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961203-0694 11:56:00 AM KING COUNTY RECORDS 056 THS 63.00

ST AME
SEATTLE, WA 98121

AFTER RECORDING, RETURN TO:
King County Prosecuting Attorney's
Office (Civil Division)
E-550 Fifth Floor
King County Courthouse
516 Third Ave
Seattle, Washington 98104
Attn: Chief of Civil Division

**TERM DEED OF DEVELOPMENT RIGHTS,
CONSERVATION AND TRAIL EASEMENT, COVENANTS,
OBLIGATIONS AND CONDITIONS**
[1.063 Acres]

MIC 88-4

THIS TERM DEED OF DEVELOPMENT RIGHTS, CONSERVATION AND TRAIL EASEMENT, COVENANTS, OBLIGATIONS AND CONDITIONS ("Term Deed") is made by and between the GRAND RIDGE PARTNERSHIP (LIMITED PARTNERSHIP), a Washington Limited Partnership (hereinafter sometimes referred to as either "Grantor" or "the Partnership"), and KING COUNTY, a political subdivision of the State of Washington (hereinafter sometimes referred to as either "Grantee" or "the County").

WHEREAS, the Partnership is the owner in fee of that certain real Property in King County, Washington, and more particularly described in Attachment A hereto, which is incorporated herein by this reference (the "Protected Property"); and

WHEREAS, the Partnership is the owner in fee of certain additional real property in King County, hereinafter referred to as the "SE Rural Parcel", which consists of the "Rural Residential Area" (150 acres) and the "Conservation Area" (180 acres) and the "Grand Ridge UGA", which adjoin the Protected Property and are more particularly described in Attachment B hereto, which is incorporated herein by this reference; and

WHEREAS, the Protected Property possesses natural, scenic, open space, educational, and recreational value of great importance to the County, the people of King County and the people of the State of Washington; and

WHEREAS, the Partnership is willing to grant and convey to the County development rights and a conservation, trail and road crossing easement (the "Conservation Easement" or "Easement"), the effect of which is to grant and convey to the County the development rights in the Protected Property and to restrict the use of the Protected Property on the terms and conditions hereinafter set forth in order to protect, preserve, maintain, improve, restore, limit the future use of, and otherwise conserve the Protected Property as open space; and

WHEREAS, the legislatively declared policies of the State of Washington, in the Revised Code of Washington (hereinafter "RCW") Chapter 84.34, provide that it is in the best interest of the State to maintain, preserve, conserve and otherwise continue in existence, adequate open-space lands and to assure the use and enjoyment of natural resources, shoreline and scenic beauty for the economic and social well-being of the State and its citizens; and

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WHEREAS, the Partnership further intends as owner of the Protected Property to convey to the County the right to preserve and protect the Protected Property for the term described herein; and

WHEREAS, the Partnership further intends to convey to the County the right to use a portion of the Protected Property for a public trail as a part of the County's regional trail system; and

WHEREAS, the County is a home rule charter county government, is a government entity described in RCW 84.34.210, and has as one of its purposes the preservation of open space and critically important ecological systems within King County, Washington; and

WHEREAS, the County has planned cooperatively for appropriate land uses and infrastructure for the Grand Ridge area and has consented to the annexation of a portion of that area by the City of Issaquah; and

WHEREAS, the County and the City will agree to cooperatively plan the regional trails system to ensure the public's ability to access that system while also protecting the eco-system and wildlife corridors; and

WHEREAS, the Partnership, the County and the City of Issaquah have executed concurrently the Grand Ridge Joint Agreement dated June 10, 1996, and this Term Deed is part of the overall cooperative land use plan for the Grand Ridge Property ("Grand Ridge Agreement").

NOW, THEREFORE, in consideration of the above and the mutual covenants, terms, conditions, obligations and restriction contained herein, the parties agree as follows:

1. Grant of Easement, Covenants, Obligations and Conditions.

Pursuant to the laws of the State of Washington and in particular RCW 64.04.130 and RCW Chapter 84.34, the Partnership hereby voluntarily grants and conveys to the County development rights in, and a Conservation Easement in perpetuity over, the Protected Property and a fifty (50) foot wide road crossing easement connecting any intersected portions of the County's regional trail established across the protected Property, on the terms, covenants, obligations and conditions set forth herein. The Partnership expressly intends that this Term Deed, including all covenants, obligations and conditions identified herein, runs with the land and the Term Deed, including all covenants, obligations and conditions identified herein, shall be binding upon the Partnership and the County, and the Partnership's and the County's personal representatives, heirs, successors and assigns.

2. Purpose. It is the purpose of this Term Deed to assure that the Protected Property will be retained forever (including after conveyance of fee title to the County under Section 24) in its rural, natural and open space condition and to prevent any use of the Protected Property that will significantly impair or interfere with the preservation of the Protected Property in its current state. The Partnership intends that this Conservation Easement will confine the use of the Protected Property to such activities as are consistent with the purpose of this Conservation Easement.

3. Rights of the County. To accomplish the purpose of this Conservation Easement, the following rights are conveyed to the County by this Easement and the County covenants and agrees to hold and limit use of the Protected Property as follows:

(1) To preserve and protect the open space values of the Protected Property;

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(2) To enter upon the Protected Property at reasonable times to monitor the Partnership's compliance with and otherwise enforce the terms of this Conservation Easement; provided that such entry shall be upon prior reasonable notice to the Partnership, and the County shall not unreasonably interfere with the Partnership's use and quiet enjoyment of the Protected Property;

(3) To prevent any activity on or use of the Protected Property that is inconsistent with the purpose of this Conservation Easement and to require the restoration by the Partnership, its personal representatives, heirs, successors or assigns of such areas or features of the Protected Property that may be damaged by any inconsistent activity or use by the Partnership or any permittee, licensee, representative, successor, assignee, lessee, or tenant of the Partnership;

(4) To allow access by the public and the County's employees, contractors and agents to the Protected Property between the hours of 6:00 a.m. and 11:00 p.m. for passive public recreational and educational uses associated with the development, construction, maintenance and operation of a portion of the County's regional trail system;

(5) To use a portion of the Protected Property for a public trail for pedestrian, bicycle, equestrian and other non-motorized uses, together with the right to use a portion of the Protected Property for improvement, construction, alteration and maintenance of such trail, and together with the right to make all necessary slopes for cuts and fills on each side of the trail.

(6) To cross the right-of-way of any road constructed by the Partnership to provide access to properties or facilities located outside of the Protected Property, but which road right-of-way intersects any portion of the County's regional trail, which is located on the Protected Property.

4. Prohibited and Permitted Activities and Uses. Any activity on or use of the Protected Property inconsistent with the purposes of this Conservation Easement is prohibited and the Partnership and the County each acknowledges and agrees that it will neither conduct, engage in or permit any such activity or use. Except as provided in Section 4.3, use of the land is permanently restricted to solely Open Space Uses.

(1) Open Space Uses. "Open Space Uses" as used herein, mean: uses that which would (i) conserve and enhance natural or scenic resources, or (ii) protect streams or water supply, or (iii) promote conservation of soils, wetlands, beaches or tidal marshes, or (iv) enhance the value to the public of abutting or neighboring parks, forests, wildlife preserves, nature reservations or sanctuaries or other open space, or (v) enhance recreation opportunities, including a regional trail system and its support facilities, such as a trailhead;

(2) Prohibited Uses. Except as provided in Section 4.3, the following are prohibited:

a. The division, subdivision, "de facto" subdivision or short subdivision of the Protected Property (except as needed to convey fee title to the County under Section 24);

b. The draining, filling, dredging or diking of wetland areas and the alteration or manipulation of ponds or water courses located on the Protected Property, except that the preparation of and periodic use of portions of the Protected Property as naturally appearing surface water (retention/detention) facilities is permitted, with the written approval of the County;

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c. The construction or installation of any water or septic system, pipeline, well or drainfield;

d. The logging, pruning or cutting of any timber, shrubs, grasses or other flora, except as necessary to preserve the Protected Property and its conservation values or as necessary to protect public health or safety or as a necessary part of the improvement, construction and maintenance of the portion of the County's regional trail system, which is located on the Protected Property;

e. The construction or installation above or below ground of any utility pole, power line or facility, except as may be necessary as part of the improvement, construction and maintenance of the portion of the County's regional trail system, which is located on the Protected Property;

f. The conducting of any exploration for, development of or extraction of minerals and hydrocarbons;

g. The alteration of the surface of the Protected Property, including without limitation, the excavation or removal of soil, gravel, rock, or peat, except as may be necessary as part of the improvement, construction and maintenance of the portion of the County's regional trail system, which is located on the Protected Property;

h. The paving of any surface of the Protected Property, except as may be necessary as part of the improvement, construction and maintenance of the portion of the County's regional trail system, which is located on the Protected Property;

i. The installation of any structure, such as a mobile home or other form of live-in vehicle, except as may be necessary as part of the improvement, construction and maintenance of the portion of the County's regional trail system, which is located on the Protected Property and in such case for only a temporary period of time;

j. The dumping, storage or disposal of solid or liquid wastes or any trash, refuse or any other debris, except as may be necessary as part of the improvement, construction and maintenance of the portion of the County's regional trail system, which is located on the Protected Property and in such case for only a temporary period of time;

k. The operation of vehicles on the Protected Property, except as may be required in the course of any activity expressly permitted herein, except as may be necessary as part of the improvement, construction and maintenance of the portion of the County's regional trail system, which is located on the Protected Property;

(3) Other Permitted Uses:

a. One road right-of-way to provide the Western Access to the SE Rural Parcel, the general location of which is shown on Appendix M to the Grand Ridge Joint Agreement and the final location of which will be established as part of the County's clearing and grading permit review for construction of the Western Access, and utilities within the right of way to serve the SE Rural Parcel as follows: the Western Access is a 40-foot wide perpetual right-of-way for vehicular and pedestrian access and utility service for up to 40 residential units and for temporary construction use and access. The right-of-way rights include the right to construct, maintain, reconstruct, repair and operate a driveway or road, trails, paths and utility lines and facilities to serve the Rural Residential Area. Following completion of the Western Access, the Partnership shall restore the construction area to its pre-construction condition to the extent feasible. The Western Access shall

meet the road standards identified in Appendix N of the Grand Ridge Joint Agreement.

b. Utility transmission and delivery through such facilities, and the construction and operation of such facilities, as are mutually approved by the County and the pertinent utility service provider;

c. Construction and operation of a water tank and an access road by the City of Issaquah within the area identified for this purpose;

d. Low impact uses, such as foot paths and environmental monitoring, upon the mutual approval of the Partnership and the County

e. Natural appearing surface water facilities (such as detention tracts, recharge tracts and water quality/detention tracts) including two ponds totaling approximately three acres in the County UGA Open Space as described in the drainage plan for the Project, provided, however, that in the Rural Open Space such uses are allowed only if there is no feasible alternative and written approval is provided by the County; and

f. Clearing and grading necessary or incidental to permitted uses set forth herein, subject to applicable code requirements.

(4) Defined Terms. As used herein, "Eastern Access" shall mean that driveway for access limited to three residences extending from 280th Avenue SE to the three residences in the SE Rural Parcel (and shall not include internal roads within the 150 acre Rural Residential Area). As used herein, "Western Access" shall mean that roadway providing access from the eastern edge of the UGA portion of the Grand Ridge Property to the western edge of the 150 acre Rural Residential Area (and shall not include internal roads within the 150 acre Rural Residential Area).

5. County Approval. Where County approval is required herein, the County shall grant or withhold its approval in writing within 20 business days of receipt of the Partnership's written request therefor. In the event that the nature of the activity for which approval is sought is such that said time period is inadequate, the County shall be entitled to a reasonable extension of said time for approval upon a showing by the County of such need and a written notice to the Partnership of the reasonable amount of time necessary for said approval. County approval may be withheld only upon a reasonable determination by the County that the proposed action is or will be inconsistent with the purpose of this Conservation Easement or any of the covenants, obligations or conditions herein. County approval may include reasonable conditions which must be satisfied in undertaking the proposed activity or use.

6. Dispute Resolution and Arbitration. If a dispute arises between the Partnership and the County concerning the consistency of any present or proposed activity or use with the purposes of this Conservation Easement or any of its covenants, obligations or conditions, the Partnership agrees not to proceed with the activity or use pending the resolution of the dispute. The parties shall meet together to discuss the dispute and attempt resolution. Thereafter, either party may refer the dispute to arbitration by request made in writing upon the other. Within 30 days of receipt of such request, the parties shall select an arbitrator to hear the matter. If the parties are unable to agree on the selection of an arbitrator then the presiding judge for King County Superior Court shall appoint one. The matter shall be settled in accordance with RCW Chapter 7.04 or its successor, and a judgment on the arbitration award may be entered in any court having jurisdiction thereof.

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7. Remedies. If either the County or the Partnership determines that the other party is in violation of the terms of this Conservation Easement or that a violation is threatened, then that party shall give written notice to the other of such violation and demand corrective action sufficient to cure the violation and, where the violation involves injury to the Protected Property resulting from any prohibited activity or use or any activity or use which is inconsistent with the purpose of this Conservation Easement, to restore the portion of the Protected Property so injured. If the party receiving notice fails to cure the violation within 30 days after receipt of the notice thereof from the notifying party or under circumstances where the violating cannot reasonably be cured within a 30-day period, fails to begin curing such violation within the 30-day period or fails to continue diligently to cure such violation until finally cured, the notifying party may bring an action at law or in equity in a court of competent jurisdiction to enforce the terms of this Conservation Easement; to enjoin the violation by temporary or permanent injunction; to recover any damages to which it may be entitled for violation of the terms of this Conservation Easement or injury to the Protected Property protected by this Conservation Easement, including damages for the loss of scenic or environmental values; or to require the restoration of the Protected Property to the condition that existed prior to such injury. Without limiting liability therefore, the enforcing party, in its sole discretion, may apply any damages recovered to the costs of undertaking corrective action on the Protected Property and the other party shall permit enforcing party and its employees, agents, or contractors to have access to the Protective Property upon reasonable prior notice to undertake and complete such corrective action. If enforcing party, in its sole discretion, determines that circumstances require immediate action to prevent or mitigate significant damage to the Prospective Property, enforcing party may pursue its remedies under this paragraph without prior notice to the other party or without waiting for the period provided for cure to expire, provided, that if enforcing party seeks legal action in the Court, the procedural requirements of the Rules of Court shall control, including any requirement of notice. Each party's rights under this paragraph apply equally in the event of either actual or threatened violations under the terms of this Conservation Easement and each party agrees that remedies at law for any violation of the terms of this Conservation Easement are inadequate and that the enforcing party shall be entitled to the injunctive relief described in this paragraph, both prohibitive and mandatory, in addition to such other relief to which the enforcing party may be entitled, including specific performance of the terms of this Conservation Easement, without the necessity of proving either actual damages or the inadequacy of otherwise available legal remedies. The remedies described in this paragraph shall be cumulative and shall be in addition to all remedies now or hereafter existing at law or in equity and in addition to recourse to arbitration under Section 6 herein.

8. Costs of Enforcement. Any cost incurred by either party enforcing the terms of this Conservation Easement, including without limitation costs of suit and attorneys' fees, and any costs of restoration necessitated by the other party's violation of the terms of this Conservation Easement shall be born by nonprevailing party, as may be awarded by a court of competent jurisdiction.

9. County Discretion; Nonwaiver. The County acknowledges its commitment to protect the conservation purposes of the Conservation Easement. Any particular enforcement of the terms of this Easement shall be at the discretion of each party as to their respective interests, and any forbearance by either party to exercise its rights under this Easement in the event of any breach of any term of this Easement by the other party shall not be deemed or construed to be a waiver of such term or of any right to take enforcement or other action with respect to any subsequent breach of the same or any other term of this Easement or of any of either party's rights under this Easement. No delay or omission in the exercise of any right or remedy upon any breach

shall impair such right or remedy or be construed as a waiver of any right under this Easement.

10. Waiver of Certain Claims and Defenses. Each party acknowledges it has carefully reviewed this Term Deed of Conservation Easement and has consulted with and been advised by counsel of its terms and requirements. In full knowledge of the provision of this Term Deed of Conservation Easement, each party hereby waives any claim or defense it may have against the other or its successors in interest under or pertaining to this Term Deed of Conservation Easement based upon waiver, laches, estoppel, or prescription.

11. Acts Beyond the Partnership's or County's Control. Nothing contained in this Easement shall be construed to entitle the Partnership or the County to bring any action against the other to abate, correct, or restore any condition on the Protected Property or to recover damages for any injury to or changes in the Protected Property resulting from causes beyond the Partnership's or County's control, as the case may be, including without limitation natural changes, fire, flood, storm, or earth movement, or from any prudent action taken by the Partnership or the County under emergency conditions to prevent, abate, or mitigate significant injury to the Protected Property resulting from such causes, or from acts of trespassers.

12. Partnership's Indemnity and Hold Harmless. The Partnership shall protect, defend, indemnify and hold harmless the County, its agents, employees, officials and officers from, and shall process and defend at its own expense, any and all claims, demands, suites, penalties, losses, damages or costs of any kind whatsoever (hereinafter "claims") brought against the County arising out of or incident to the Partnership's execution of, performance of, or failure to perform this Term Deed; PROVIDED, however, that if such claims are caused by or result from the concurrent negligence of the County, its agents, employees, and/or officers, this paragraph shall be valid and enforceable only to the extent of the negligence of the Partnership or its personal representatives, heirs, successors, or assigns; and PROVIDED FURTHER, that nothing in this paragraph shall require the Partnership to indemnify, hold harmless, or defend the County, its agents, employees, and/or officers from any claims caused by or resulting from the sole negligence of the County, its agents, employees and/or officers. The Partnership's obligation under this paragraph shall include indemnification for claims made by the Partnership or its personal representatives, heirs, successors or assigns. The Partnership's indemnification shall be for the benefit of the County as an entity, and not for members of the general public.

13. County's Indemnity and Hold Harmless. The County shall protect, defend, indemnify and hold harmless the Partnership, its personal representatives, heirs, successors, or assigns, from, and shall process and defend at its own expense any and all claims, demands, suits, penalties, losses, damages or costs of any kind whatsoever (hereinafter "claims") brought against the Partnership arising out of or incident to the County's execution of or negligent acts or omissions in the performance of, or failure to perform this Term Deed; PROVIDED, however, that if such claims are caused by or result from the concurrent negligence of the Partnership, its personal representatives, heirs, successors, or assigns, this paragraph shall be valid and enforceable only to the extent of the negligence of the County, its agents, employees, and/or officers; and PROVIDED FURTHER, that nothing in this paragraph shall require the County to indemnify, hold harmless, or defend the Partnership, its personal representatives, heirs, successors, or assigns from any claims caused by or resulting from the sole negligence of the Partnership, its personal representatives, heirs, successors, or assigns. The County's obligation under this paragraph shall include indemnification for claims made by the County or its agents, employees, and/or officers.

14. Extinguishment.

1. Frustration of Purpose. If circumstances arise in the future that render the purpose of this Term Deed impossible or impractical to accomplish, this Term Deed can only be terminated or extinguished, whether in whole or in part, by judicial proceedings in a court of competent jurisdiction, and the amount of the proceeds to which the County shall be entitled from the Partnership, its personal representatives, heirs, successors or assigns, after the satisfaction of prior claims, from any sale, exchange or involuntary conversion of all or any portion of the Protected Property subsequent to such termination or extinguishment, shall be determined, unless otherwise provided by Washington law at the time, in accordance with Section 10.1 herein. All such proceeds shall be used in a manner consistent with the conservation purposes of the County.

2. Failure to Approve Plat or Permit. This Term Deed shall be terminated and extinguished in its entirety if no preliminary plat or commercial, retail or residential building permit is approved by the City of Issaquah or King County covering the property within the Grand Ridge Urban Growth Area within twenty (20) years of the effective date of the Grand Ridge Joint Agreement. Such termination and extinguishment shall occur automatically and without action by any party, but the County, upon the Partnership's written request, shall execute and deliver to the Partnership, in recordable form, a release of all rights to confirm this termination and extinguishment.

3. Rural Development. This Term Deed shall be terminated and extinguished in its entirety upon the occurrence of the following: (a) the Partnership delivers written notice to the City and County, prior to approval of the first preliminary plat or issuance of the first commercial, retail or residential building permit within the Grand Ridge Urban Growth Area annexed to the City, stating that the Partnership elects to pursue rural development through short plat applications for 5-acre lots which are pending on the date of recording of this Term Deed; and (b) the Partnership records a covenant on the annexed portion of Grand Ridge which precludes in perpetuity any further subdivision, condominium declaration or other method of increasing density of the lots created through such short plats.

15. Proceeds. This Term Deed constitutes a real property interest immediately vested in the County, which, for the purposes of Section 14 herein, the parties stipulate to have a fair market value based on a mutually agreeable appraisal of the value at the time when the information is required; however, if the Partnership and the County cannot agree on an appraisal of the fair market value, the issue of value shall be submitted for binding arbitration following the procedures set forth in Section 6. The cost of any such appraisals required herein will be shared equally by both parties.

16. Condemnation. If the Protected Property is taken, in whole or in part, by exercise of the power of eminent domain by an agency other than the County, the County shall be entitled to compensation in accordance with applicable law for the property interests that it has acquired by this Term Deed, and Section 15 herein shall not be determinative of the interest condemned or taken.

17. Amendment. If circumstances arise under which an amendment to or modification of this Term Deed would be appropriate, Partnership, or the then owner of the Protected Property, and the County are free to jointly amend this Term Deed; provided, that no amendment shall be allowed that will adversely affect the qualification of this Term Deed or the status of the County under any applicable laws, including RCW 64.04.130 or Section 170(h) of the Internal Revenue Code of 1986, as amended, and any amendment shall be consistent with the purpose of this Term Deed, and shall not affect its perpetual duration.

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Any such amendment shall be recorded in the official records of King County, Washington, and any other jurisdiction in which such recording is required.

18. Assignment. This Term Deed, and all rights and obligations contained herein including the right to enforce the Term Deed, are transferable, but the County may assign its rights and obligations under this Term Deed only to a governmental entity or an organization that is a qualified organization at the time of transfer under Section 170(h) of the Internal Revenue Code of 1986, as amended (or any successor provision then applicable), and the applicable regulations promulgated thereunder, and authorized to acquire and hold conservation easements under RCW 64.04.130 or RCW 84.34.250 (or any successor provision then applicable). As a condition of such transfer, the County shall require that the conservation purposes that this Term Deed is intended to advance continue to be carried out by the transferee.

19. Subsequent Transfers. Partnership agrees to reference the terms of this Term Deed in any deed or other legal instrument by which they divest themselves of any interest in all or a portion of the Protected Property, including, without limitation, a leasehold interest of any duration. The Partnership further agrees to give written notice to the County of the transfer of any interest no later than twenty (20) days prior to the date of such transfer. The failure of the Partnership to perform any act required by this paragraph shall not impair the validity of this Term Deed or limit its enforceability in any way.

20. Estoppel Certificates. Upon request by the Partnership, the County shall within twenty (20) days execute and deliver to the Partnership any document, including an estoppel certificate, which certifies the Partnership's compliance with any obligation of the Partnership contained in this Term Deed and otherwise evidences the status of this Term Deed.

21. Notices. Any notice, demand, request, consent, approval, or communication that either party desires or is required to give to the other shall be in writing and either served personally or sent by first class mail, postage prepaid, addressed as follows:

To Partnership: Grand Ridge Limited Partnership
c/o Port Blakely Communities
830 Logan Building
Seattle, Washington 98104
Attn: James E. Warjone and Judd Kirk

with a copy to: Davis Wright Tremaine
2600 Century Square
1501 Fourth Avenue
Seattle, Washington 98101-1688
Attn: Thomas A. Goeltz

To the County: King County
King County Courthouse
516 Third Avenue
Seattle, Washington 98104
Attn: King County Executive

with a copy to: King County Prosecuting
Attorneys' Office (Civil Division)
King County Courthouse
E-550 Fifth Floor
516 Third Avenue
Seattle, Washington 98104
Attn: Chief of Civil Division

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or to such other address as either party from time to time shall designate by written notice to the other. All notices shall be deemed given on the third day following the day the notice is mailed in accordance with this paragraph.

22. Recordation. The County shall record this instrument in timely fashion in the official records of King County, Washington, and other appropriate jurisdictions and the County may re-record it at any time as may be required to preserve its rights in this Term Deed.

23. General Provisions.

1. Controlling Law. The interpretation and performance of this Term Deed shall be governed by the laws of the State of Washington.

2. Compliance With Law. The Partnership and the County shall comply with all federal, state or local laws, statutes, ordinances or governmental rules or regulations now in force or which may hereafter be enacted or promulgated relating to or affecting the condition or use of the Protected Property.

3. Liberal Construction. Any general rule of construction to the contrary notwithstanding, this Term Deed shall be liberally construed in favor of the grant to effect the purpose of this Term Deed and the policy and purpose of RCW 64.04.130 and Chapter 84.34 RCW. If any provision in this instrument is found to be ambiguous, an interpretation consistent with the purpose of this Term Deed that would render the provision valid shall be favored over any interpretation that would render it invalid.

4. Severability. If any provision of this Term Deed, or the application thereof to any person or circumstance, is found to be invalid, the remainder of the provisions of this Term Deed, or the application of such provision to person or circumstances other than those as to which it is found to be invalid, as the case may be, shall not be affected thereby.

5. Entire Agreement. This instrument sets forth the entire agreement of the parties with respect to the Term Deed and supersedes all prior discussions, negotiations, understandings, or agreements relating to the Term Deed, all of which are merged herein. No alteration or variation of this instrument shall be valid or binding unless contained in an amendment that complies with Section 17 herein.

6. Successors. The covenants, terms, conditions, and restrictions of this Term Deed shall be binding upon, and inure to the benefit of, the parties hereto and their respective personal representatives, heirs, successors, and assigns and shall continue as a servitude running with the Protected Property.

7. Termination of Rights and Obligations. A party's rights and obligations under this Term Deed terminate upon transfer of the party's interest in the Term Deed or Protected Property, except that liability for acts or omissions occurring prior to transfer shall survive transfer.

8. Captions. The captions in this instrument have been inserted solely for convenience of reference and are not a part of this instrument and shall have no effect upon construction or interpretation.

9. Counterparts. The parties may execute this instrument in two or more counterparts, which shall, in the aggregate, be signed by both parties; each counterpart shall be deemed an original instrument as against any party who has signed it. In the event of any disparity between the counterparts produced, the recorded counterpart shall be controlling.

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10. Enforcement. The Partnership, its successors and assigns as described herein, the County and the City of Issaquah each has the separate and independent right to enforce the terms of this Term Deed, including all of the remedies specified in Section 7, including but not limited to insuring continued open space uses under Section 3 and the use limitations and reservations in Section 4. Upon conveyance of fee title to the County, pursuant to Section 24, the provisions of this Term Deed shall not terminate and such title will be conveyed subject to the provisions of this Term Deed, to exist in perpetuity and be enforceable in accordance with this section. The parties acknowledge that the use limitations in this Term Deed benefit the Partnership's UGA property and the SE Rural Parcel; however, the enforcement rights of the Partnership under this Term Deed shall be limited to the Partnership itself, a representative of the owner(s) of the Rural Residential Area, and up to three (3) designated entities within the UGA property, such as a master association of property owners, a successor developer or owner of property within the UGA, or a conservation organization from after the date the Partnership notifies the County in writing of the Partnership's designation.

24. Fee Title. The Partnership shall convey fee title to the Protected Property upon approval of the first final plat or building permit within the Urban Growth Area portion of the Grand Ridge property by either King County or the City of Issaquah if said approval occurs within 20 years of the date of this Term Deed, as provided in Section 4.1.2.2 of the Grand Ridge Joint Agreement.

25. No Merger. The parties recognize that fee title to some or all of the Protected Property may be conveyed to King County under Section 24 of this Term Deed. Notwithstanding conveyance of fee title to the County, there shall be no merger of the Conservation Easement created herein, and the uses, limitations and other terms of the Term Deed shall continue to be enforceable thereafter.


TO HAVE AND TO HOLD unto the County, its successors, and assigns forever.

IN WITNESS WHEREOF, the undersigned Partnership Grantor has executed this instrument effective the 28th day of May, 1996. The Partnership holds that by his/her execution of this Term Deed that he/she offers such Term Deed according to the terms and conditions set forth herein. In consideration for the expenditure by the County of public funds to analyze the feasibility of accepting such grant, the Partnership agrees only to exercise his/her right to revoke the offer in the event that the County fails to: accept and execute the Term Deed, as evidenced by the Partnership's authorized signature herein, by June 17, 1996.

GRANTOR:

THE GRAND RIDGE PARTNERSHIP (LIMITED PARTNERSHIP), a Washington limited partnership

By: Warjone Investments, Inc., its managing general partner

By: 
James E. Warjone, President

Date: JUNE 7 1996

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ATTACHMENTS:

- Exhibit A County Land [1,063 acres]
- Exhibit B-1 SE Rural Parcel [330-acre]
- Exhibit B-2 Rural Residential Area [150-acre]
- Exhibit B-3 Conservation Area [180-acre]
- Exhibit B-4 Grand Ridge Urban Area/Annexation Area [809 acres]

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