant (if necessary), an original of each of the Assignment of Leases and the Partial Assignment, and copies of all other documents deposited into escrow; and
- (v) Delivering to the District a pro forma of a standard coverage A.L.T.A. Form B-1970 owner's policy of title insurance, dated as of the Closing Date, insuring the District as the owner of the County Property in an amount to be determined by the District, and subject only to those exceptions shown on the Title Company's preliminary commitment for title insurance order no. 200-10077834, dated October 30, 2002, as amended by that certain Supplemental No. 1 Title Commitment,

dated November 21, 2002, that certain Supplemental No. 2 Title Commitment, dated November 27, 2002, and that certain Supplemental No. 3 Title Commitment, dated February 14, 2003 (collectively, the "District's Title Policy"), together with such special endorsements as the District may reasonably require, including without limitation, a "legal lot" or subdivision endorsement (together with the Title Company's irrevocable commitment to deliver the original of the District's Title Policy to the District as soon as possible after the closing), the Title Company's certified Closing Statement, a conformed copy of the County Deed, an original of each of the Assignment of Leases and the Partial Assignment, and copies of all other documents deposited into escrow.

5.3 Closing Costs

The parties anticipate this transaction to be exempt from real estate excise taxes. The District and the County will pay an equal share of the escrow fee. The County may assign a portion of this obligation to the City in the Partial Assignment, provided, however, that such assignment shall not delay the closing and the County shall remain fully liable for such obligations notwithstanding such assignment. Each party shall pay the cost of its own Title Policy, if any, and extended coverage and any and all other endorsements desired by such party, and survey costs (if such party obtains its own survey). Each party shall pay the recording costs for its respective Deed. The District shall pay the recording costs for the Covenant. Each party shall pay its own attorneys' fees. Except as otherwise provided in this section, all other expenses shall be paid by the party incurring such expenses.

5.4 Prorations

The County and the District shall cooperate to produce on or before the Closing Date a schedule of prorations which is as complete and accurate as reasonably possible. All prorations which can be reasonably estimated as of the Closing Date shall be made in escrow on the Closing Date. All other prorations and any adjustments to initial estimated prorations shall be made by the County and the District within thirty (30) days following the Closing Date or such later time as may be required, in the exercise of due diligence, to obtain the necessary information for proration. Any net credit due one party from the other as a result of such post-closing prorations and adjustments shall be paid to the other in cash immediately upon the parties' written agreement to a final schedule of post-closing adjustments and prorations.

5.4.1 Real Estate Taxes

All real estate taxes that become due and payable in the year of closing shall be prorated between the parties based on the Closing Date. If the tax statement for the year of closing has not been issued by the time of closing, the amounts to be paid under this paragraph shall be estimated on the basis of the most recent tax statement and then adjusted once the tax statement for the year of closing is issued.

5.4.2 Rents Under the District Leases

All rents owed by the Lessees under the District Leases shall be prorated between the parties based on the Closing Date. Any rents received by the District after the Closing Date with respect to the period after the Closing Date shall be remitted to the County or its assignee within a reasonable time after they are received.

5.5 Closing Date

The Closing Date shall be thirty (30) days after the Effective Date of this Agreement.

6. POSSESSION

Each party agrees to deliver possession of its respective Property to the other party on the Closing Date, but the District Property shall be conveyed subject to the District Leases.

7. ASSIGNMENT

Subject to the terms of Section 2.2.3, neither party may assign its rights under this Agreement or delegate its obligations under this Agreement without prior written consent of the other party. Any purported assignment that does not meet the requirements of this Section 7 shall be void.

8. DEFAULT

If either party shall be in default of any of its obligations hereunder and such default shall not have been cured within ten (10) days after notice thereof from the other party (or if the default is curable, but cannot reasonably be cured within said period, there shall be no default so long as such party begins to cure such default within said period and diligently pursues such action to completion), the non-defaulting party shall have the right to pursue its rights and remedies available in law or in equity. Each party shall have the right to restrain by injunction any violation or threatened violation by any other party of any of the terms, covenants, or conditions of this Agreement, or to obtain a decree to compel performance of any such terms, covenants, or conditions, it being agreed that the remedy at law for a breach of any such term, covenant, or condition is not adequate.

9. ATTORNEYS' FEES

In any action to enforce the terms of this Agreement, the prevailing party shall be entitled to recover its costs and reasonable attorneys' fees, including those on appeal.

10. SUCCESSORS AND ASSIGNS

Except as otherwise provided in this Agreement, the terms and conditions of this Agreement shall both bind and benefit both parties and their successors and permitted assigns.

11. INTEGRATION

This Agreement, together with the attached Exhibits, is the entire contract between the parties and constitutes the final and complete expression of the parties regarding the exchange of the Properties, and no representations, inducements, promises, understandings, or agreements (whether express or implied, or whether oral or written) made before the execution of this Agreement will change its terms or have any effect. This Agreement may be changed only by a writing signed by both the County and the District.

12. SEVERABILITY

The invalidity or unenforceability of one provision of this Agreement will not affect the validity or enforceability of the other provisions.

13. TIME

Time is of the essence in each and every covenant and condition of this Agreement.

14. HOLIDAYS

Should the last day for giving any notice or taking any action required or permitted under this Agreement fall on a Saturday, Sunday or legal holiday, the last day shall be postponed until the next business day.

15. NON-MERGER

The terms and provisions of this Agreement shall not merge in, but shall survive, the closing of the transaction contemplated hereunder and the deeds to be delivered pursuant thereto.

16. NOTICES

Unless expressly provided otherwise, all notices and other communications to be given under this Agreement by either party to the other shall be in writing. All written notices shall be sent, postage prepaid, by certified or registered mail, return receipt requested, or may be personally delivered, and shall be deemed given three (3) business days after the date when postmarked (if mailed) or when actually received (if personally delivered). Written notices shall be sent to the parties at the following addresses, unless a party gives written notice to the other party that notices shall be sent to it at another address:

To the District: Auburn School District No. 408
 915 Fourth Street N.E.
 Auburn, Washington 98002
 Attn: Michael Newman
 Fax No: (253) 804-4502
 Phone No: (253) 931-4930

14659

with a copy to: Perkins Coie LLP
1201 Third Avenue
Seattle, Washington 98101
Attn: William L. Green
Fax No: 206/583-8500
Phone No: 206/583-8888

To the County: King County
Room 700, King Street Center
201 South Jackson Street
Seattle, Washington 98104
Attn: Bob Burns, Acting Manager,
Parks and Recreation Division, DNRP
Fax No: 206/296-8686
Phone No: 206/296-8631

with a copy to: King County Prosecutor's Office, Civil Division
King County Courthouse
516 3rd Avenue
Seattle, WA 98105
Attn: Peter G. Ramels
Fax No: 206/296-0191
Phone No: 206/296-9015

17. COUNTERPARTS

This Agreement may be signed in counterparts, only one of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

18. EFFECTIVE DATE

This Agreement shall be effective when duly executed and acknowledged by both parties.

19. EXHIBITS

The following Exhibits are attached to this Agreement and by this reference are made a part hereof:

- Exhibit A: Legal Description of the County Property
- Exhibit B: Legal Description of the District Property
- Exhibit C: Form of Assignment and Assumption of District Leases Agreement
- Exhibit D: Form of Partial Assignment of Intergovernmental Exchange Agreement
- Exhibit E: Form of Covenant Agreement
- Exhibit F: Form of Quitclaim Deed for the County Property
- Exhibit G: Form of Quitclaim Deed for the District Property

14659

IN WITNESS WHEREOF, the parties have signed this Agreement below.

The County:

KING COUNTY, a political subdivision of the State
of Washington

By _____
Name: _____
Title: _____

The District:

AUBURN SCHOOL DISTRICT NO. 408, a
municipal corporation of the State of Washington

By _____
Name: _____
Title: _____

14659 7

STATE OF WASHINGTON)
) ss.
COUNTY OF _____)

On this _____ day of _____, 2003, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared _____, to me known to be the person who signed as _____ of AUBURN SCHOOL DISTRICT NO. 408, a municipal corporation of the State of Washington, the corporation that executed the within and foregoing instrument, and acknowledged 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 _____ was duly elected, qualified and acting as said officer of the corporation, that _____ was authorized to execute said instrument and that the seal affixed, if any, is the corporate seal of said corporation.

IN WITNESS WHEREOF I have hereunto set my hand and official seal the day and year first above written.

(Signature of Notary)

(Print or stamp name of Notary)

NOTARY PUBLIC in and for the State
of Washington, residing at _____
My appointment expires: _____

14659

STATE OF WASHINGTON)
) ss.
COUNTY OF _____)

On this _____ day of _____, 2003, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared _____, to me known to be the person who signed as _____ of KING COUNTY, a political subdivision of the State of Washington, the county that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said county for the uses and purposes therein mentioned, and on oath stated that _____ was duly elected, qualified and acting as said officer of the county, that _____ was authorized to execute said instrument and that the seal affixed, if any, is the corporate seal of said county.

IN WITNESS WHEREOF I have hereunto set my hand and official seal the day and year first above written.

(Signature of Notary)

(Print or stamp name of Notary)

NOTARY PUBLIC in and for the State
of Washington, residing at _____
My appointment expires: _____

14659

**EXHIBIT A
to Intergovernmental Exchange Agreement**

LEGAL DESCRIPTION OF THE COUNTY PROPERTY

THAT PORTION OF THE NORTH HALF OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 4, TOWNSHIP 21 NORTH, RANGE 5 EAST OF THE WILLAMETTE MERIDIAN, KING COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF SAID NORTH HALF OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 4, TOWNSHIP 21 NORTH, RANGE 5 EAST OF THE WILLAMETTE MERIDIAN;

THENCE SOUTH $87^{\circ}36'42''$ EAST ALONG THE NORTH LINE OF SAID SUBDIVISION 1291.67 FEET TO THE WEST MARGIN OF 132ND AVENUE EAST (LOCATED 30 FEET WESTERLY OF THE EAST LINE OF SAID SECTION 4);

THENCE SOUTH $01^{\circ}29'46''$ WEST ALONG SAID WEST MARGIN 337.77 FEET TO A LINE PARALLEL WITH AND 337.73 FEET SOUTHERLY (WHEN MEASURED AT RIGHT ANGLES) OF SAID NORTH LINE OF SAID SUBDIVISION;

THENCE NORTH $87^{\circ}36'42''$ WEST ALONG SAID PARALLEL LINE 1292.14 FEET TO THE WEST LINE OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 4;

THENCE NORTH $01^{\circ}34'25''$ EAST ALONG SAID WEST LINE 337.76 FEET TO THE POINT OF BEGINNING.

SITUATE IN KING COUNTY, WASHINGTON.

THE BASIS OF BEARINGS AND THE SECTION BREAKDOWN USED FOR THIS DESCRIPTION IS RECORD OF SURVEY FILED IN BOOK 142 OF SURVEYS AT PAGE 12 UNDER RECORDING NUMBER 20001212900014, RECORDS OF KING COUNTY, WASHINGTON.

14659

**EXHIBIT B
to Intergovernmental Exchange Agreement**

LEGAL DESCRIPTION OF THE DISTRICT PROPERTY

PARCEL A:

THE NORTH 264 FEET OF THE WEST ½ OF LOT 2 OF SHORT PLAT NO. 477006 AS RECORDED UNDER RECORDING NO. 7805090949, RECORDS OF KING COUNTY WASHINGTON;

TOGETHER WITH ACCESS RIGHTS TO THE PRIVATE ROAD DELINEATED AS TRACT X ON SAID SHORT PLAT;

SITUATE IN THE COUNTY OF KING, STATE OF WASHINGTON.

PARCEL B:

LOT 2 OF SHORT PLAT NO. 477006 AS RECORDED UNDER RECORDING NO. 7805090949, RECORDS OF KING COUNTY WASHINGTON;

EXCEPT THE NORTH 264 FEET OF THE WEST ½ THEREOF;

TOGETHER WITH ACCESS RIGHTS TO THE PRIVATE ROAD DELINEATED AS TRACT X ON SAID SHORT PLAT;

SITUATE IN THE COUNTY OF KING, STATE OF WASHINGTON.

PARCEL C:

LOT 3 OF SHORT PLAT NO. 477006 AS RECORDED UNDER RECORDING NO. 7805090949, RECORDS OF KING COUNTY WASHINGTON;

TOGETHER WITH ACCESS RIGHTS TO THE PRIVATE ROAD DELINEATED AS TRACT X ON SAID SHORT PLAT;

SITUATE IN THE COUNTY OF KING, STATE OF WASHINGTON

14659

**EXHIBIT C
to Intergovernmental Exchange Agreement**

**FORM OF ASSIGNMENT AND ASSUMPTION OF DISTRICT LEASES
AGREEMENT**

14659

EXHIBIT D
to Intergovernmental Exchange Agreement

**FORM OF PARTIAL ASSIGNMENT OF INTERGOVERNMENTAL EXCHANGE
AGREEMENT**

14659

EXHIBIT E
to Intergovernmental Exchange Agreement

FORM OF COVENANT AGREEMENT

14659

EXHIBIT F
to Intergovernmental Exchange Agreement

FORM OF QUITCLAIM DEED
FOR THE COUNTY PROPERTY

14659

EXHIBIT G
to Intergovernmental Exchange Agreement

FORM OF QUITCLAIM DEED
FOR THE DISTRICT PROPERTY

14659

**PARTIAL ASSIGNMENT OF INTERGOVERNMENTAL EXCHANGE
AGREEMENT**

THIS PARTIAL ASSIGNMENT OF INTERGOVERNMENTAL EXCHANGE AGREEMENT ("Partial Assignment") is made as of _____, 2003, by and between KING COUNTY, a political subdivision of the State of Washington ("Assignor"), and the CITY OF AUBURN, a municipal corporation of the State of Washington ("Assignee").

RECITALS

A. Assignor and the Auburn School District No. 408, a municipal corporation of the State of Washington (the "District"), are parties to that certain Intergovernmental Exchange Agreement, dated _____, 2003 (the "Exchange Agreement"). Capitalized terms used in this Partial Assignment shall have the same meanings ascribed to them in the Exchange Agreement.

B. Pursuant to the Exchange Agreement, Assignor has agreed to transfer ownership of the County Property to the District in exchange for the District Property, which District Property is more particularly described herein on Exhibit A.

C. For the reasons stated in the Exchange Agreement, Assignor does not wish to own the District Property, but instead desires to cause the District to transfer ownership of the District Property to Assignee.

D. Assignee desires to own the District Property upon the terms and conditions set forth in the Exchange Agreement.

E. The parties hereto desire to effect the assignment to Assignee of all of Assignor's rights, interests, warranties and obligations in connection with and related to the transfer of the District Property under the Exchange Agreement.

AGREEMENT

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

1. Assignor hereby assigns, conveys and delivers to Assignee all of Assignor's rights, interests, warranties and obligations in connection with and related to the transfer of the District Property under the Exchange Agreement.

2. Assignee hereby accepts the assignment, conveyance and delivery of Assignor's rights, interests, warranties and obligations in connection with and related to the

transfer of the District Property under the Exchange Agreement, and assumes and agrees to be bound by all the terms, conditions and obligations of Assignor in connection with and related to the transfer of the District Property under the Exchange Agreement from and after the date hereof.

3. Assignor's assignment hereunder is not an assignment or delegation of Assignor's rights, interests, warranties, duties, or obligations in connection with and related to the transfer of the County Property under the Exchange Agreement.

4. Assignor and Assignee shall pay equal shares of the County's share of the escrow fee as set forth in Section 5.3 of the Exchange Agreement.

5. Assignor agrees to indemnify, defend, and hold harmless Assignee, and Assignee's successors and assigns, from and against any and all damage, claim, liability, or loss, including reasonable attorney's and other fees arising out of or in any way connected to (a) Assignor's failure to perform any obligation required by this Assignment and/or by the Exchange Agreement, and (b) Assignor's breach of any representation or warranty provided to the District in the Exchange Agreement.

6. Assignee agrees to indemnify, defend, and hold harmless Assignor, and Assignor's successors and assigns, from and against any and all damage, claim, liability, or loss, including reasonable attorney's and other fees arising out of or in any way connected to (a) Assignee's failure to perform any obligation required by this Assignment and/or by the Exchange Agreement, and (b) Assignee's breach of any representation or warranty provided to the District in the Exchange Agreement.

7. This Partial Assignment shall be governed by and construed in accordance with the laws of the State of Washington.

8. The prevailing party in any action or proceeding between the parties relating to this Partial Assignment shall be entitled to recover its reasonable attorneys' fees and costs and expenses incurred in connection with such action or proceeding from the other party.

8. This Partial Assignment may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall constitute in one and the same instrument.

[The remainder of this page is intentionally left blank.]

14659

IN WITNESS WHEREOF, this Partial Assignment was made and executed as of the date first above written.

Assignor:

KING COUNTY, a political subdivision of the State of Washington

By _____
Name: _____
Title: _____

Assignee:

CITY OF AUBURN, a municipal corporation of the State of Washington

By _____
Name: _____
Title: _____

Consented to and Agreed by:

AUBURN SCHOOL DISTRICT NO. 408,
a municipal corporation of the State of Washington

By _____
Name: _____
Title: _____

14659

STATE OF WASHINGTON)
) ss.
COUNTY OF _____)

On this ____ day of _____, 2003, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared _____, to me known to be the person who signed as _____ of AUBURN SCHOOL DISTRICT NO. 408, a municipal corporation of the State of Washington, the corporation that executed the within and foregoing instrument, and acknowledged 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 _____ was duly elected, qualified and acting as said officer of the corporation, that _____ was authorized to execute said instrument and that the seal affixed, if any, is the corporate seal of said corporation.

IN WITNESS WHEREOF I have hereunto set my hand and official seal the day and year first above written.

(Signature of Notary)

(Print or stamp name of Notary)

NOTARY PUBLIC in and for the State
of Washington, residing at _____.
My appointment expires: _____.

14659

STATE OF WASHINGTON)
) ss.
COUNTY OF _____)

On this _____ day of _____, 2003, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared _____, to me known to be the person who signed as _____ of KING COUNTY, a political subdivision of the State of Washington, the county that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said county for the uses and purposes therein mentioned, and on oath stated that _____ was duly elected, qualified and acting as said officer of the county, that _____ was authorized to execute said instrument and that the seal affixed, if any, is the corporate seal of said county.

IN WITNESS WHEREOF I have hereunto set my hand and official seal the day and year first above written.

(Signature of Notary)

(Print or stamp name of Notary)

NOTARY PUBLIC in and for the State
of Washington, residing at _____
My appointment expires: _____

14659

STATE OF WASHINGTON)
) ss.
COUNTY OF _____)

On this ____ day of _____, 2003, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared _____, to me known to be the person who signed as _____ of the CITY OF AUBURN, a municipal corporation of the State of Washington, the corporation that executed the within and foregoing instrument, and acknowledged 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 _____ was duly elected, qualified and acting as said officer of the corporation, that _____ was authorized to execute said instrument and that the seal affixed, if any, is the corporate seal of said corporation.

IN WITNESS WHEREOF I have hereunto set my hand and official seal the day and year first above written.

(Signature of Notary)

(Print or stamp name of Notary)

NOTARY PUBLIC in and for the State
of Washington, residing at _____
My appointment expires: _____

14659

**EXHIBIT A
to the Partial Assignment**

Legal Description of the District Property

PARCEL A:

THE NORTH 264 FEET OF THE WEST ½ OF LOT 2 OF SHORT PLAT
NO. 477006 AS RECORDED UNDER RECORDING NO. 7805090949, RECORDS
OF KING COUNTY WASHINGTON;

TOGETHER WITH ACCESS RIGHTS TO THE PRIVATE ROAD DELINEATED
AS TRACT X ON SAID SHORT PLAT;

SITUATE IN THE COUNTY OF KING, STATE OF WASHINGTON.

PARCEL B:

LOT 2 OF SHORT PLAT NO. 477006 AS RECORDED UNDER RECORDING
NO. 7805090949, RECORDS OF KING COUNTY WASHINGTON;

EXCEPT THE NORTH 264 FEET OF THE WEST ½ THEREOF;

TOGETHER WITH ACCESS RIGHTS TO THE PRIVATE ROAD DELINEATED
AS TRACT X ON SAID SHORT PLAT;

SITUATE IN THE COUNTY OF KING, STATE OF WASHINGTON.

PARCEL C:

LOT 3 OF SHORT PLAT NO. 477006 AS RECORDED UNDER RECORDING
NO. 7805090949, RECORDS OF KING COUNTY WASHINGTON;

TOGETHER WITH ACCESS RIGHTS TO THE PRIVATE ROAD DELINEATED
AS TRACT X ON SAID SHORT PLAT;

SITUATE IN THE COUNTY OF KING, STATE OF WASHINGTON

14659

Return Address

King County Prosecutor's Office, Civil Division
King County Courthouse
516 3rd Avenue
Seattle, WA 98105
Attn: Pete Ramels, Esq.

Document Title(s) (or transactions contained therein):

1. Covenant Agreement
- 2.

Reference Number(s) of Documents assigned or partially released:
(on page ___ of document(s))

Grantor(s) (Last name first, then first name and initials):

1. City of Auburn
- 2.
3. Additional names on page ___ of document.

Grantee(s) (Last name first, then first name and initials):

1. King County
- 2.
3. Additional names on page ___ of document.

Legal description (abbreviated: i.e. lot, block, plat or section, township, range)

STR 042105 TAX LOT 60 N 264 FT OF W 1/2 OF LOT 2 OF KCSP 477006 REC NO 7805090949;
STR 042105 TAX LOT 71 LOT 2 LESS N 264 FT OF W 1/2 THOF OF KCSP 477006 REC NO
7805090949;
STR 042105 TAX LOT 61 LOT 3 SHORT PLAT #477006 REC AF #7805090949

Full legal is on Page ___ of document.

Assessor's Property Tax Parcel/Account Number

0421059060, 0421059061, 0421059071

14659

COVENANT AGREEMENT

THIS COVENANT AGREEMENT is made this ___ day of _____, 2003 ("Covenant"), by and between the CITY OF AUBURN, a municipal corporation of the State of Washington (the "City"), and KING COUNTY, a political subdivision of the State of Washington (the "County").

RECITALS

A. Pursuant to that certain Intergovernmental Exchange Agreement dated _____, 2003 ("Exchange Agreement"), between the Auburn School District No. 408, a municipal corporation of the State of Washington (the "District"), and King County, the District and the County are exchanging certain properties more particularly described in the Exchange Agreement.

B. Pursuant to a Partial Assignment of Intergovernmental Exchange Agreement, dated _____, 2003 ("Partial Assignment"), the County has directed the District to convey the District's property, as more particularly described herein on Exhibit A (the "District Property"), directly to the City.

C. The City has agreed to accept the District Property from the District.

D. Pursuant to that certain Intergovernmental Land Transfer Agreement Between King County and the City of Auburn dated _____, 2003 ("Transfer Agreement"), the County has agreed to convey to the City a property, more particularly described herein on Exhibit B ("Jacobsen Parcel"), which is located in the immediate vicinity of the District Property.

D. As part of the consideration for executing the Partial Assignment in favor of the City and the Transfer Agreement with the City, and as a condition of the County causing the District to convey the District Property directly to the City and of the County conveying the Jacobsen Parcel directly to the City, the County requires that the use of the District Property be restricted in perpetuity solely to use for public park or recreation purposes..

E. The City desires to encumber the District Property with this Covenant in exchange for receiving the District Property and the Jacobsen Parcel.

F. The County, under the authority of RCW 36.89.050, King County Resolution 34571 and other federal, state and county laws, has acquired and developed a substantial park, recreation and open space system that depends on the continued operation of many individual properties and facilities in order to fully serve the needs of the residents of King County and the cities within it. The County's park, recreation and open space system in the

area of the District Property will depend on the continued use in perpetuity of the District Property for park or recreational purposes.

G. To the extent the City provides scholarships, reduced fees or other means of assuring access to parks and recreational programming for City residents, the City has a goal of ensuring that such scholarships or other needs-based rates and programs are available to all persons desiring to use its park and recreational programs regardless of residency

AGREEMENT

NOW, THEREFORE, in consideration of the County causing the District to convey the District Property directly to the City, of the County conveying the Jacobsen Parcel directly to the City, of the mutual covenants and representations contained in this Agreement, and of other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the parties agree as follows:

1. Covenant

The City declares and covenants that the District Property shall be used in perpetuity for park or recreation purposes unless other equivalent lands or facilities within the county or the city in which the District Property is located are received in exchange therefor and the replacement lands or facilities are used in perpetuity for park or recreation purposes.

The City further covenants that it will not limit or restrict access to and use of the District Property by non-city residents in any way that does not also apply to city residents. The City covenants that if differential fees for non-city residents are imposed, they will be reasonably related to the cost borne by city taxpayers to maintain, improve or operate the District Property for parks and recreation purposes.

2. Enforcement

The County may enforce the terms of this Covenant by means of equitable action, which shall specifically include the right to restrain by injunction any violation or threatened violation of the covenants set forth in this Covenant, or to obtain a decree to compel performance of any such terms, covenants and conditions, the City agreeing that the remedy at law for a breach of any such term, covenant or condition is not adequate.

3. Successors and Assigns

The City agrees that the District Property shall be held, used and occupied subject to the covenants, conditions and restrictions set forth herein, and that said covenants, conditions and restrictions shall touch and concern and run with title to the District Property for the

benefit of the County and the County land that makes up its public park, recreation and open space system. The covenants, conditions and restrictions set forth herein shall be binding on all parties having any right, title, or interest in the District Property or any portion thereof, and their respective successors and assigns.

IN WITNESS WHEREOF, the undersigned has duly caused this Covenant Agreement to be executed as of the day and year first above written.

CITY OF AUBURN, a municipal corporation of the State of Washington

By _____
Name: _____
Title: _____
Date: _____

Attest:

By _____
Name: _____
Title: _____
Date: _____

Approved as to Form:

By _____
Name: _____
Title: _____
Date: _____

KING COUNTY, a political subdivision of the State of Washington

By _____
Name: _____
Title: _____
Date: _____

14659

STATE OF WASHINGTON)
) ss.
COUNTY OF _____)

On this _____ day of _____, 2003, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared _____, to me known to be the person who signed as _____ of King County, the county that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said county for the uses and purposes therein mentioned, and on oath stated that _____ was duly elected, qualified and acting as said officer of the county, that _____ was authorized to execute said instrument and that the seal affixed, if any, is the corporate seal of said county.

IN WITNESS WHEREOF I have hereunto set my hand and official seal the day and year first above written.

(Signature of Notary)

(Print or stamp name of Notary)

NOTARY PUBLIC in and for the State
of Washington, residing at _____
My appointment expires: _____

14659

**EXHIBIT A
to the Covenant Agreement**

Legal Description of the District Property

PARCEL A:

THE NORTH 264 FEET OF THE WEST ½ OF LOT 2 OF SHORT PLAT NO. 477006 AS RECORDED UNDER RECORDING NO. 7805090949, RECORDS OF KING COUNTY WASHINGTON;

TOGETHER WITH ACCESS RIGHTS TO THE PRIVATE ROAD DELINEATED AS TRACT X ON SAID SHORT PLAT;

SITUATE IN THE COUNTY OF KING, STATE OF WASHINGTON.

PARCEL B:

LOT 2 OF SHORT PLAT NO. 477006 AS RECORDED UNDER RECORDING NO. 7805090949, RECORDS OF KING COUNTY WASHINGTON;

EXCEPT THE NORTH 264 FEET OF THE WEST ½ THEREOF;

TOGETHER WITH ACCESS RIGHTS TO THE PRIVATE ROAD DELINEATED AS TRACT X ON SAID SHORT PLAT;

SITUATE IN THE COUNTY OF KING, STATE OF WASHINGTON.

PARCEL C:

LOT 3 OF SHORT PLAT NO. 477006 AS RECORDED UNDER RECORDING NO. 7805090949, RECORDS OF KING COUNTY WASHINGTON;

TOGETHER WITH ACCESS RIGHTS TO THE PRIVATE ROAD DELINEATED AS TRACT X ON SAID SHORT PLAT;

SITUATE IN THE COUNTY OF KING, STATE OF WASHINGTON

**EXHIBIT B
to the Covenant Agreement**

Legal Description of the Jacobsen Parcel

PARCEL A:

LOTS 1 AND 4, AS DELINEATED ON KING COUNTY SHORT PLAT NO. R477006, RECORDED UNDER KING COUNTY RECORDING NO. 7805090949, BEING A PORTION OF THE SOUTH 1/2 OF THE SE 1/4 OF THE NE 1/4 OF SECTION 4, TOWNSHIP 21 NORTH, RANGE 5 EAST, W.M., IN KING COUNTY, WASHINGTON.

SUBJECT TO:

- 1) Easement and the terms and conditions thereof:
GRANTEE: United States of America
PURPOSE: Maintain, repair, rebuild, operate and patrol one or more electric transmission lines, and one or more telephone and/or telegraph lines including the right to erect such poles and other transmission line structures, wires, cables, and the appurtenances thereto
AREA AFFECTED: A 100 ft. strip lying along the southerly portion of Parcel A
RECORDED: December 17, 1940
RECORDING NO: 3137083
- 2) Right to enter the land to make repairs and the right to cut brush and trees which constitute a menace or danger to the electric transmission line adjoining the land, as granted in instrument recorded under Recording No. 3137083.
- 3) Easement and the terms and conditions thereof:
GRANTEE: United States of America
PURPOSE: Covington Tacoma transmission lines
AREA AFFECTED: A 100 ft. strip lying along the southerly portion of Parcel A
RECORDED: August 29, 1942
RECORDING NO: 3261548
- 4) Right to enter the land to make repairs and the right to cut brush and trees which constitute a menace or danger to the electric transmission line adjoining the land, as granted in instrument recorded under Recording No. 3261548.
- 5) Right to make necessary slopes for cuts or fills upon the land herein described as granted to King County by deed recorded under Recording No. 7804130590.
AFFECTS: Lot 1
- 6) Easement and the terms and conditions thereof:
PURPOSE: To install, maintain and repair drainage facility
AREA AFFECTED: Parcel A and other property

14659

RECORDED: April 14, 1978
RECORDING NO: 7804140877

- 7) Easement and the terms and conditions thereof:
PURPOSE: Permanent easement for ingress, egress and utilities over Tract X
AREA AFFECTED: The North 30 feet of Parcel A
RECORDED: May 19, 1978
RECORDING NO: 7805190191
- 8) All covenants, conditions, restrictions, reservations, easements or other servitudes, if any, disclosed by Short Plat No. R477006, recorded under King County Recording No. 7805090949;
- 9) Road and interceptor drain system construction and maintenance agreement imposed by instrument recorded on June 7, 1978, under Recording No. 7806070243;
- 10) Easement for underground electric transmission system and the terms and conditions thereof:
GRANTEE: Puget Sound Power & Light Company, a Washington corporation
PURPOSE: An underground electric transmission and/or distribution system
AREA AFFECTED: The North 37 feet of Lot 1
RECORDED: January 16, 1979
RECORDING NO: 7901160711

PARCEL B:

AN EASEMENT FOR INGRESS, EGRESS AND UTILITIES AS FOLLOWS:

THE SOUTH 1/2 OF A CUL-DE-SAC WITH A RADIUS OF 25 FEET, THE CENTER OF WHICH IS THE NE CORNER OF THE ABOVE DESCRIBED LOT 4, AND THE NORTH 30 FEET OF THE EAST 3/4 OF THE SOUTH 1/2 OF THE SE 1/4 OF THE NE 1/4; AND THAT PORTION OF A CURVE HAVING A 25 FOOT RADIUS BEING TANGENT TO THE WEST LINE OF THE WEST 30 FEET OF 132ND AVE. SE AND TANGENT TO THE SOUTH LINE OF THE NORTH 30 FEET OF THE SOUTH 1/2 OF THE SE 1/4 OF THE NE 1/4 OF SAID SECTION 4; EXCEPT THE EAST 30 FEET THEREOF CONVEYED TO KING COUNTY FOR ROAD PURPOSES UNDER KING COUNTY RECORDING NO. 7804130590.

PARCEL C:

THAT PORTION OF THE NORTH HALF OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 4, TOWNSHIP 21 NORTH, RANGE 5 EAST OF THE WILLAMETTE MERIDIAN, KING COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF SAID NORTH HALF OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 4, TOWNSHIP 21

14659

NORTH, RANGE 5 EAST OF THE WILLAMETTE MERIDIAN; THENCE ALONG THE WEST LINE OF SAID SUBDIVISION SOUTH $01^{\circ}34'25''$ WEST 337.76 FEET TO A LINE PARALLEL WITH AND 337.73 FEET SOUTHERLY OF THE NORTH LINE OF SAID SUBDIVISION, AND THE TRUE POINT OF BEGINNING OF THIS DESCRIPTION; THENCE SOUTH $87^{\circ}36'42''$ EAST ALONG SAID PARALLEL LINE 1292.14 FEET TO THE WEST MARGIN OF 132ND AVENUE EAST (LOCATED 30 FEET WESTERLY OF THE EAST LINE OF SAID SECTION 4); THENCE SOUTH $01^{\circ}29'46''$ WEST ALONG SAID WEST MARGIN 170.94 FEET TO THE NORTHEAST CORNER OF THE LANDS DESCRIBED IN DEED TO DONALD L. FRANKLIN AND KATHLEEN D. FRANKLIN, HUSBAND AND WIFE, RECORDED UNDER RECORDING NUMBER 7907170145, RECORDS OF SAID COUNTY; THENCE ALONG THE NORTH LINE OF SAID LANDS NORTH $87^{\circ}41'44''$ WEST 120.01 FEET TO THE NORTHWEST CORNER OF SAID LANDS; THENCE ALONG THE WEST LINE OF SAID LANDS SOUTH $01^{\circ}29'46''$ WEST 150.01 FEET TO THE SOUTH LINE OF THE NORTH HALF OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 4; THENCE NORTH $87^{\circ}41'44''$ WEST ALONG SAID SOUTH LINE 1172.53 FEET TO SAID WEST LINE OF SAID SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 4; THENCE ALONG SAID WEST LINE NORTH $01^{\circ}34'25''$ EAST 322.85 FEET TO THE TRUE POINT OF BEGINNING.

(CONTAINING 9.1359 ACRES, MORE OR LESS)

SITUATE IN KING COUNTY, WASHINGTON.

THE BASIS OF BEARINGS AND SECTION BREAKDOWN USED FOR THIS DESCRIPTION IS RECORD OF SURVEY FILED IN BOOK 142 OF SURVEYS AT PAGE 12 UNDER RECORDING NUMBER 20001212900014, RECORDS OF KING COUNTY, WASHINGTON.

INTERGOVERNMENTAL EXCHANGE AGREEMENT

THIS INTERGOVERNMENTAL EXCHANGE AGREEMENT (this "Agreement") is made and entered into between AUBURN SCHOOL DISTRICT NO. 408, a political subdivision of the State of Washington (the "District"), and KING COUNTY, a municipal corporation of the State of Washington (the "County").

RECITALS

A. The County is the owner of that certain parcel of real property located in King County, Washington, which comprises approximately 10 acres of real property, and more particularly described on Exhibit A (as more particularly defined below, the "County Property"). The County Property is part of a larger parcel of property (the "Jacobsen Parcel") which the County has separated into two legal lots, one of which is the County Property.

B. The District is the owner of that certain parcel of real property located in King County, Washington, which comprises approximately 10 acres of real property, and is more particularly described on Exhibit B (as more particularly defined below, the "District Property").

C. The County, under the authority of RCW 36.89.050, King County Resolution 34571 and other federal, state and county laws, has acquired and developed a substantial park, recreation and open space system that depends on the continued operation of its many individual properties and facilities in order to fully serve the needs of the residents of King County and the cities within it.

D. The County desires to divest itself of ownership, management, and financial responsibility for parks, open space, recreational facilities and programs inside and near the City boundaries.

E. The Jacobsen Parcel is an undeveloped park that is located in the potential annexation area of the City of Auburn (the "City") that is also known as the East Auburn Athletic Fields.

F. The County does not have a sufficient, stable source of revenue to continue to manage and maintain its parks, open space, recreational facilities and programs at current levels.

G. The County is legally restricted from converting many of these parks, open space, and recreational facilities from their current uses without expending funds to replace the converted facilities.

14659

H. Given the legal restriction regarding conversion of the properties, the marketability of the properties is limited and, as a result, the cost of operating the Jacobsen Parcel is approximately equal to the value of the property to the County.

I. It is in the best interest of the public that the County take those actions necessary to ensure that the parks, open space, recreational facilities and programs that it can no longer afford to manage and maintain remain open and available to the public.

J. The County desires to transfer ownership of the Jacobsen Parcel for continued use as a park. The City has informed the County that it wishes to own the portion the Jacobsen Parcel that is not the County Property for use as a park, and that it wishes to own the District Property for use as a park.

K. The County has informed the District that the County does not wish to own the District Property, but instead desires to cause the District to transfer the District Property to the City for use as a park.

L. The County Property and the District Property are of equal monetary and recreational value, and the parties have agreed to make the exchange of properties in consideration of the terms and conditions of this Agreement and no further consideration.

M. The District has determined that the County Property is a more suitable location for future District facilities. By exchanging for the County Property, the District has determined that the District Property has no foreseeable use, rendering it surplus property. The District Property and the County Property are sometimes collectively referred to herein as the "Properties."

N. The District and the County wish to exchange their Properties pursuant to the requirements of, and under the authority of, RCW 39.33.010 et seq. (Intergovernmental Disposition of Property), and K.C.C. 4.56.140 (Intergovernmental Sales and Leases of Real Property) and the terms and conditions of this Agreement.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties, the parties agree as follows:

AGREEMENT

1. BASIC DEFINITIONS

As used herein, certain capitalized terms shall have the meanings set forth in this Section 1 for each such term.

1.1 Closing Date

The term "Closing Date" shall mean the date upon which the escrow described in Section 5.1 closes, which date shall be no later than the date specified in Section 5.5 hereof.

1.2 County Property

The term "County Property" shall mean that certain real property located in King County, Washington, more particularly described in Exhibit A attached hereto, together with any and all improvements located thereon, and all right, title and interest of the County in any alleys, strips or gores of land adjoining that real property, and all right, title and interest of the County in any easements and rights of way in, to, on or under that real property, or appurtenant thereto.

1.3 District Leases

The term "District Leases" shall mean (i) that certain Residence Lease, dated July 9, 2001, between the District and Sheila McCord, and (ii) that certain Residence Lease, dated July 24, 2001, among the District, Christopher McNabb and Patricia McNabb. Sheila McCord, Christopher McNabb and Patricia McNabb are collectively referred to herein as the "Lessees."

1.4 District Property

The term "District Property" shall mean that certain real property located in King County, Washington, more particularly described in Exhibit B attached hereto, together with any and all improvements located thereon, and all right, title and interest of the District in any alleys, strips or gores of land adjoining that real property, and all right, title and interest of the District in any easements and rights of way in, to, on or under that real property, or appurtenant thereto.

1.5 Title Company

The term "Title Company" shall mean TransNation Title Insurance Company, whose address for this transaction is as follows:

14450 NE 29th Place, Suite 200
Bellevue, WA 98007
Attn: Randy L. Rieman
Fax No.: (425) 646-0545
Phone No.: (800) 441-7701

2. EXCHANGE OF THE PROPERTIES

2.1 Exchange of the County Property

The County agrees to convey the County Property to the District, and the District agrees to accept the County Property from the County, upon all of the terms, covenants and conditions set forth in this Agreement.

2.2 Exchange of the District Property

2.2.1 Exchange of the District Property

The District agrees to convey the District Property to the County, or to the City if a Partial Assignment is completed as provided in Section 2.2.3, and the County, or its assignee, agrees to accept the District Property from the District, upon all of the terms, covenants and conditions set forth in this Agreement.

2.2.2 Assignment of the District Leases

The District agrees to assign all right, title and interest in and to the District Leases to the County, or to the City if a Partial Assignment is completed as provided in Section 2.2.3, and the County, or its assignee, agrees to accept and assume the District Leases from the District, pursuant to an Assignment and Assumption of District Leases Agreement substantially in the form attached hereto as Exhibit C (the "Assignment of Leases"). The District shall deposit into escrow written notices to the Lessees regarding the assignment of the District Leases ("Notice to Lessees"). The Notice to Lessees shall inform the Lessees of the new owner of the District Property, and instruct the Lessees to send any rental payments after the Closing Date to the new owner of the District Property.

2.2.3 The County's Assignee; the Partial Assignment; the Covenant

The District agrees to convey the District Property and assign the District Leases to the County's assignee, the City, upon receipt of a Partial Assignment of Intergovernmental Exchange Agreement (the "Partial Assignment") substantially in the form attached hereto as Exhibit D from the County and the City at least one (1) business day prior to the Closing Date. Upon receipt of the Partial Assignment, duly executed and acknowledged by the City and the County, the District shall also duly execute and acknowledge this Assignment. The Partial Assignment shall assign to the City all of the County's rights, interests, warranties, duties and obligations with regard to the transfer of the District Property. It shall not, however, assign or delegate any of the County's rights, interests, warranties, duties or obligations with regard to the transfer of the County Property, and the County shall remain fully liable to the District for the performance of all of the County's obligations hereunder with respect to the conveyance of the County Property to the District. In the event that the Partial Assignment is fully executed, the parties agree to record a covenant against the District Property, substantially in the form attached hereto as Exhibit E (the "Covenant"), whereby the District Property shall be restricted from any use other than as a public park, subject to the pre-existing rights of the Lessees. The County and the District agree to cooperate in good faith in obtaining the City's consent to the Partial Assignment, the District Deed (hereinafter defined), the Assignment of Leases and the Covenant. In the event that the City does not fully execute the Partial Assignment and give its consent to the aforementioned instruments at least one business day prior to the Closing Date, then this Agreement shall terminate automatically without further action required of either party.

2.3 Review of the County Property; Disclaimer

Except as otherwise expressly provided in Section 3 below, the County does not make any representations or warranties, express or implied, regarding the County Property or its value or matters affecting the County Property, including, without limitation, the physical condition of the County Property, pest control matters, wetlands, soil and groundwater condition, compliance with the Americans With Disabilities Act of 1990, or other building, health, safety, land use and zoning laws, regulations and orders, structural and other engineering characteristics, traffic patterns, access or availability of utilities. The District acknowledges (i) that the District has entered into this Agreement with the intention of relying upon its own investigation of the physical, environmental, economic, title and legal condition of the County Property, and (ii) that the District is not relying upon any representations and warranties, other than those specifically set forth in Section 3 below, made by the County or anyone acting or claiming to act on the County's behalf concerning the County Property or its value. The District agrees that, except as otherwise expressly provided in Section 3 below, the County Property is to be conveyed to and accepted by the District in its "AS IS" condition with all faults on the Closing Date and assumes the risk that adverse physical, environmental (including the existence or nonexistence of hazardous materials) or economic conditions may not have been revealed by its investigation. Effective upon closing, and except with respect to any claims arising out of (1) any breach by the County of (a) any covenants of the County contained in this Agreement or in any instruments delivered to the District at closing pursuant to this Agreement, or (b) any of the representations or warranties of the County set forth in Section 3 below or in any instruments delivered to the District at closing pursuant to this Agreement, or (2) the County's fraud or deliberate misrepresentation, the District, for itself and its agents and its successors and assigns, hereby releases and forever discharges the County from any and all rights, claims and demands at law or in equity, whether known or unknown at the time of this Agreement, which the District has or may have in the future, arising out of the physical or economic condition of the County Property as of the Closing Date. The District hereby specifically acknowledges that the District has carefully reviewed this subsection and discussed its import with legal counsel and that the provisions of this subsection are a material part of this Agreement.

2.4 Review of the District Property; Disclaimer

Except as otherwise expressly provided in Section 3 below, the District does not make any representations or warranties, express or implied, regarding the District Property or its value or matters affecting the District Property, including, without limitation, the physical condition of the District Property, pest control matters, wetlands, soil and groundwater condition, compliance with the Americans With Disabilities Act of 1990, or other building, health, safety, land use and zoning laws, regulations and orders, structural and other engineering characteristics, traffic patterns, access or availability of utilities. The County acknowledges (i) that the County has entered into this Agreement with the intention of relying upon its own investigation of the physical, environmental, economic, title and legal condition of the District Property, and (ii) that the County is not relying upon any

representations and warranties, other than those specifically set forth in Section 3 below, made by the District or anyone acting or claiming to act on the District's behalf concerning the District Property or its value. The County agrees that, except as otherwise expressly provided in Section 3 below, the District Property is to be conveyed to and accepted by the County in its "AS IS" condition with all faults on the Closing Date and assumes the risk that adverse physical, environmental (including the existence or nonexistence of hazardous materials) or economic conditions may not have been revealed by its investigation. Effective upon closing, and except with respect to any claims arising out of (1) any breach by the District of (a) any covenants of the District contained in this Agreement or in any instruments delivered to the County at closing pursuant to this Agreement, or (b) any of the representations or warranties set forth in Section 3 below or in any instruments delivered to the County at closing pursuant to this Agreement, or (2) the District's fraud or deliberate misrepresentation, the County, for itself and its agents and its successors and assigns, hereby releases and forever discharges the District and its agents, directors and employees from any and all rights, claims and demands at law or in equity, whether known or unknown at the time of this Agreement, which the County has or may have in the future, arising out of the physical or economic condition of the District Property as of the Closing Date. The County hereby specifically acknowledges that the County has carefully reviewed this subsection and discussed its import with legal counsel and that the provisions of this subsection are a material part of this Agreement.

2.5 Exchange Price

The parties agree that the County Property and the District Property are of equal monetary and recreational value, and further agree to convey their respective Properties to each other in consideration of the mutual promises and covenants contained in this Agreement, and the receipt by each party of the other party's property, and for no additional consideration.

3. REPRESENTATIONS AND WARRANTIES

Each party represents and warrants to the other party as follows:

- (i) Such party has all requisite power and authority to own its Property; has requisite power and authority to execute and deliver this Agreement and to perform its obligations hereunder and the transactions contemplated hereby; and the documents and instruments contemplated hereby will be duly authorized by all necessary action on such party's part.
- (ii) This Agreement has been, and the documents and instruments contemplated hereby will be, duly executed and delivered by such party, and constitute such party's legal, valid and binding obligation(s) enforceable according to its terms.

The foregoing representations and warranties shall remain true at all times from the Effective Date of this Agreement through the Closing Date, and each party's rights to enforce such representations and warranties shall survive the closing and shall not be merged into any documents delivered at closing. Each party shall indemnify and defend the other party against all claims, suits, actions, proceedings, judgments, liabilities, obligations, liens, losses, damages, penalties, fines, costs, and expenses, including reasonable attorney fees, court costs, and settlement costs, arising out of, or having to do with, the breach by the other party of any of the foregoing representations and warranties, regardless of whether such breach is discovered before or after the closing.

4. CONDITIONS PRECEDENT

4.1 Conditions to the County's Obligations

Notwithstanding anything in this Agreement to the contrary, the County's obligations under this Agreement shall be subject to and contingent upon the satisfaction, or waiver by the County, of the following conditions precedent under this Section 4.1:

(i) On or before the Closing Date, the District shall have delivered into escrow the documents specified in Section 5.1.2; and

(ii) On or before the Closing Date, all other conditions to closing for the benefit of the County expressly set forth in this Agreement with regard to the exchange of the Properties shall have been fulfilled or waived.

4.2 Conditions to the District's Obligations

Notwithstanding anything in this Agreement to the contrary, the District's obligations under this Agreement shall be subject to and contingent upon the satisfaction, or waiver by the District, of the following conditions precedent under this Section 4.2:

(i) On or before the Closing Date, the County shall have delivered into escrow the documents specified in Section 5.1.1; and

(ii) On or before the Closing Date, all other conditions to closing for the benefit of the District expressly set forth in this Agreement with regard to the exchange of the Properties shall have been fulfilled or waived.

4.3 Failure or Waiver of Conditions Precedent

In the event any of the conditions set forth in Section 4 are not fulfilled or waived by the party intended to be benefited thereby, this Agreement shall terminate and the parties shall have no further obligations except as otherwise expressly provided in this Agreement. Either party may, at its election, at any time or times on or before the date (and, if indicated, the time) specified for the satisfaction of the condition, waive in writing the benefit of any of the conditions set forth in this Section 4.

5. ESCROW AND CLOSING

5.1 Escrow Arrangements

The parties acknowledge and agree that an escrow for the exchange of the Properties contemplated by this Agreement shall be opened with the Title Company. On or before the Closing Date, the County and the District shall each deliver escrow instructions to the Title Company consistent with this Section 5 and the parties shall deposit in escrow the funds and documents described below.

5.1.1 The County Deliveries

The County shall deposit or cause to be deposited:

- (i) a duly executed and acknowledged quitclaim deed in the form attached to this Agreement as Exhibit F (the "County Deed") for the County Property;
- (ii) a counterpart original of the Assignment of Leases, duly executed and acknowledged by the County, or if the County so elects, by the City;
- (iii) the Partial Assignment, duly executed and acknowledged by the County and the City, if necessary;
- (iv) sufficient cash to pay the County's share of escrow costs, prorations and closing expenses as set forth in Sections 5.3 and 5.4 below;
- (v) a duly executed real estate excise tax affidavit with respect to each Property; and
- (vi) such other documents and instruments as may be necessary to transfer, convey, and assign to the District all other rights and interests to effectuate the terms of this Agreement.

5.1.2 The District Deliveries

The District shall deposit:

- (i) a duly executed and acknowledged quitclaim deed in the form attached to this Agreement as Exhibit G (the "District Deed") for the District Property, together with the consent of the City to the conveyance, if necessary;
- (ii) in the event that the Partial Assignment for the transfer the District Property to the City is fully executed, a duly executed and acknowledged copy of the Covenant, together with the consent of the City to the encumbrance;
- (iii) a counterpart original of the Assignment of Leases, duly executed and acknowledged by the District;

- (iv) a counterpart original of the Partial Assignment, duly executed and acknowledged by the District, if necessary;
- (v) originals of the Notices to Lessees;
- (vi) sufficient cash to pay the District's share of escrow costs, prorations and closing expenses as set forth in Sections 5.3 and 5.4 below;
- (vii) a duly executed real estate excise tax affidavit with respect to each Property; and
- (viii) such other documents and instruments as may be necessary to transfer, convey, and assign to the County (or its assignee, the City) all other rights and interests to effectuate the terms of this Agreement.

5.2 Title Company's Duties and Closing

The County and the District shall instruct the Title Company to close escrow on the Closing Date by:

(i) (a) Recording the following documents in the following order: the County Deed, the District Deed, and, if applicable, the Covenant, and (b) delivering the real estate excise tax affidavits to the appropriate governmental office;

(ii) Mailing the Notices to Lessees;

(iii) Paying all closing costs and making all prorations in accordance with Sections 5.3 and 5.4 of this Agreement, and preparing a closing statement of adjustments and prorations to be approved by the County and the District (the "Closing Statement");

(iv) Delivering to the County, or its assignee, a pro forma of an owner's policy of title insurance (a "Title Policy") (together with the Title Company's irrevocable commitment to deliver the original of the Title Policy to the County as soon as possible after the closing) if a Title Policy is requested by the County, the Title Company's certified Closing Statement, a conformed copy of the District Deed, a conformed copy of the Covenant (if necessary), an original of each of the Assignment of Leases and the Partial Assignment; and copies of all other documents deposited into escrow; and

(v) Delivering to the District a pro forma of a standard coverage A.L.T.A. Form B-1970 owner's policy of title insurance, dated as of the Closing Date, insuring the District as the owner of the County Property in an amount to be determined by the District, and subject only to those exceptions shown on the Title Company's preliminary commitment for title insurance order no. 200-10077834, dated October 30, 2002, as amended by that certain Supplemental No. 1 Title Commitment,

dated November 21, 2002, that certain Supplemental No. 2 Title Commitment, dated November 27, 2002, and that certain Supplemental No. 3 Title Commitment, dated February 14, 2003 (collectively, the "District's Title Policy"), together with such special endorsements as the District may reasonably require, including without limitation, a "legal lot" or subdivision endorsement (together with the Title Company's irrevocable commitment to deliver the original of the District's Title Policy to the District as soon as possible after the closing), the Title Company's certified Closing Statement, a conformed copy of the County Deed, an original of each of the Assignment of Leases and the Partial Assignment, and copies of all other documents deposited into escrow.

5.3 Closing Costs

The parties anticipate this transaction to be exempt from real estate excise taxes. The District and the County will pay an equal share of the escrow fee. The County may assign a portion of this obligation to the City in the Partial Assignment, provided, however, that such assignment shall not delay the closing and the County shall remain fully liable for such obligations notwithstanding such assignment. Each party shall pay the cost of its own Title Policy, if any, and extended coverage and any and all other endorsements desired by such party, and survey costs (if such party obtains its own survey). Each party shall pay the recording costs for its respective Deed. The District shall pay the recording costs for the Covenant. Each party shall pay its own attorneys' fees. Except as otherwise provided in this section, all other expenses shall be paid by the party incurring such expenses.

5.4 Prorations

The County and the District shall cooperate to produce on or before the Closing Date a schedule of prorations which is as complete and accurate as reasonably possible. All prorations which can be reasonably estimated as of the Closing Date shall be made in escrow on the Closing Date. All other prorations and any adjustments to initial estimated prorations shall be made by the County and the District within thirty (30) days following the Closing Date or such later time as may be required, in the exercise of due diligence, to obtain the necessary information for proration. Any net credit due one party from the other as a result of such post-closing prorations and adjustments shall be paid to the other in cash immediately upon the parties' written agreement to a final schedule of post-closing adjustments and prorations.

5.4.1 Real Estate Taxes

All real estate taxes that become due and payable in the year of closing shall be prorated between the parties based on the Closing Date. If the tax statement for the year of closing has not been issued by the time of closing, the amounts to be paid under this paragraph shall be estimated on the basis of the most recent tax statement and then adjusted once the tax statement for the year of closing is issued.

5.4.2 Rents Under the District Leases

All rents owed by the Lessees under the District Leases shall be prorated between the parties based on the Closing Date. Any rents received by the District after the Closing Date with respect to the period after the Closing Date shall be remitted to the County or its assignee within a reasonable time after they are received.

5.5 Closing Date

The Closing Date shall be thirty (30) days after the Effective Date of this Agreement.

6. POSSESSION

Each party agrees to deliver possession of its respective Property to the other party on the Closing Date, but the District Property shall be conveyed subject to the District Leases.

7. ASSIGNMENT

Subject to the terms of Section 2.2.3, neither party may assign its rights under this Agreement or delegate its obligations under this Agreement without prior written consent of the other party. Any purported assignment that does not meet the requirements of this Section 7 shall be void.

8. DEFAULT

If either party shall be in default of any of its obligations hereunder and such default shall not have been cured within ten (10) days after notice thereof from the other party (or if the default is curable, but cannot reasonably be cured within said period, there shall be no default so long as such party begins to cure such default within said period and diligently pursues such action to completion), the non-defaulting party shall have the right to pursue its rights and remedies available in law or in equity. Each party shall have the right to restrain by injunction any violation or threatened violation by any other party of any of the terms, covenants, or conditions of this Agreement, or to obtain a decree to compel performance of any such terms, covenants, or conditions, it being agreed that the remedy at law for a breach of any such term, covenant, or condition is not adequate.

9. ATTORNEYS' FEES

In any action to enforce the terms of this Agreement, the prevailing party shall be entitled to recover its costs and reasonable attorneys' fees, including those on appeal.

10. SUCCESSORS AND ASSIGNS

Except as otherwise provided in this Agreement, the terms and conditions of this Agreement shall both bind and benefit both parties and their successors and permitted assigns.

14659

11. INTEGRATION

This Agreement, together with the attached Exhibits, is the entire contract between the parties and constitutes the final and complete expression of the parties regarding the exchange of the Properties, and no representations, inducements, promises, understandings, or agreements (whether express or implied, or whether oral or written) made before the execution of this Agreement will change its terms or have any effect. This Agreement may be changed only by a writing signed by both the County and the District.

12. SEVERABILITY

The invalidity or unenforceability of one provision of this Agreement will not affect the validity or enforceability of the other provisions.

13. TIME

Time is of the essence in each and every covenant and condition of this Agreement.

14. HOLIDAYS

Should the last day for giving any notice or taking any action required or permitted under this Agreement fall on a Saturday, Sunday or legal holiday, the last day shall be postponed until the next business day.

15. NON-MERGER

The terms and provisions of this Agreement shall not merge in, but shall survive, the closing of the transaction contemplated hereunder and the deeds to be delivered pursuant thereto.

16. NOTICES

Unless expressly provided otherwise, all notices and other communications to be given under this Agreement by either party to the other shall be in writing. All written notices shall be sent, postage prepaid, by certified or registered mail, return receipt requested, or may be personally delivered, and shall be deemed given three (3) business days after the date when postmarked (if mailed) or when actually received (if personally delivered). Written notices shall be sent to the parties at the following addresses, unless a party gives written notice to the other party that notices shall be sent to it at another address:

To the District: Auburn School District No. 408
 915 Fourth Street N.E.
 Auburn, Washington 98002
 Attn: Michael Newman
 Fax No: (253) 804-4502
 Phone No: (253) 931-4930

14659

with a copy to: Perkins Coie LLP
1201 Third Avenue
Seattle, Washington 98101
Attn: William L. Green
Fax No: 206/583-8500
Phone No: 206/583-8888

To the County: King County
Room 700, King Street Center
201 South Jackson Street
Seattle, Washington 98104
Attn: Bob Burns, Acting Manager,
Parks and Recreation Division, DNRP
Fax No: 206/296-8686
Phone No: 206/296-8631

with a copy to: King County Prosecutor's Office, Civil Division
King County Courthouse
516 3rd Avenue
Seattle, WA 98105
Attn: Peter G. Ramels
Fax No: 206/296-0191
Phone No: 206/296-9015

17. COUNTERPARTS

This Agreement may be signed in counterparts, only one of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

18. EFFECTIVE DATE

This Agreement shall be effective when duly executed and acknowledged by both parties.

19. EXHIBITS

The following Exhibits are attached to this Agreement and by this reference are made a part hereof:

- Exhibit A: Legal Description of the County Property
- Exhibit B: Legal Description of the District Property
- Exhibit C: Form of Assignment and Assumption of District Leases Agreement
- Exhibit D: Form of Partial Assignment of Intergovernmental Exchange Agreement
- Exhibit E: Form of Covenant Agreement
- Exhibit F: Form of Quitclaim Deed for the County Property
- Exhibit G: Form of Quitclaim Deed for the District Property

14659

IN WITNESS WHEREOF, the parties have signed this Agreement below.

The County:

KING COUNTY, a political subdivision of the State
of Washington

By _____
Name: _____
Title: _____

The District:

AUBURN SCHOOL DISTRICT NO. 408, a
municipal corporation of the State of Washington

By _____
Name: _____
Title: _____

14659

STATE OF WASHINGTON)
) ss.
COUNTY OF _____)

On this ____ day of _____, 2003, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared _____, to me known to be the person who signed as _____ of AUBURN SCHOOL DISTRICT NO. 408, a municipal corporation of the State of Washington, the corporation that executed the within and foregoing instrument, and acknowledged 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 _____ was duly elected, qualified and acting as said officer of the corporation, that _____ was authorized to execute said instrument and that the seal affixed, if any, is the corporate seal of said corporation.

IN WITNESS WHEREOF I have hereunto set my hand and official seal the day and year first above written.

(Signature of Notary)

(Print or stamp name of Notary)

NOTARY PUBLIC in and for the State
of Washington, residing at _____.
My appointment expires: _____.

14659

STATE OF WASHINGTON)
) ss.
COUNTY OF _____)

On this _____ day of _____, 2003, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared _____, to me known to be the person who signed as _____ of KING COUNTY, a political subdivision of the State of Washington, the county that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said county for the uses and purposes therein mentioned, and on oath stated that _____ was duly elected, qualified and acting as said officer of the county, that _____ was authorized to execute said instrument and that the seal affixed, if any, is the corporate seal of said county.

IN WITNESS WHEREOF I have hereunto set my hand and official seal the day and year first above written.

(Signature of Notary)

(Print or stamp name of Notary)

NOTARY PUBLIC in and for the State
of Washington, residing at _____
My appointment expires: _____

14659

**EXHIBIT A
to Intergovernmental Exchange Agreement**

LEGAL DESCRIPTION OF THE COUNTY PROPERTY

THAT PORTION OF THE NORTH HALF OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 4, TOWNSHIP 21 NORTH, RANGE 5 EAST OF THE WILLAMETTE MERIDIAN, KING COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF SAID NORTH HALF OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 4, TOWNSHIP 21 NORTH, RANGE 5 EAST OF THE WILLAMETTE MERIDIAN;

THENCE SOUTH 87°36'42" EAST ALONG THE NORTH LINE OF SAID SUBDIVISION 1291.67 FEET TO THE WEST MARGIN OF 132ND AVENUE EAST (LOCATED 30 FEET WESTERLY OF THE EAST LINE OF SAID SECTION 4);

THENCE SOUTH 01°29'46" WEST ALONG SAID WEST MARGIN 337.77 FEET TO A LINE PARALLEL WITH AND 337.73 FEET SOUTHERLY (WHEN MEASURED AT RIGHT ANGLES) OF SAID NORTH LINE OF SAID SUBDIVISION;

THENCE NORTH 87°36'42" WEST ALONG SAID PARALLEL LINE 1292.14 FEET TO THE WEST LINE OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 4;

THENCE NORTH 01°34'25" EAST ALONG SAID WEST LINE 337.76 FEET TO THE POINT OF BEGINNING.

SITUATE IN KING COUNTY, WASHINGTON.

THE BASIS OF BEARINGS AND THE SECTION BREAKDOWN USED FOR THIS DESCRIPTION IS RECORD OF SURVEY FILED IN BOOK 142 OF SURVEYS AT PAGE 12 UNDER RECORDING NUMBER 20001212900014, RECORDS OF KING COUNTY, WASHINGTON.

14659

**EXHIBIT B
to Intergovernmental Exchange Agreement**

LEGAL DESCRIPTION OF THE DISTRICT PROPERTY

PARCEL A:

THE NORTH 264 FEET OF THE WEST ½ OF LOT 2 OF SHORT PLAT NO. 477006 AS RECORDED UNDER RECORDING NO. 7805090949, RECORDS OF KING COUNTY WASHINGTON;

TOGETHER WITH ACCESS RIGHTS TO THE PRIVATE ROAD DELINEATED AS TRACT X ON SAID SHORT PLAT;

SITUATE IN THE COUNTY OF KING, STATE OF WASHINGTON.

PARCEL B:

LOT 2 OF SHORT PLAT NO. 477006 AS RECORDED UNDER RECORDING NO. 7805090949, RECORDS OF KING COUNTY WASHINGTON;

EXCEPT THE NORTH 264 FEET OF THE WEST ½ THEREOF;

TOGETHER WITH ACCESS RIGHTS TO THE PRIVATE ROAD DELINEATED AS TRACT X ON SAID SHORT PLAT;

SITUATE IN THE COUNTY OF KING, STATE OF WASHINGTON.

PARCEL C:

LOT 3 OF SHORT PLAT NO. 477006 AS RECORDED UNDER RECORDING NO. 7805090949, RECORDS OF KING COUNTY WASHINGTON;

TOGETHER WITH ACCESS RIGHTS TO THE PRIVATE ROAD DELINEATED AS TRACT X ON SAID SHORT PLAT;

SITUATE IN THE COUNTY OF KING, STATE OF WASHINGTON

14659

**EXHIBIT C
to Intergovernmental Exchange Agreement**

**FORM OF ASSIGNMENT AND ASSUMPTION OF DISTRICT LEASES
AGREEMENT**

14659

**EXHIBIT D
to Intergovernmental Exchange Agreement**

**FORM OF PARTIAL ASSIGNMENT OF INTERGOVERNMENTAL EXCHANGE
AGREEMENT**

14659

EXHIBIT E
to Intergovernmental Exchange Agreement
FORM OF COVENANT AGREEMENT

14659

EXHIBIT F
to Intergovernmental Exchange Agreement

FORM OF QUITCLAIM DEED
FOR THE COUNTY PROPERTY

14659

EXHIBIT G
to Intergovernmental Exchange Agreement

FORM OF QUITCLAIM DEED
FOR THE DISTRICT PROPERTY

ASSIGNMENT AND ASSUMPTION OF LEASES

THIS ASSIGNMENT AND ASSUMPTION OF LEASES (this "Assignment") is dated this ____ day of _____, 2003, by and between AUBURN SCHOOL DISTRICT NO. 408, a municipal corporation of the State of Washington ("Assignor"), and THE CITY OF AUBURN, a municipal corporation of the State of Washington ("Assignee").

RECITALS:

A. Pursuant to that certain Intergovernmental Exchange Agreement dated _____, 2003 ("Exchange Agreement"), between Assignor and King County, a municipal corporation of the State of Washington (the "County"), Assignor and the County are exchanging certain properties more particularly described in the Exchange Agreement. Capitalized terms not otherwise defined herein shall have the same meanings ascribed to them in the Exchange Agreement.

B. Pursuant to a Partial Assignment of Intergovernmental Exchange Agreement of even date herewith, the County has directed Assignor to convey the District Property directly to Assignee. Assignee has agreed to accept the District Property from Assignor.

C. Assignor is the landlord under (i) that certain Residence Lease, dated July 9, 2001, between Assignor and Sheila McCord, and (ii) that certain Residence Lease, dated July 24, 2001, among Assignor, Christopher McNabb and Patricia McNabb, which are collectively referred to herein as the "Leases." Copies of the Leases are attached hereto as Exhibit A.

D. As a condition precedent to the closing of the transaction contemplated by the Exchange Agreement, Assignor has agreed to assign and Assignee has agreed to assume all of Assignor's obligations under the Leases.

AGREEMENT

NOW, THEREFORE, in consideration of the promises and conditions contained herein, the parties agree as follows:

1. Assignment and Assumption

Assignor assigns and transfers to Assignee all of Assignor's right, title and interest in and to the Leases, including all rents, charges, deposits and other sums due, accrued or to become due thereunder after the Closing Date. Assignee assumes any and all of Assignor's obligations of any kind or nature under the Leases that arise or accrue after the Closing Date.

2. Indemnification

2.1 By Assignee

Assignee agrees to fully, completely and unconditionally indemnify and hold Assignor harmless from and against all claims, losses, expenses, liabilities, damages, including without limitation, interest and penalties, attorneys' fees, and all amounts paid in settlement of any claim, which may be asserted against Assignor, or which Assignor may incur or suffer, and which arise from and after the Closing Date and result from or relate directly or indirectly to the performance of the landlord's obligations under the Leases.

2.2 By Assignor

Assignor agrees to fully, completely and unconditionally indemnify and hold Assignee harmless from and against all claims, losses, expenses, liabilities, damages, including without limitation, interest and penalties, attorneys' fees, and all amounts paid in settlement of any claim, which may be asserted against Assignee, or which Assignee may incur or suffer, and which arise prior to the Closing Date and result from or relate directly or indirectly to the performance of the landlord's obligations under the Leases prior to the Closing Date. Notwithstanding anything herein to the contrary, Assignor shall have no obligation to indemnify Assignee against, and the indemnification provided under this Section 3.2 shall not cover, any claims of tenants or any other third party based on the physical condition of the District Property from and after the Closing Date, including but not limited to (i) any claim or demand that the District Property be placed in a better condition of repair than existed as of the Closing Date, and (ii) any claim that damages or liabilities arose after the Closing Date as a result of the physical condition of the District Property at closing.

3. Attorneys' Fees

In the event of any litigation between Assignee and Assignor, declaratory or otherwise, in connection with this Assignment, the prevailing party shall recover its costs and attorneys' fees actually incurred, which shall be determined and fixed by the court as part of the judgment. The parties covenant and agree that they intended by this section to compensate for attorneys' fees actually incurred by the prevailing party to the particular attorneys involved at such attorneys' then normal hourly rates and that this section shall constitute a request to the court that such rate or rates be deemed reasonable.

4. Binding Effect

This Assignment shall be binding on and inure to the benefit of the Assignor, Assignee and their respective successors and assigns.

5. Counterparts

This Assignment may be executed in several counterparts, each of which shall be deemed an original, and the counterparts together constitute one and the same agreement, notwithstanding that all parties are not signatories to the original or the same counterpart.

14659

6. Governing Law

This Assignment shall be construed and enforced in accordance with the laws of the State of Washington.

(The remainder of this page is intentionally left blank.)

14659

IN WITNESS WHEREOF, the Assignor and Assignee have executed this Assignment the day and year first above written.

ASSIGNOR:

AUBURN SCHOOL DISTRICT NO. 408, a
municipal corporation of the State of
Washington

By: _____
Name: _____
Title: _____

ASSIGNEE:

THE CITY OF AUBURN, a municipal
corporation of the State of Washington

By _____
Name: _____
Title: _____

Attest:

By _____
Name: _____
Title: _____

Approved as to Form:

By _____
Name: _____
Title: _____

14659

STATE OF WASHINGTON)
) ss.
COUNTY OF _____)

On this ____ day of _____, 2003, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared _____, to me known to be the person who signed as _____ of CITY OF AUBURN, the corporation that executed the within and foregoing instrument, and acknowledged 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 _____ was duly elected, qualified and acting as said officer of the corporation, that _____ was authorized to execute said instrument and that the seal affixed, if any, is the corporate seal of said corporation.

IN WITNESS WHEREOF I have hereunto set my hand and official seal the day and year first above written.

(Signature of Notary)

(Print or stamp name of Notary)

NOTARY PUBLIC in and for the State
of Washington, residing at _____.
My appointment expires: _____.

14659

STATE OF WASHINGTON)
) ss.
COUNTY OF _____)

On this _____ day of _____, 2003, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared _____, to me known to be the person who signed as _____ of AUBURN SCHOOL DISTRICT NO. 408, the corporation that executed the within and foregoing instrument, and acknowledged 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 _____ was duly elected, qualified and acting as said officer of the corporation, that _____ was authorized to execute said instrument and that the seal affixed, if any, is the corporate seal of said corporation.

IN WITNESS WHEREOF I have hereunto set my hand and official seal the day and year first above written.

(Signature of Notary)

(Print or stamp name of Notary)

NOTARY PUBLIC in and for the State
of Washington, residing at _____
My appointment expires: _____

14659

EXHIBIT A

Leases

14659

**PARTIAL ASSIGNMENT OF INTERGOVERNMENTAL EXCHANGE
AGREEMENT**

THIS PARTIAL ASSIGNMENT OF INTERGOVERNMENTAL EXCHANGE AGREEMENT ("Partial Assignment") is made as of _____, 2003, by and between KING COUNTY, a political subdivision of the State of Washington ("Assignor"), and the CITY OF AUBURN, a municipal corporation of the State of Washington ("Assignee").

RECITALS

A. Assignor and the Auburn School District No. 408, a municipal corporation of the State of Washington (the "District"), are parties to that certain Intergovernmental Exchange Agreement, dated _____, 2003 (the "Exchange Agreement"). Capitalized terms used in this Partial Assignment shall have the same meanings ascribed to them in the Exchange Agreement.

B. Pursuant to the Exchange Agreement, Assignor has agreed to transfer ownership of the County Property to the District in exchange for the District Property, which District Property is more particularly described herein on Exhibit A.

C. For the reasons stated in the Exchange Agreement, Assignor does not wish to own the District Property, but instead desires to cause the District to transfer ownership of the District Property to Assignee.

D. Assignee desires to own the District Property upon the terms and conditions set forth in the Exchange Agreement.

E. The parties hereto desire to effect the assignment to Assignee of all of Assignor's rights, interests, warranties and obligations in connection with and related to the transfer of the District Property under the Exchange Agreement.

AGREEMENT

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

1. Assignor hereby assigns, conveys and delivers to Assignee all of Assignor's rights, interests, warranties and obligations in connection with and related to the transfer of the District Property under the Exchange Agreement.

2. Assignee hereby accepts the assignment, conveyance and delivery of Assignor's rights, interests, warranties and obligations in connection with and related to the

transfer of the District Property under the Exchange Agreement, and assumes and agrees to be bound by all the terms, conditions and obligations of Assignor in connection with and related to the transfer of the District Property under the Exchange Agreement from and after the date hereof.

3. Assignor's assignment hereunder is not an assignment or delegation of Assignor's rights, interests, warranties, duties, or obligations in connection with and related to the transfer of the County Property under the Exchange Agreement.

4. Assignor and Assignee shall pay equal shares of the County's share of the escrow fee as set forth in Section 5.3 of the Exchange Agreement.

5. Assignor agrees to indemnify, defend, and hold harmless Assignee, and Assignee's successors and assigns, from and against any and all damage, claim, liability, or loss, including reasonable attorney's and other fees arising out of or in any way connected to (a) Assignor's failure to perform any obligation required by this Assignment and/or by the Exchange Agreement, and (b) Assignor's breach of any representation or warranty provided to the District in the Exchange Agreement.

6. Assignee agrees to indemnify, defend, and hold harmless Assignor, and Assignor's successors and assigns, from and against any and all damage, claim, liability, or loss, including reasonable attorney's and other fees arising out of or in any way connected to (a) Assignee's failure to perform any obligation required by this Assignment and/or by the Exchange Agreement, and (b) Assignee's breach of any representation or warranty provided to the District in the Exchange Agreement.

7. This Partial Assignment shall be governed by and construed in accordance with the laws of the State of Washington.

8. The prevailing party in any action or proceeding between the parties relating to this Partial Assignment shall be entitled to recover its reasonable attorneys' fees and costs and expenses incurred in connection with such action or proceeding from the other party.

8. This Partial Assignment may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall constitute in one and the same instrument.

[The remainder of this page is intentionally left blank.]

14659

IN WITNESS WHEREOF, this Partial Assignment was made and executed as of the date first above written.

Assignor:

KING COUNTY, a political subdivision of the State of Washington

By _____
Name: _____
Title: _____

Assignee:

CITY OF AUBURN, a municipal corporation of the State of Washington

By _____
Name: _____
Title: _____

Consented to and Agreed by:

AUBURN SCHOOL DISTRICT NO. 408,
a municipal corporation of the State of Washington

By _____
Name: _____
Title: _____

14659

STATE OF WASHINGTON)
) ss.
COUNTY OF _____)

On this _____ day of _____, 2003, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared _____, to me known to be the person who signed as _____ of AUBURN SCHOOL DISTRICT NO. 408, a municipal corporation of the State of Washington, the corporation that executed the within and foregoing instrument, and acknowledged 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 _____ was duly elected, qualified and acting as said officer of the corporation, that _____ was authorized to execute said instrument and that the seal affixed, if any, is the corporate seal of said corporation.

IN WITNESS WHEREOF I have hereunto set my hand and official seal the day and year first above written.

(Signature of Notary)

(Print or stamp name of Notary)

NOTARY PUBLIC in and for the State
of Washington, residing at _____
My appointment expires: _____

14659

STATE OF WASHINGTON)
) ss.
COUNTY OF _____)

On this _____ day of _____, 2003, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared _____, to me known to be the person who signed as _____ of KING COUNTY, a political subdivision of the State of Washington, the county that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said county for the uses and purposes therein mentioned, and on oath stated that _____ was duly elected, qualified and acting as said officer of the county, that _____ was authorized to execute said instrument and that the seal affixed, if any, is the corporate seal of said county.

IN WITNESS WHEREOF I have hereunto set my hand and official seal the day and year first above written.

(Signature of Notary)

(Print or stamp name of Notary)

NOTARY PUBLIC in and for the State
of Washington, residing at _____
My appointment expires: _____

14659

STATE OF WASHINGTON)
) ss.
COUNTY OF _____)

On this ____ day of _____, 2003, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared _____, to me known to be the person who signed as _____ of the CITY OF AUBURN, a municipal corporation of the State of Washington, the corporation that executed the within and foregoing instrument, and acknowledged 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 _____ was duly elected, qualified and acting as said officer of the corporation, that _____ was authorized to execute said instrument and that the seal affixed, if any, is the corporate seal of said corporation.

IN WITNESS WHEREOF I have hereunto set my hand and official seal the day and year first above written.

(Signature of Notary)

(Print or stamp name of Notary)

NOTARY PUBLIC in and for the State
of Washington, residing at _____
My appointment expires: _____

14659

**EXHIBIT A
to the Partial Assignment**

Legal Description of the District Property

PARCEL A:

THE NORTH 264 FEET OF THE WEST ½ OF LOT 2 OF SHORT PLAT
NO. 477006 AS RECORDED UNDER RECORDING NO. 7805090949, RECORDS
OF KING COUNTY WASHINGTON;

TOGETHER WITH ACCESS RIGHTS TO THE PRIVATE ROAD DELINEATED
AS TRACT X ON SAID SHORT PLAT;

SITUATE IN THE COUNTY OF KING, STATE OF WASHINGTON.

PARCEL B:

LOT 2 OF SHORT PLAT NO. 477006 AS RECORDED UNDER RECORDING
NO. 7805090949, RECORDS OF KING COUNTY WASHINGTON;

EXCEPT THE NORTH 264 FEET OF THE WEST ½ THEREOF;

TOGETHER WITH ACCESS RIGHTS TO THE PRIVATE ROAD DELINEATED
AS TRACT X ON SAID SHORT PLAT;

SITUATE IN THE COUNTY OF KING, STATE OF WASHINGTON.

PARCEL C:

LOT 3 OF SHORT PLAT NO. 477006 AS RECORDED UNDER RECORDING
NO. 7805090949, RECORDS OF KING COUNTY WASHINGTON;

TOGETHER WITH ACCESS RIGHTS TO THE PRIVATE ROAD DELINEATED
AS TRACT X ON SAID SHORT PLAT;

SITUATE IN THE COUNTY OF KING, STATE OF WASHINGTON

14659

Return Address

King County Prosecutor's Office, Civil Division
King County Courthouse
516 3rd Avenue
Seattle, WA 98105
Attn: Pete Ramels, Esq.

Document Title(s) (or transactions contained therein):

1. Covenant Agreement
- 2.

Reference Number(s) of Documents assigned or partially released:
(on page ___ of documents(s))**Grantor(s) (Last name first, then first name and initials):**

1. City of Auburn
- 2.
3. Additional names on page ___ of document.

Grantee(s) (Last name first, then first name and initials):

1. King County
- 2.
3. Additional names on page ___ of document.

Legal description (abbreviated: i.e. lot, block, plat or section, township, range)

STR 042105 TAX LOT 60 N 264 FT OF W ½ OF LOT 2 OF KCSP 477006 REC NO 7805090949;
STR 042105 TAX LOT 71 LOT 2 LESS N 264 FT OF W ½ THOF OF KCSP 477006 REC NO
7805090949;
STR 042105 TAX LOT 61 LOT 3 SHORT PLAT #477006 REC AF #7805090949

Full legal is on Page ___ of document.

Assessor's Property Tax Parcel/Account Number

0421059060, 0421059061, 0421059071

COVENANT AGREEMENT

THIS COVENANT AGREEMENT is made this ___ day of _____, 2003 ("Covenant"), by and between the CITY OF AUBURN, a municipal corporation of the State of Washington (the "City"), and KING COUNTY, a political subdivision of the State of Washington (the "County").

RECITALS

- A. Pursuant to that certain Intergovernmental Exchange Agreement dated _____, 2003 ("Exchange Agreement"), between the Auburn School District No. 408, a municipal corporation of the State of Washington (the "District"), and King County, the District and the County are exchanging certain properties more particularly described in the Exchange Agreement.
- B. Pursuant to a Partial Assignment of Intergovernmental Exchange Agreement, dated _____, 2003 ("Partial Assignment"), the County has directed the District to convey the District's property, as more particularly described herein on Exhibit A (the "District Property"), directly to the City.
- C. The City has agreed to accept the District Property from the District.
- D. Pursuant to that certain Intergovernmental Land Transfer Agreement Between King County and the City of Auburn dated _____, 2003 ("Transfer Agreement"), the County has agreed to convey to the City a property, more particularly described herein on Exhibit B ("Jacobsen Parcel"), which is located in the immediate vicinity of the District Property.
- D. As part of the consideration for executing the Partial Assignment in favor of the City and the Transfer Agreement with the City, and as a condition of the County causing the District to convey the District Property directly to the City and of the County conveying the Jacobsen Parcel directly to the City, the County requires that the use of the District Property be restricted in perpetuity solely to use for public park or recreation purposes..
- E. The City desires to encumber the District Property with this Covenant in exchange for receiving the District Property and the Jacobsen Parcel.
- F. The County, under the authority of RCW 36.89.050, King County Resolution 34571 and other federal, state and county laws, has acquired and developed a substantial park, recreation and open space system that depends on the continued operation of many individual properties and facilities in order to fully serve the needs of the residents of King County and the cities within it. The County's park, recreation and open space system in the

area of the District Property will depend on the continued use in perpetuity of the District Property for park or recreational purposes.

G. To the extent the City provides scholarships, reduced fees or other means of assuring access to parks and recreational programming for City residents, the City has a goal of ensuring that such scholarships or other needs-based rates and programs are available to all persons desiring to use its park and recreational programs regardless of residency

AGREEMENT

NOW, THEREFORE, in consideration of the County causing the District to convey the District Property directly to the City, of the County conveying the Jacobsen Parcel directly to the City, of the mutual covenants and representations contained in this Agreement, and of other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the parties agree as follows:

1. Covenant

The City declares and covenants that the District Property shall be used in perpetuity for park or recreation purposes unless other equivalent lands or facilities within the county or the city in which the District Property is located are received in exchange therefor and the replacement lands or facilities are used in perpetuity for park or recreation purposes.

The City further covenants that it will not limit or restrict access to and use of the District Property by non-city residents in any way that does not also apply to city residents. The City covenants that if differential fees for non-city residents are imposed, they will be reasonably related to the cost borne by city taxpayers to maintain, improve or operate the District Property for parks and recreation purposes.

2. Enforcement

The County may enforce the terms of this Covenant by means of equitable action, which shall specifically include the right to restrain by injunction any violation or threatened violation of the covenants set forth in this Covenant, or to obtain a decree to compel performance of any such terms, covenants and conditions, the City agreeing that the remedy at law for a breach of any such term, covenant or condition is not adequate.

3. Successors and Assigns

The City agrees that the District Property shall be held, used and occupied subject to the covenants, conditions and restrictions set forth herein, and that said covenants, conditions and restrictions shall touch and concern and run with title to the District Property for the

14659

benefit of the County and the County land that makes up its public park, recreation and open space system. The covenants, conditions and restrictions set forth herein shall be binding on all parties having any right, title, or interest in the District Property or any portion thereof, and their respective successors and assigns.

IN WITNESS WHEREOF, the undersigned has duly caused this Covenant Agreement to be executed as of the day and year first above written.

CITY OF AUBURN, a municipal corporation of the State of Washington

By _____
Name: _____
Title: _____
Date: _____

Attest:

By _____
Name: _____
Title: _____
Date: _____

Approved as to Form:

By _____
Name: _____
Title: _____
Date: _____

KING COUNTY, a political subdivision of the State of Washington

By _____
Name: _____
Title: _____
Date: _____

14659

**EXHIBIT A
to the Covenant Agreement**

Legal Description of the District Property

PARCEL A:

THE NORTH 264 FEET OF THE WEST ½ OF LOT 2 OF SHORT PLAT NO. 477006 AS RECORDED UNDER RECORDING NO. 7805090949, RECORDS OF KING COUNTY WASHINGTON;

TOGETHER WITH ACCESS RIGHTS TO THE PRIVATE ROAD DELINEATED AS TRACT X ON SAID SHORT PLAT;

SITUATE IN THE COUNTY OF KING, STATE OF WASHINGTON.

PARCEL B:

LOT 2 OF SHORT PLAT NO. 477006 AS RECORDED UNDER RECORDING NO. 7805090949, RECORDS OF KING COUNTY WASHINGTON;

EXCEPT THE NORTH 264 FEET OF THE WEST ½ THEREOF;

TOGETHER WITH ACCESS RIGHTS TO THE PRIVATE ROAD DELINEATED AS TRACT X ON SAID SHORT PLAT;

SITUATE IN THE COUNTY OF KING, STATE OF WASHINGTON.

PARCEL C:

LOT 3 OF SHORT PLAT NO. 477006 AS RECORDED UNDER RECORDING NO. 7805090949, RECORDS OF KING COUNTY WASHINGTON;

TOGETHER WITH ACCESS RIGHTS TO THE PRIVATE ROAD DELINEATED AS TRACT X ON SAID SHORT PLAT;

SITUATE IN THE COUNTY OF KING, STATE OF WASHINGTON

14659

**EXHIBIT B
to the Covenant Agreement**

Legal Description of the Jacobsen Parcel

PARCEL A:

LOTS 1 AND 4, AS DELINEATED ON KING COUNTY SHORT PLAT NO. R477006, RECORDED UNDER KING COUNTY RECORDING NO. 7805090949, BEING A PORTION OF THE SOUTH 1/2 OF THE SE 1/4 OF THE NE 1/4 OF SECTION 4, TOWNSHIP 21 NORTH, RANGE 5 EAST, W.M., IN KING COUNTY, WASHINGTON.

SUBJECT TO:

- 1) Easement and the terms and conditions thereof:
GRANTEE: United States of America
PURPOSE: Maintain, repair, rebuild, operate and patrol one or more electric transmission lines, and one or more telephone and/or telegraph lines including the right to erect such poles and other transmission line structures, wires, cables, and the appurtenances thereto
AREA AFFECTED: A 100 ft. strip lying along the southerly portion of Parcel A
RECORDED: December 17, 1940
RECORDING NO: 3137083
- 2) Right to enter the land to make repairs and the right to cut brush and trees which constitute a menace or danger to the electric transmission line adjoining the land, as granted in instrument recorded under Recording No. 3137083.
- 3) Easement and the terms and conditions thereof:
GRANTEE: United States of America
PURPOSE: Covington Tacoma transmission lines
AREA AFFECTED: A 100 ft. strip lying along the southerly portion of Parcel A
RECORDED: August 29, 1942
RECORDING NO: 3261548
- 4) Right to enter the land to make repairs and the right to cut brush and trees which constitute a menace or danger to the electric transmission line adjoining the land, as granted in instrument recorded under Recording No. 3261548.
- 5) Right to make necessary slopes for cuts or fills upon the land herein described as granted to King County by deed recorded under Recording No. 7804130590.
AFFECTS: Lot 1
- 6) Easement and the terms and conditions thereof:
PURPOSE: To install, maintain and repair drainage facility
AREA AFFECTED: Parcel A and other property

14659

RECORDED: April 14, 1978
RECORDING NO: 7804140877

- 7) Easement and the terms and conditions thereof:
PURPOSE: Permanent easement for ingress, egress and utilities over Tract X
AREA AFFECTED: The North 30 feet of Parcel A
RECORDED: May 19, 1978
RECORDING NO: 7805190191
- 8) All covenants, conditions, restrictions, reservations, easements or other servitudes, if any, disclosed by Short Plat No. R477006, recorded under King County Recording No. 7805090949;
- 9) Road and interceptor drain system construction and maintenance agreement imposed by instrument recorded on June 7, 1978, under Recording No. 7806070243;
- 10) Easement for underground electric transmission system and the terms and conditions thereof:
GRANTEE: Puget Sound Power & Light Company, a Washington corporation
PURPOSE: An underground electric transmission and/or distribution system
AREA AFFECTED: The North 37 feet of Lot 1
RECORDED: January 16, 1979
RECORDING NO: 7901160711

PARCEL B:

AN EASEMENT FOR INGRESS, EGRESS AND UTILITIES AS FOLLOWS:

THE SOUTH 1/2 OF A CUL-DE-SAC WITH A RADIUS OF 25 FEET, THE CENTER OF WHICH IS THE NE CORNER OF THE ABOVE DESCRIBED LOT 4, AND THE NORTH 30 FEET OF THE EAST 3/4 OF THE SOUTH 1/2 OF THE SE 1/4 OF THE NE 1/4; AND THAT PORTION OF A CURVE HAVING A 25 FOOT RADIUS BEING TANGENT TO THE WEST LINE OF THE WEST 30 FEET OF 132ND AVE. SE AND TANGENT TO THE SOUTH LINE OF THE NORTH 30 FEET OF THE SOUTH 1/2 OF THE SE 1/4 OF THE NE 1/4 OF SAID SECTION 4; EXCEPT THE EAST 30 FEET THEREOF CONVEYED TO KING COUNTY FOR ROAD PURPOSES UNDER KING COUNTY RECORDING NO. 7804130590.

PARCEL C:

THAT PORTION OF THE NORTH HALF OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 4, TOWNSHIP 21 NORTH, RANGE 5 EAST OF THE WILLAMETTE MERIDIAN, KING COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF SAID NORTH HALF OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 4, TOWNSHIP 21

14659

NORTH, RANGE 5 EAST OF THE WILLAMETTE MERIDIAN; THENCE ALONG THE WEST LINE OF SAID SUBDIVISION SOUTH $01^{\circ}34'25''$ WEST 337.76 FEET TO A LINE PARALLEL WITH AND 337.73 FEET SOUTHERLY OF THE NORTH LINE OF SAID SUBDIVISION, AND THE TRUE POINT OF BEGINNING OF THIS DESCRIPTION; THENCE SOUTH $87^{\circ}36'42''$ EAST ALONG SAID PARALLEL LINE 1292.14 FEET TO THE WEST MARGIN OF 132ND AVENUE EAST (LOCATED 30 FEET WESTERLY OF THE EAST LINE OF SAID SECTION 4); THENCE SOUTH $01^{\circ}29'46''$ WEST ALONG SAID WEST MARGIN 170.94 FEET TO THE NORTHEAST CORNER OF THE LANDS DESCRIBED IN DEED TO DONALD L. FRANKLIN AND KATHLEEN D. FRANKLIN, HUSBAND AND WIFE, RECORDED UNDER RECORDING NUMBER 7907170145, RECORDS OF SAID COUNTY; THENCE ALONG THE NORTH LINE OF SAID LANDS NORTH $87^{\circ}41'44''$ WEST 120.01 FEET TO THE NORTHWEST CORNER OF SAID LANDS; THENCE ALONG THE WEST LINE OF SAID LANDS SOUTH $01^{\circ}29'46''$ WEST 150.01 FEET TO THE SOUTH LINE OF THE NORTH HALF OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 4; THENCE NORTH $87^{\circ}41'44''$ WEST ALONG SAID SOUTH LINE 1172.53 FEET TO SAID WEST LINE OF SAID SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 4; THENCE ALONG SAID WEST LINE NORTH $01^{\circ}34'25''$ EAST 322.85 FEET TO THE TRUE POINT OF BEGINNING.

(CONTAINING 9.1359 ACRES, MORE OR LESS)

SITUATE IN KING COUNTY, WASHINGTON.

THE BASIS OF BEARINGS AND SECTION BREAKDOWN USED FOR THIS DESCRIPTION IS RECORD OF SURVEY FILED IN BOOK 142 OF SURVEYS AT PAGE 12 UNDER RECORDING NUMBER 20001212900014, RECORDS OF KING COUNTY, WASHINGTON.

14659

Return Address

Perkins Coie LLP
1201 Third Avenue, Suite 4800
Seattle, Washington 98101
Attn: Jacek Pawlicki, Esq.

Document Title(s) (or transactions contained therein):

1. Quitclaim Deed
- 2.

Reference Number(s) of Documents assigned or released:
(on page ___ of documents(s))

Grantor(s) (Last name first, then first name and initials):

1. King County
- 2.
3. Additional names on page ___ of document.

Grantee(s) (Last name first, then first name and initials):

1. Auburn School District No. 408
- 2.
3. Additional names on page ___ of document.

Legal description (abbreviated: i.e. lot, block, plat or section, township, range)

STR 042105 TAX LOT 57 N ½ OF SE ¼ OF NE ¼ LESS E 150 FT OF S 150 FT LESS CO RD

Full legal is on page 3 of document.

Assessor's Property Tax Parcel/Account Number

0421059057

14659

QUITCLAIM DEED

GRANTOR, KING COUNTY, a political subdivision of the State of Washington, for and in consideration of Ten Dollars and other good and valuable consideration, conveys and quitclaims to AUBURN SCHOOL DISTRICT NO. 408, a municipal corporation of the State of Washington, that certain real property situated in King County, Washington, more particularly described on Exhibit A attached hereto and incorporated herein by this reference, together with all after-acquired title of Grantor therein.

DATED this ____ day of _____, 2003.

KING COUNTY, a political subdivision of the State of Washington

By _____
Name: _____
Title: _____

14659

STATE OF WASHINGTON)
) ss.
COUNTY OF _____)

On this _____ day of _____, 2003, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared _____, to me known to be the person who signed as _____ of KING COUNTY, a political subdivision of the State of Washington, the county that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said county for the uses and purposes therein mentioned, and on oath stated that _____ was duly elected, qualified and acting as said officer of the county, that _____ was authorized to execute said instrument and that the seal affixed, if any, is the corporate seal of said county.

IN WITNESS WHEREOF I have hereunto set my hand and official seal the day and year first above written.

(Signature of Notary)

(Print or stamp name of Notary)

NOTARY PUBLIC in and for the State
of Washington, residing at _____
My appointment expires: _____

14659

**EXHIBIT A
to the Quitclaim Deed**

Legal Description

THAT PORTION OF THE NORTH HALF OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 4, TOWNSHIP 21 NORTH, RANGE 5 EAST OF THE WILLAMETTE MERIDIAN, KING COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF SAID NORTH HALF OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 4, TOWNSHIP 21 NORTH, RANGE 5 EAST OF THE WILLAMETTE MERIDIAN;

THENCE SOUTH 87°36'42" EAST ALONG THE NORTH LINE OF SAID SUBDIVISION 1291.67 FEET TO THE WEST MARGIN OF 132ND AVENUE EAST (LOCATED 30 FEET WESTERLY OF THE EAST LINE OF SAID SECTION 4);

THENCE SOUTH 01°29'46" WEST ALONG SAID WEST MARGIN 337.77 FEET TO A LINE PARALLEL WITH AND 337.73 FEET SOUTHERLY (WHEN MEASURED AT RIGHT ANGLES) OF SAID NORTH LINE OF SAID SUBDIVISION;

THENCE NORTH 87°36'42" WEST ALONG SAID PARALLEL LINE 1292.14 FEET TO THE WEST LINE OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 4;

THENCE NORTH 01°34'25" EAST ALONG SAID WEST LINE 337.76 FEET TO THE POINT OF BEGINNING.

SITUATE IN KING COUNTY, WASHINGTON.

THE BASIS OF BEARINGS AND THE SECTION BREAKDOWN USED FOR THIS DESCRIPTION IS RECORD OF SURVEY FILED IN BOOK 142 OF SURVEYS AT PAGE 12 UNDER RECORDING NUMBER 20001212900014, RECORDS OF KING COUNTY, WASHINGTON.

14659

Return Address

Document Title(s) (or transactions contained therein): 1. Quitclaim Deed 2.
Reference Number(s) of Documents assigned or released: (on page ___ of documents(s))
Grantor(s) (Last name first, then first name and initials): 1. Auburn School District No. 408 2. 3. <input type="checkbox"/> Additional names on page ___ of document.
Grantee(s) (Last name first, then first name and initials): 1. The City of Auburn 2. 3. <input type="checkbox"/> Additional names on page ___ of document.
Legal description (abbreviated: i.e. lot, block, plat or section, township, range) STR 042105 TAX LOT 60 N 264 FT OF W 1/2 OF LOT 2 OF KCSP 477006 REC NO 7805090949; STR 042105 TAX LOT 71 LOT 2 LESS N 264 FT OF W 1/2 THOF OF KCSP 477006 REC NO 7805090949; STR 042105 TAX LOT 61 LOT 3 SHORT PLAT #477006 REC AF #7805090949 <input checked="" type="checkbox"/> Full legal is on page 3 of document.
Assessor's Property Tax Parcel/Account Number 0421059060, 0421059061, 0421059071

14659

QUITCLAIM DEED

GRANTOR, AUBURN SCHOOL DISTRICT NO. 408, a municipal corporation of the State of Washington, for and in consideration of Ten Dollars and other good and valuable consideration, conveys and quitclaims to THE CITY OF AUBURN, a municipal corporation of the State of Washington, that certain real property situated in King County, Washington, more particularly described on Exhibit A attached hereto and incorporated herein by this reference, together with all after-acquired title of Grantor therein.

DATED this ____ day of _____, 2003.

AUBURN SCHOOL DISTRICT NO. 408, a
municipal corporation of the State of Washington

By _____
Name: _____
Title: _____

14659

STATE OF WASHINGTON)
) ss.
COUNTY OF _____)

On this ____ day of _____, 2003, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared _____, to me known to be the person who signed as _____ of AUBURN SCHOOL DISTRICT NO. 408, a municipal corporation of the State of Washington, the corporation that executed the within and foregoing instrument, and acknowledged 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 _____ was duly elected, qualified and acting as said officer of the corporation, that _____ was authorized to execute said instrument and that the seal affixed, if any, is the corporate seal of said corporation.

IN WITNESS WHEREOF I have hereunto set my hand and official seal the day and year first above written.

(Signature of Notary)

(Print or stamp name of Notary)

NOTARY PUBLIC in and for the State
of Washington, residing at _____.
My appointment expires: _____.

14659

**EXHIBIT A
to the Quitclaim Deed**

Legal Description

PARCEL A:

THE NORTH 264 FEET OF THE WEST ½ OF LOT 2 OF SHORT PLAT NO. 477006 AS RECORDED UNDER RECORDING NO. 7805090949, RECORDS OF KING COUNTY WASHINGTON;

TOGETHER WITH ACCESS RIGHTS TO THE PRIVATE ROAD DELINEATED AS TRACT X ON SAID SHORT PLAT;

SITUATE IN THE COUNTY OF KING, STATE OF WASHINGTON.

PARCEL B:

LOT 2 OF SHORT PLAT NO. 477006 AS RECORDED UNDER RECORDING NO. 7805090949, RECORDS OF KING COUNTY WASHINGTON;

EXCEPT THE NORTH 264 FEET OF THE WEST ½ THEREOF;

TOGETHER WITH ACCESS RIGHTS TO THE PRIVATE ROAD DELINEATED AS TRACT X ON SAID SHORT PLAT;

SITUATE IN THE COUNTY OF KING, STATE OF WASHINGTON.

PARCEL C:

LOT 3 OF SHORT PLAT NO. 477006 AS RECORDED UNDER RECORDING NO. 7805090949, RECORDS OF KING COUNTY WASHINGTON;

TOGETHER WITH ACCESS RIGHTS TO THE PRIVATE ROAD DELINEATED AS TRACT X ON SAID SHORT PLAT;

SITUATE IN THE COUNTY OF KING, STATE OF WASHINGTON