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2004-530

REAL ESTATE PURCHASE & SALE AGREEMENT

This Purchase and Sale Agreement is made as of the date this instrument is fully executed, by and between KING COUNTY, a municipal corporation and a political subdivision of the State of Washington ("County"), and C&R Investors, LLC, a Washington limited liability company ("C&R"), for purchase and sale of those certain properties situated in King County, Washington, described in Exhibits "A" and "B", including the accompanying County Slope, Road and Drainage Easement rights defined therein ("the Agreement").

RECITALS

1. County will benefit from the acquisition of C&R's property, as it lies adjacent to King County Cougar Mountain Regional Wildland Park ("Park") and will expand Park boundaries southwest of 166th Way SE.
2. C&R intends to develop a subdivision adjacent to the properties described in Exhibits A and B. The Intended Plat has been annexed by the City of Bellevue into its City limits ("Intended Plat"). C&R will benefit from this Agreement, as County's parcels and easements are necessary to the development of the Intended Plat for installation of water retention facilities and for right-of-way improvements to 166th Way SE, which is the principal access road into the Intended Plat, and which provides access into the Park.
3. County conveys and grants to C&R the property described in Exhibits A1-A8, and Exhibits B2-B3, with a total estimated fair market value of Two Hundred Twenty-Eight Thousand, Eight Hundred Eighty-Seven Dollars [\$228,887].
4. C&R conveys and grants to County the property described in Exhibit B1, with an estimated fair market value of One Hundred Ten Thousand Dollars [\$110,000]. C&R will further contribute cash to the Agreement in the amount of One Hundred Eighteen Thousand, Eight Hundred Eighty-Seven Dollars [\$118,887].
5. The conveyance and granting of County's property and C&R's property will be simultaneous at the closing of Escrow, identified in Article 9.1 below ("Closing Date"). All appraised values defined in Exhibits A and B will be honored for 365 days from the date this Agreement is executed by both parties.

AGREEMENT

NOW, THEREFORE, in consideration of the promises and mutual covenants contained herein, and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto covenant and agree as follows:

ARTICLE 1.
EXCHANGE AND TRANSFER OF ASSETS AND GRANTING OF EASEMENTS

1.1. COUNTY PROPERTY TO BE SOLD. Subject to, and upon the terms and conditions set forth in this Agreement, County shall sell, convey, assign, transfer and deliver to C&R by warranty deed in the form attached as Exhibit A1, and C&R, shall buy, assume and accept from County, Tax Lot 252405-9207, and a portion of Tax Lot 252405-9003.

a. The Fee Simple Sale of Tax Lot 252405-9207, legally described in Exhibit A1, shall occur upon the Closing Date, with the following assets and properties being delivered on that date:

- i. all of the County's right, title and interest in County's property;
- ii. all of County's right, title and interest in improvements and structures located on County's property, if any; and
- iii. all of the County's tenements, hereditaments, easements and rights appurtenant to the County property, including but not limited to, all of the County's right, title, and interest in and to streets, alleys or other public ways adjacent to the County property, easements for public utilities, all sewers and service drainage easements, all rights of connection to the sewers, and all rights of ingress and egress, and all leases, licenses, government approvals and permits affecting the County's Property.

b. The Fee Simple Sale of 252405-9003 Shall Occur in Two Stages:

- i. County shall initially grant C&R an Easement, in the form attached as Exhibit A2, for the portion of 252405-9003 legally described in Exhibit A2, for the purposes described therein.
- ii. Should King County adjust the urban growth line so as to include said portion in the Urban Growth Area, a fee simple sale of the Easement area shall occur, with title transferring by Quitclaim Deed from County to C&R in the form attached as Exhibit A3.

No additional compensation (other than the compensation paid at the time the Easement is granted pursuant to the preceding subsection) shall be due County from C&R for this transfer of title. C&R shall be responsible for providing documentation to County to complete this final fee simple transfer. Upon the closing of that transaction, the following assets and properties shall be delivered by County to C&R:

- a. all of County's right, title and interest in the County property;
- b. all of County's right, title and interest in improvements and structures located on County property, if any; and
- c. all of County's tenements, hereditaments, easements and rights appurtenant to the County property, including but not limited to, all of County's right, title, and interest in and to streets, alleys or other public ways adjacent to County property, easements for public utilities, all sewers and service drainage easements, all rights of connection to the sewers, and all rights of ingress and egress, and all leases, licenses, government approvals and permits affecting County's property.

In the event that a boundary line adjustment is required in order to allow the transfer of fee title pursuant to this subsection, the parties agree to cooperate in good faith to expeditiously complete the boundary line adjustment process, provided C&R shall be responsible for all costs associated with obtaining approval for such a boundary line adjustment. Hereinafter, the items listed in Section 1.1 are collectively referred to as "County's Purchased Assets", and are further described in Exhibits A1-A3.

1.2. C&R PROPERTY TO BE SOLD. Subject to and upon the terms and conditions set forth in this Agreement, C&R shall sell, convey, assign, transfer and deliver to County, on the Closing Date identified in Section 9.1, and County shall buy, assume and accept from C&R on the Closing Date, Tax Lot 252405-9178, with the following assets and properties, and subject to the Easements itemized in sub-item (d) below:

- (a) all of C&R's right, title and interest in C&R's property;
- (b) all of C&R's right, title and interest in improvements and structures located on C&R's property, if any; and
- (c) all of C&R's tenements, hereditaments, easements and rights appurtenant to C&R's property including but not limited to, all of C&R's right, title, and interest in and to streets, alleys or other public ways adjacent to C&R's property, easements for public utilities, all sewers and service drainage easements, all rights of connection to the sewers, and all rights of ingress and egress, and all leases, licenses, government approvals and permits affecting C&R's property;
- (d) all assets and properties listed in sub-items (a) through (c) above to be conveyed subject to the Temporary Construction Easements and the Drainage Easement detailed in Exhibits B2 and B3. Conveyance of easements shall be subsequent to recording of the Warranty Deed of Tax Lot 252405-9178.

Hereinafter, the items listed in Section 1.2, are collectively referred to as "C&R's Purchased Assets" and are further described in the Warranty Deed, Temporary Construction Easement, and Drainage Easement detailed in Exhibits B1-B3.

1.3. COUNTY EASEMENTS TO BE GRANTED. In conjunction with the development of C&R's Intended Plat as stated in item 2 of Recitals, above, County shall on the Closing Date grant C&R Easements in the form set forth in Exhibit A2, and Exhibits A4 through A8, within the following Parcels: **(i)** Tax Lot 252405-9037 and **(ii)** Tax Lot 252405-9003 for the areas separately and legally defined in said Exhibits.

Should C&R fail to obtain preliminary plat approval for its Intended Plat within three years of the date of this Agreement, or if C&R fails to record a final plat of all or part of the Intended Plat prior to the expiration of preliminary plat approval, those Easements remaining undeveloped for the permitted uses shall be abandoned, and all rights shall revert back to County. In any event, those Easements remaining undeveloped for the permitted uses shall be abandoned and all rights shall revert back to County if construction of the improvements within the Easement Area has not commenced within four years of the date of this Agreement.

ARTICLE 2. EXCHANGE OF DEEDS, EASEMENTS, AND CONSIDERATION

2.1. EXCHANGE OF DEEDS. In consideration of the payments, covenants and agreements contained herein and the performance of said covenants and agreements by each of the parties, on the Closing Date County will convey to C&R County's Purchased Assets by Statutory Warranty Deed in the form attached hereto as Exhibit A1, and C&R will convey to County C&R's Purchased Assets by Statutory Warranty Deed in the form attached hereto as Exhibit B1.

2.2. GRANTING OF EASEMENTS. In consideration of the payments, covenants and agreements contained herein and the performance of said covenants and agreements by each of the parties, on the Closing Date, County will convey to C&R Easements in the form attached hereto as Exhibits A2, and A4 through A8.

2.3. ATTORNEYS' FEES AND CLOSING COSTS. In consideration of County's conveyance by exchange of deeds and granting of Easements as referenced in 2.1 and 2.2 above, C&R will at Closing pay for all closing costs, title reports, escrow fees, taxes, and any of County's actual and reasonable staff labor fees not to exceed \$20,000.

ARTICLE 3. REPRESENTATIONS AND WARRANTIES OF THE PARTIES

3.1. WARRANTIES AND REPRESENTATIONS OF THE PARTIES. Since each party is acting herein both as purchaser and seller, the following warranties and representations are combined and each party's warranties and representations apply to its property only (the "Property"), as described in Exhibit A and Exhibit B, unless otherwise specified. The parties represent and warrant as follows:

3.1.1. ORGANIZATION OF C&R. C&R Investors, LLC is a Washington limited liability company, duly organized and in good standing under the laws of the State of Washington. C&R has all requisite power and authority to carry on its business as it is now being conducted in the State of Washington.

3.1.2 ORGANIZATION. The County is a political subdivision of the State of Washington, duly organized, validly existing and in good standing under the laws of the State of Washington. County has all requisite power and authority to carry on its business as it is now being conducted in the place where such businesses are now conducted.

3.1.3. EXECUTION, DELIVERY AND PERFORMANCE OF AGREEMENT, AUTHORITY – C&R. The execution, delivery and performance of this Agreement by C&R (a) is within the powers of C&R as a limited liability company in the State of Washington, (b) has been or will be on or before the Closing Date duly authorized by all necessary action of C&R's management, and (c) does not and will not violate any provision of any law, rule, regulation, order, writ, judgment, decree or award to which C&R is a party or which is presently in effect and applicable to C&R.

3.1.4. EXECUTION, DELIVERY AND PERFORMANCE OF AGREEMENT, AUTHORITY. The execution, delivery and performance of this Agreement by County (a) is within the powers of County as a political subdivision of the State of Washington, (b) has been or will be on or before the Closing Date duly authorized by all necessary action of County's legislative authority, and (c) does not and will not violate any provision of any law, rule, regulation, order, writ, judgment, decree or award to which County is a party or which is presently in effect and applicable to County.

3.1.5. LITIGATION. There is no pending, or to the best of either party's knowledge, threatened lawsuit or material claim against or relating to either party with respect to its Property, which shall impede or materially affect either party's ability to perform the terms of this Agreement. There is no pending or, to the best of party's knowledge, contemplated condemnation or similar proceeding with respect to its Property or any part thereof.

3.1.6. ASSESSMENTS. There is no pending, or to the best of either party's knowledge, contemplated local improvement district or other special assessment or charge with respect to its Property, except as may be disclosed in the Title Commitment described in Section 4.1.1.

3.1.7. FULL DISCLOSURE. No representation or warranty by either party in this Agreement or in any instrument, certificate or statement furnished to the other party pursuant hereto, or in connection with the transactions contemplated hereby, contains or will contain any untrue statement of a material fact or fails to state a material fact which is necessary to make the statements set forth therein not false or misleading.

3.1.8. NO BROKER. No broker, finder, agent or similar intermediary has acted for or on behalf of either party in connection with this Agreement or the transactions contemplated hereby, and no broker, finder, agent or similar intermediary is entitled to any broker's, finder's or similar fee or commission in connection with this Agreement based on an agreement, arrangement or understanding with either party or any action taken by either party.

3.1.9. CONTRACTS. There are no contracts or other obligations outstanding for the sale, exchange, transfer, lease, rental or use of either of the Properties described herein or any portion thereof.

3.1.10. FUTURE AGREEMENTS. With respect to the period prior to Closing, from and after the date hereof unless this Agreement is terminated in accordance with its terms, neither party shall, without the prior written consent of the other party:

(a) enter into any agreement, contract, commitment, lease or other transaction that affects its Property in any way; or

(b) sell, dispose of or encumber any portion of its Property.

3.1.11. MAINTENANCE OF THE PROPERTY. Each party shall continue to maintain its Property in compliance with all applicable laws and pay all costs of such Property with respect to the period prior to Closing. Each party agrees to defend, indemnify and hold the other party harmless as provided herein to the maximum extent possible under law. Accordingly, the each party agrees for itself, its successors, and assigns, to defend, indemnify, and hold harmless the other party, (which includes, in case of County, its appointed and elected officials and employees), from and against liability for all claims, demands, suits, and judgments, including costs of defense thereof, for injury to persons, death, or property damage, arising out of or in any way relating to its Property prior to the Closing Date, except to the extent attributable to the acts or omissions of the other party.

3.1.12. CONDITION OF THE PROPERTY FOR WHICH ANY STATUTE OR REGULATION REQUIRES A PERMIT OR SPECIAL HANDLING IN ITS USE, COLLECTION, OR STORAGE. Neither party has intentionally withheld any material information concerning environmental matters with respect to its Property described herein. Based on the present, actual knowledge of each party, without investigation of any kind or nature: (a) there has been no generation, treatment, storage, transfer, disposal or release of Hazardous Substances on its Property at any time during the party's ownership or use thereof in violation of applicable law; (b) there are no underground storage tanks on its Property, nor have underground storage tanks been removed from its Property; and (c) neither party is aware of any facts which would lead it to believe that there are any Hazardous Substances on its Property in violation of applicable law. For purposes of this Agreement, the term Hazardous Substances shall mean: "hazardous substance" as defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended ("CERCLA"); "hazardous waste" as defined by the Resource Conservation and Recovery Act of 1976 ("RCRA") as amended; hazardous wastes, hazardous materials, hazardous substances, toxic waste, toxic materials, or toxic substances as defined in state or federal statutes or regulations; asbestos-containing materials,

polychlorinated biphenyls; radioactive materials, chemicals known to cause cancer or reproductive toxicity; petroleum products, distillates or fractions; any substance the presence of which is prohibited by statute or regulation; and any substance, treatment or disposal, the release or storage of which has occurred in violation of any applicable statute, rule or regulation.

3.1.13. PHYSICAL INSPECTION. Each party has performed, to its satisfaction all physical inspections deemed necessary in connection with the purchase of the Purchased Assets. Prior to the date of Closing, each party, its agents and employees shall have the right to go upon the properties which are the subject of this Agreement for the purpose of making any soils and engineering tests or studies which that party deems appropriate. C&R shall first have obtained a Special Use Permit from King County for such entry and/or testing. A party conducting such tests or studies shall not interfere with the other party's use of the property, shall not alter the grade of the property and shall repair and restore the property to its condition existing prior to entry. The cost of any and all soils and engineering studies of the property undertaken by either party shall be paid by the party conducting the test or study.

Each party indemnifies and holds the party harmless from and against any and all liens, claims, loss or liability arising out of entry on to the property prior to Closing pursuant to this section.

3.1.14. RISK OF LOSS. Until the Closing Date, the risk of loss relating to each Property shall rest with the party owning said Property. Risk of Loss shall be deemed to include any property damage occurring as a result of an "Act of God", including but not limited to earthquakes, tremors, wind, rain or other natural occurrences.

3.1.15. FOREIGN PERSON. Neither party is a foreign person and is a "United States Person" as such term is defined in Section 7701 (a) (30) of the Internal Revenue Code of 1986, as amended and each party shall deliver to the other party, prior to the Closing, an affidavit, as set forth in **Exhibits A9 and B4**, evidencing such fact, and such other documents as may be required under the Code.

3.1.16. CONDITION OF PROPERTY. Upon Waiver or satisfaction of Section 3.1.13 said party will be deemed to have approved the physical condition of the Property it is purchasing and agrees to accept and purchase the same "AS IS, WHERE IS" including, without limitation, the existence or non-existence of any pollutants, contaminants, hazardous waste, dangerous waste, toxic waste, underground storage tanks or contaminated soil, or the actual or threatened release, deposit seepage, migration or escape of such substances at, from or into the Property and the compliance or noncompliance of the Property with applicable federal, state, county and local laws and regulations including, without limitation, environmental laws and regulations. Each party acknowledges and agrees that, except to the extent of the other party's representations and warranties in Section 3.1 of this Agreement, and to the extent of any fraud or deliberate misrepresentation by the other party, the selling party shall have no liability for, and that the purchasing party shall have no recourse against the selling party for, any defect or deficiency of any kind whatsoever in the Property being purchased, including without limitation any of the foregoing items, without regard to whether such defect or deficiency was discovered or discoverable by either party.

ARTICLE 4 TITLE MATTERS

4.1. TITLE. Each party shall deliver to the other party good and marketable title, free and clear of all liens, defects and encumbrances except for the Permitted Exceptions (as defined in Section 4.1.3).

4.2 TITLE COMMITMENT. The parties agree to have all title commitments issued by Chicago Title Insurance Company, located at 701 Fifth Avenue, Seattle, A 98104, attn: Mike Harris ("Title Company"), at C&R's expense, the following current ALTA forms of commitment for title insurance policies: (a) an owner's standard policy of title insurance ("County's Title Commitment"), describing County Property, listing C&R as the prospective named insured in the policy amount of Two Hundred Twenty-Eight Thousand, Eight Hundred Eighty-Seven Dollars [\$228,887].

At such time as Title Company causes County's Title Commitment to be furnished to C&R, Title Company shall further cause to be furnished to C&R legible copies of all instruments referred to in County's Title Commitment as restrictions or exceptions to the title to County Property; (b) an owner's standard policy of title insurance ("C&R's Title Commitment"), describing C&R's Property, listing County as the prospective named insured in the policy amount of One Hundred Ten Thousand Dollars [\$110,000]. At such time as Title Company causes C&R's Title Commitment to be furnished to County, Title Company shall further cause to be furnished to County legible copies of all instruments referred to in the C&R's Title Commitment as restrictions or exceptions to title to C&R's Property.

4.3. SURVEY. C&R shall, at its expense, have prepared certified surveys by a licensed public surveyor of C&R's Property and County Property ("C&R's Survey and County Survey"). Each Survey will be certified to Title Company so as to permit Title Company to issue owners' standard coverage title policies for both County Property and C&R's Property. C&R's Survey and County Survey will be done in accordance with the State of Washington's accepted survey standards identifying C&R's Property and County Property by legal descriptions and shall set forth the number of square feet contained within County Property and C&R's Property, show all natural monuments, existing fences, drainage ditches and/or courses, flood plain limits, any building or other site improvements and/or objects, any rights-of-way for streets, existing driveways, alleys or highways, easements and other restrictions existing and/or proposed which shall affect any portion of County Property or C&R's Property.

4.4. REVIEW OF TITLE COMMITMENT AND SURVEY.

(a) County shall have until fourteen (14) days after receipt of the last dated C&R Title Commitment and C&R's Survey (the "Review Period") in which to notify C&R of any objections County has to any matters shown or referred to in C&R's Title Commitment or C&R's Survey and of any title insurance endorsements required by County. Any exceptions or other items that are set

forth in C&R's Title Commitment or C&R's Survey to which County does not object within the Review Period shall be deemed to be permitted exceptions ("Permitted Exceptions"). With regard to items to which County does object within the Review Period, C&R shall notify County within ten (10) days after C&R receives County's notice of objections of any exceptions to the title or items on C&R's Survey which C&R will not remove or otherwise resolve following County's request within the Review Period. County may, at County's option within ten (10) days thereafter, either waive the objections not cured, or County may terminate this Agreement by notice to C&R. Notwithstanding the foregoing, all monetary liens or encumbrances shall be paid by C&R at Closing.

(b) C&R shall have until fourteen (14) days after receipt of the last dated County Title Commitment and County Survey (the "Review Period"), in which to notify County of any objections C&R has to any matters shown or referred to in County Title Commitment or County Survey and of any title insurance endorsements required by C&R. Any exceptions or other items that are set forth in County Title Commitment or County Survey and to which C&R does not object within the Review Period shall be deemed to be permitted exceptions ("Permitted Exceptions"). With regard to items to which C&R does object within the Review Period, County shall notify C&R within ten (10) days after County receives C&R's notice of objections of any exceptions to the title or items on County Survey which County will not remove or otherwise resolve following C&R's request within the Review Period. C&R may, at C&R's option within ten (10) days thereafter, either waive the objections not cured or C&R may terminate this Agreement by notice to County. Notwithstanding the foregoing, all monetary liens or encumbrances shall be paid by C&R at Closing.

4.5. OWNER'S TITLE INSURANCE POLICY.

(a) At the Closing, County shall cause an owner's policy of title insurance to be issued by Title Company in the amount of Two Hundred Twenty-Eight Thousand, Eight Hundred Eighty-Seven Dollars [\$228,887], effective as of the Closing Date. Such title insurance policy shall insure C&R that the fee simple title to County Property and the easement interests therein (as defined in Article 11.16 below) are vested to C&R, subject only to the usual printed exceptions contained in such title insurance policy, to the matters approved by C&R as provided herein, and to any other matters approved in writing by C&R. C&R shall pay any sum owing to Title Company for the preparation of the preliminary and binding commitments generated by Title Company for County Property.

(b) At the Closing, C&R shall cause an owner's policy of title insurance to be issued by Title Company in the amount of One Hundred Ten Thousand Dollars [\$110,000], effective as of the Closing Date, insuring County that the fee simple title to C&R's Property is vested to County, subject only to the usual printed exceptions contained in such title insurance policy, to the matters approved by County as provided herein and to any other matters approved in writing by County. The obligation of C&R to provide the title policy called for herein shall be satisfied if, at the Closing, Title Company has given a binding commitment, in a form reasonably satisfactory to County, and issues the policy in the form required by this section. C&R shall pay any sum owing to Title Company for the preparation of the preliminary and binding commitments generated by Title Company for C&R's Property.

4.6. CONVEYANCE. County shall convey to C&R the title to County Property by Statutory Warranty Deed, in the form attached hereto as **Exhibit A1**, subject only to the Permitted Exceptions. C&R shall convey the title to C&R's Property by Statutory Warranty Deed in the form attached hereto as **Exhibit B1**, subject only to the Permitted Exceptions. Rights reserved in federal patents or state deeds, building or use restrictions general to the district, and building or zoning regulations or provisions shall be deemed Permitted Exceptions.

4.7. RELEASE OF PRIVATE ROAD EASEMENT AND RESTRICTIVE COVENANT:

(a) The C&R Property is currently subject to a Declaration of Easement for roadway, ingress, egress and utilities recorded under King County Recording Nos. 5097186, 5110801, and 5136799, which created a private road system serving the area of the Intended Plat. Prior to Closing of the C&R Property, C&R shall release the C&R Property from all right, title and interest in the roadway easement created in that Declaration of Easement recorded under King County Recording Nos. 5097186, 5110801, and 5136799, subject to retention of the right of access from 166th Way SE to the property being transferred to the County. C&R shall defend, indemnify, and hold harmless King County against any cost, claim, loss or liability associated with or created by the Declaration of Easement recorded under King County Recording Nos. 5097186, 5110801, and 5136799.

(b) The C&R property is currently subject to a covenant recorded under King County Recording No. 5110802. Prior to closing of the C&R property, C&R shall release the C&R Property from any and all right, title and interest in the covenant recorded under King County Recording No. 5110802 and C&R. C&R shall defend, indemnify, and hold harmless King County against any cost, claim, loss or liability associated with or created by the covenant recorded under King County Recording No. 5110802.

ARTICLE 5 COVENANTS OF C&R PENDING CLOSING

5.1. CONDUCT, NOTICE OF CHANGE. C&R covenants that between the date hereof and the Closing, C&R shall take all such actions as may be necessary to assure that the representations and warranties set forth in Article 3 hereof will be true and complete as of the Closing Date (except such representations, warranties and matters which relate solely to an earlier date), and all covenants of C&R set forth in this Agreement which are required to be performed by C&R at or prior to the Closing shall have been performed at or prior to the Closing as provided for in this Agreement. C&R shall give County prompt written notice of any material change in any of the information contained in the representations and warranties made in Article 3 or elsewhere in this Agreement, which occurs prior to the Closing Date.

ARTICLE 6 COVENANTS OF COUNTY PENDING CLOSING

6.1. CONDUCT, NOTICE OF CHANGE. County covenants that between the date hereof and the Closing, County shall take all such actions as may be necessary to assure that the representations and warranties set forth in Article 3 hereof will be true and complete as of the Closing Date (except such representations, warranties and matters which relate solely to an earlier date), and that all covenants of County set forth in this Agreement which are required to be performed by County at or prior to the Closing shall have been performed at or prior to the Closing as provided for in this Agreement. County shall give C&R prompt written notice of any material change in any of the information contained in the representations and warranties made in Article 3 or elsewhere in this Agreement, which occurs prior to the Closing Date.

6.2. COOPERATION IN C&R PLAT APPLICATION: County agrees to cooperate in good faith so as to facilitate C&R's application to re-plat its property, including allowing the County property being transferred to C&R to be included in the plat application, provided no improvements shall be constructed on such property until after closing and further provided that C&R shall bear all costs associated with such plat application. C&R shall indemnify, defend and hold the County harmless against any cost, expense, loss or other liability associated with the plat application or other permits and approvals associated with the proposed development of the intended plat.

ARTICLE 7 CONDITIONS PRECEDENT TO C&R'S OBLIGATIONS

All obligations of C&R to close on the Closing Date are subject to the fulfillment of each of the following conditions at or prior to the Closing, and County shall diligently attempt to cause each such condition to be so fulfilled:

7.1. DELIVERY OF DOCUMENTS. County shall have delivered to C&R, at or prior to Closing, all documents required by the terms of this Agreement to be delivered to C&R.

7.2. REPRESENTATIONS, WARRANTIES AND COVENANTS. All representations, warranties and covenants of County contained herein or in any document delivered pursuant hereto shall be true and correct in all material respects when made and as of the Closing Date.

7.3. OBLIGATIONS. All obligations required by the terms of this Agreement to be performed by County at or before the Closing shall have been properly performed in all material respects.

7.4. TITLE. Any and all matters shown or referred to in County's Title Commitment to which C&R has objected within the time specified in Section 4.1, and which County has agreed to remove, shall have been cured by County, unless such objections have been waived by C&R. Title Company is irrevocably committed to issue an owner's standard policy of title insurance containing no exceptions other than the Permitted Exceptions.

7.5. APPROVAL OF COUNSEL. County's counsel shall have approved this document as to form as evidenced by such counsel's signature on this Agreement.

7.6. CONDEMNATION. No portion of County's Purchased Assets shall have been taken or damaged by any public or quasi-public body, and County shall not have transferred any portion of County's Purchased Assets to any such body in lieu of condemnation.

ARTICLE 8 CONDITIONS PRECEDENT TO THE COUNTY'S OBLIGATIONS

All obligations of County hereunder are subject to the fulfillment of each of the following conditions at or prior to the Closing, and C&R shall diligently attempt to cause each such condition to be fulfilled:

8.1. DELIVERY OF DOCUMENTS. C&R shall have delivered to County at or prior to the Closing all documents required by the terms of this Agreement to be delivered to County.

8.2. REPRESENTATIONS, WARRANTIES AND COVENANTS. All representations, warranties and covenants of C&R contained herein, or in any document delivered pursuant hereto, shall be true and correct in all material respects when made and as of the Closing Date.

8.3. OBLIGATIONS. All obligations required by the terms of this Agreement to be performed by C&R at or before the Closing shall have been properly performed in all material respects.

8.4. TITLE. Any and all matters shown or referred to in C&R's Title Commitment to which County has objected within the time specified in Section 4.1, and which C&R shall have agreed to remove, shall have been cured by C&R, unless such objections have been waived by County. Title Company is irrevocably committed to issue an owner's standard policy of title insurance containing no exceptions other than the Permitted Exceptions.

8.5. APPROVAL OF COUNSEL. C&R's counsel shall have approved this document as to form as evidenced by such counsel's signature on this Agreement.

8.6. APPROVAL BY COUNTY OF ALL PLANS AND SPECIFICATIONS FOR C&R'S DEVELOPMENT OF EASEMENTS GRANTED BY COUNTY IN ARTICLE 1.3, ABOVE.

In the event that C&R proposes construction work in an area subject to an Easement granted by the County to C&R in which the County still has a fee ownership interest, the following requirements shall apply:

(a) C&R shall have received and paid for a King County Special Use Permit for the proposed on-site work.

(b) County shall have reviewed and approved C&R's engineering plans and specifications for the proposed on-site work.

8.7. CONDEMNATION. No portion of C&R's Purchased Assets shall have been taken or damaged by any public or quasi-public body, and C&R shall not have transferred any portion of C&R's Purchased Assets to any such body in lieu of condemnation.

**ARTICLE 9
CLOSING**

9.1 CLOSING/CLOSING DATE. The Closing shall take place within thirty days after approval of this Agreement by the King County Council, or such earlier date as may be mutually agreed upon by the parties, unless extended pursuant to a written agreement executed by County and C&R. Upon execution of this Agreement, the parties agree to set up an escrow account with Chicago Title Insurance Company (the "Escrow Agent"). The Escrow Agent shall serve as closing agent for the transaction contemplated herein and closing shall occur in the offices of the Escrow Agent in Seattle, Washington. The title, right of possession and interest to the Purchased Assets of both parties shall pass to County and C&R upon the Closing Date and thereafter the risk of loss thereof shall no longer be the responsibility of the transferring party.

9.2. PRORATIONS. All prorations, unless otherwise specifically provided for herein, shall be made as of the Closing Date.

9.2.1. CLOSING COSTS. C&R shall pay the cost of the escrow fee charged by the Escrow Agent and any real estate excise or other transfer tax due, if any. C&R shall also pay the cost of the preliminary and binding title commitments from Title Company, the title policies and any endorsements, and the recording fees for the deeds and its own attorneys' fees, as well as County's actual and reasonable staff labor fees not to exceed \$20,000.

9.2.2. TAXES. County is exempt by law from the payment of real property ad valorem taxes, ("Taxes") on County Property. C&R is, and will remain, liable for the payment of such Taxes and any assessments on C&R's Property up to the Closing Date. Any unpaid Taxes and assessments then due and payable, associated with C&R's Property existing on the Closing Date, will be paid for by C&R at the Closing.

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9.3. **MONETARY LIENS.** Except as otherwise expressly provided to the contrary in the Agreement, each party shall pay or cause to be satisfied at or before Closing all monetary liens on or with respect to all or any portion of its Property. If either party fails to satisfy said liens, the Escrow Agent shall use any deposited cash proceeds to satisfy and discharge the liens or, if such proceeds are unavailable or insufficient, the Escrow Agent shall not record the deed to the affected Property until all such liens have been satisfied and discharged.

9.4. **THE COUNTY'S DELIVERY OF DOCUMENTS.** At the Closing, County will deliver to the Escrow Agent the following properly executed documents and funds:

- (a) A Statutory Warranty Deed conveying County Property in the form of Exhibit A1, attached hereto; and
- (b) Easements granting County Property in the form of Exhibit A2, Exhibits A4 through A8, and Exhibits B2 and B3; and
- (c) County's Certificate of Non-Foreign Status substantially in the form of Exhibit A9, attached hereto.

9.5. **C&R'S DELIVERY OF DOCUMENTS AT CLOSING.** At the Closing C&R will deliver to the Escrow Agent the following properly executed documents:

- (a) A Statutory Warranty Deed conveying C&R's Property in the form of Exhibit B1, subject to a Drainage Easement, attached hereto; and
- (b) C&R's Certificate of Non-Foreign Status substantially in the form of Exhibit B4, attached hereto.

ARTICLE 10 TERMINATION

10.1. **TERMINATION BY EITHER PARTY.** Either party may terminate this Agreement if a condition to its obligation to consummate the transactions contemplated by this Agreement as set forth in Articles 7 and 8 has not been satisfied by the Closing Date. In that event, if neither party is in default under this Agreement, the parties shall have no further obligations or liabilities to one another, and all documents and funds delivered into Escrow shall be returned to the appropriate party.

ARTICLE 11 MISCELLANEOUS PROVISIONS

11.1. NATURE AND SURVIVAL OF REPRESENTATIONS AND WARRANTIES. Each statement, representation, warranty, indemnity, covenant, and agreement made by County and C&R in this Agreement, or in any document, certificate or other instrument delivered by or on behalf of County and C&R pursuant to this Agreement, or in connection herewith, shall be deemed the representation, warranty, indemnity, covenant and agreement of County and C&R and shall survive the Closing Date unless a different time period is expressly provided for in this Agreement and all such statements are made only to and for the benefit of the parties hereto, and shall not create any rights in other persons.

11.2. DEFAULT AND ATTORNEYS' FEES. In the event of default by either party to this Agreement, the non-defaulting party shall have the right to bring an action for specific performance, damages and any other remedies available to such party at law or in equity. In the event of any litigation hereunder, the Superior Court of King County, Washington shall have the exclusive jurisdiction and venue. In any action to enforce a party's rights under this Agreement, the prevailing party shall be entitled to an award of its reasonable attorney's fees and costs in addition to any other relief or remedy granted. Interest on any amount owed shall run at ten percent (10%) per annum from the date due.

11.3. TIME IS OF THE ESSENCE. Time is of the essence in the performance of this Agreement.

11.4. NOTICES. Any and all notices or other communications required or permitted to be given under any of the provisions of this Agreement shall be in writing and shall be deemed to have been duly given upon receipt when personally delivered or sent by overnight courier or two (2) days after deposit in the United States mail if by first class, certified or registered mail, return receipt requested. All notices shall be addressed to the parties at the addresses set forth below or at such other addresses as any parties may specify by notice to all other parties and given as provided herein:

If to the County:

Facilities Management Division
Attn: Harold McNelly, Acquisition Supervisor, Real Estate Services
Department of Executive Services
King County Administration Building
500 Fourth Avenue, Suite 500
Seattle, Washington 98104-2337
(206) 296-0883

*With a copy to: Department of Natural Resources and Parks
Attn: Kevin Brown
201 South Jackson Street
Seattle, Washington 98104-3856*

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*With a copy to: King County Prosecuting Attorney
Attn: Robert I. Stier
900 King County Administration Building
500 Fourth Avenue
Seattle, Washington 98104-3856*

If To C&R: *C&R Investors, LLC
P.O. Box 2127
Issaquah, Washington 98027-0047
Attn: Clifford Mull and Rory Dees*

*With a copy to: Robert D. Johns, Johns Monroe Mitsunaga PLLC
Robert D. Johns
1500 114th Ave. SE, Suite 102
Bellevue, WA 98004*

11.5. ENTIRE AGREEMENT AND AMENDMENT. This writing (including the Exhibits attached hereto) constitutes the entire agreement of the parties with respect to the subject matter hereof and may not be modified or amended except by a written agreement specifically referring to this Agreement and signed by all parties hereto.

11.6. SEVERABILITY. In the event any portion of this Agreement shall be found to be invalid by any court of competent jurisdiction, such holding shall not impact or affect the remaining provisions of this Agreement unless that court of competent jurisdiction rules that the principal purpose and intent of this contract should and/or must be defeated, invalidated or voided.

11.7. WAIVER. No waiver of any breach or default hereunder shall be considered valid unless in writing and signed by the party giving such waiver, and no such waiver shall be deemed a waiver of any prior or subsequent breach or default.

11.8. BINDING EFFECT. Subject to Section 11.12 below, this Agreement shall be binding upon and inure to the benefit of each party hereto, its successors and assigns.

11.9. LEGAL RELATIONSHIP. The parties to this Agreement execute and implement this Agreement solely as County and C&R. No partnership, joint venture or joint undertaking shall be construed from this Agreement.

11.10. CAPTIONS. The captions of any articles, paragraphs or sections contained herein are for purposes of convenience only and are not intended to define or limit the contents of said articles, paragraphs or sections.

11.11. COOPERATION. Prior to and after the Closing, the parties shall cooperate, shall take such further action and shall execute and deliver further documents as may be reasonably requested by the other party in order to carry out the provisions and purposes of this Agreement.

11.12. GOVERNING LAW. This Agreement and all amendments thereof shall be governed by and construed in accordance with the laws of the State of Washington applicable to contracts made and to be performed therein, without giving effect to its conflicts of law provisions.

11.13. NON-MERGER. The terms and provisions of this Agreement will not merge in, but will survive, the Closing of the transaction contemplated under this Agreement.

11.14. ASSIGNMENT. Neither party shall assign this Agreement or any rights hereunder, except for any conveyance to the City of Bellevue referenced Article 1.3(a) and (b) herein, without the other party's prior written consent, which shall not be unreasonably withheld.

11.15. NEGOTIATION AND CONSTRUCTION. This Agreement and each of its terms and provisions are deemed to have been explicitly negotiated between the parties, and the language in all parts of this Agreement will, in all cases, be construed according to its fair meaning and not strictly for or against either party. All parties acknowledge and represent, as an express term of this Agreement, that they have had the opportunity to obtain and utilize legal review of the terms and conditions outlined in this Agreement. Except as otherwise stated in Section 9.2.1, each party shall be and is separately responsible for payment of any legal services rendered on its behalf regarding legal review of the terms found in this Agreement

11.16. EXHIBITS. The following Exhibits described herein and attached hereto are fully incorporated into this Agreement by this reference:

**Exhibits A County's Purchased Assets and Granted Easements,
With Accompanying Legal Descriptions**

- Exhibit A1** Warranty Deed for Tax Lot 252405-9207
- Exhibit A2** General Easement for a Portion of Tax Lot 252405-9003
- Exhibit A3** Quitclaim Deed for Tax Lot 252405-9003
- Exhibit A4** Slope Easement on Tax Lot 252405-9037
- Exhibit A5** Temporary Construction Easement on Tax Lot 252405-9003
- Exhibit A6** Permanent Drainage Easement on Tax Lot 252405-9003
- Exhibit A7** Permanent Slope Easement on Tax Lot 252405-9003
- Exhibit A8** Permanent Road Easement on Tax Lot 252405-9003
- Exhibit A9** King County's Certificate of Non-Foreign Status

**Exhibits B C&R Investor's Purchased Assets and Those Easements to which Property is
Subject Upon Conveyance of Property, With Accompanying Legal Descriptions**

- Exhibit B1** Warranty Deed for Tax Lot 252405-9178
- Exhibit B2** Temporary Construction Easement for Road & Slope
Tax Lot 252405-9178
- Exhibit B3** Permanent Drainage Easement on Tax Lot 252405-9178
- Exhibit B4** C&R's Certificate of Non-Foreign Status

Exhibit C Map Delineating Agreement Properties

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EXECUTED AS OF THE DATE AND YEAR FIRST ABOVE WRITTEN:

KING COUNTY REAL ESTATE SERVICES SECTION
Facilities Management Division, Department of Executive Services

By: Calvin Hoggard
Calvin Hoggard, Real Estate Services Manager

APPROVED AS TO FORM:

By: Robert I. Stier
Robert I. Stier, Senior Deputy Prosecuting Attorney

Date 8/31/04

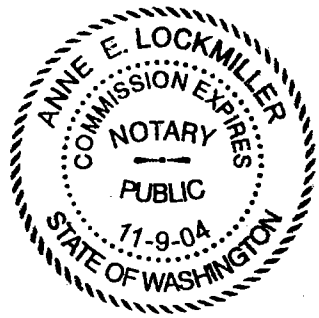
STATE OF WASHINGTON } ss.
COUNTY OF KING }

On this day personally appeared before me Calvin Hoggard, to me known to be the Real Estate Services Manager of the Facilities Management Division of KING COUNTY, a municipal corporation and political subdivision of the State of Washington that executed the foregoing instrument, and acknowledged such instrument to be the free and voluntary act and deed of such municipal corporation and political subdivision, for the uses and purposes therein mentioned, and on oath stated that he was duly authorized to execute such instrument.

GIVEN UNDER MY HAND AND OFFICIAL SEAL this 30th day of AUGUST, 2004.

Anne E. Lockmiller

Printed Name ANNE E. LOCKMILLER
NOTARY PUBLIC in and for the State of Washington,
residing at SEATTLE, WASHINGTON
My Commission Expires 11-09-04



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EXECUTED AS OF THE DATE AND YEAR FIRST ABOVE WRITTEN:

C&R INVESTORS, LLC

By: *Cufford J. Mull*
[Signature]
Managing Member

APPROVED AS TO FORM:

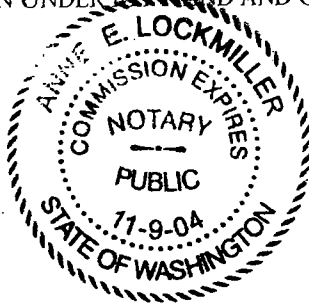
By: *[Signature]*
Robert D. Johns, Attorneys for C&R Investors, LLC

Date: 8/19/04

STATE OF WASHINGTON } ss.
COUNTY OF KING }

On this day CUFFORD J. MULL & ROZAN P. DEES personally appeared before me, who ^{are} known to me to be the Managers of C&R Investors, LLC, a Washington limited liability company, who executed the foregoing instrument, and acknowledged such instrument to be the free and voluntary act and deed of the company for the uses and purposes therein mentioned, and on oath stated that he was duly authorized to execute such instrument.

GIVEN UNDER MY HAND AND OFFICIAL SEAL this 19th day of August, 2004.



Anne E. Lockmiller
Printed Name ANNE E. LOCKMILLER
NOTARY PUBLIC in and for the State of Washington,
residing at SEATTLE, WASHINGTON
My Commission Expires 11-09-04

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EXHIBIT A1

AFTER RECORDING RETURN TO:

King County Real Property Division
Room 500A King County Administration Bldg.
500 Fourth Avenue, Seattle, WA 98

Grantor: King County
Grantee: C&R Investors, LLC
Legal: SW ¼ OF NW ¼, STR 25-24-05
Tax Parcel ID # 252405-9207

WARRANTY DEED

The Grantor herein, **KING COUNTY**, a political subdivision of the State of Washington, for the consideration of TEN DOLLARS (\$10.00) and other valuable consideration, conveys and warrants to C&R Investors, LLC, a Washington limited liability company, all interest in the following described real estate:

A portion of the southwest quarter of the northwest quarter of Section 25, Township 24 North, Range 5 East, W.M., in King County, Washington, lying easterly of 166th Way SE & southerly of the following described line:

Beginning at the northwest corner of the southeast quarter of the northeast quarter of Section 26, Township 24, Range 5 East;
Thence south 01°03'47" west 295.00 feet to the Point of Beginning of said line;
Thence south 71°16'00" east 1,635.00 feet;
Thence south 68°45'31" east 1,141.59 feet, more or less, to the east line of said southwest quarter of the northwest quarter of said Section 25, at a point 1,110.95 feet south of the northeast corner and the terminus of said line;
Also known as a portion of King County separate lot review No. L93M0025, currently known as a portion of King County separate lot review No. L93M0069, dated 12/10/93.
Containing an area of 32,400 square feet, or .74 acre, more or less.

The rights, conditions, and provisions of this easement shall inure to the benefit of and be binding upon the heirs, executors, administrators, successors and assigns of the respective parties hereto.

DATED this _____ day of _____, 2004.

KING COUNTY

By: _____
Calvin Hoggard, Real Estate Services Manager
Facilities Management Division

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EXHIBIT A2

AFTER RECORDING RETURN TO:

King County Real Property Division
Room 500A King County Administration Bldg.
500 Fourth Avenue
Seattle, WA 98

Grantor: King County
Grantee: C&R Investors, LLC
Legal: POR of the NW ¼ of SW ¼ of STR 25-24-05, lying NE of 166th Way SE
Tax Parcel ID # A Portion of 252405-9003

EASEMENT

THIS AGREEMENT is made this _____ day of _____, 2004, between KING COUNTY, a political subdivision of the State of Washington, hereinafter called Grantor, and C&R Investors, LLC, a Washington limited liability company, hereinafter called Grantee.

WITNESSETH

Whereas, the Grantor herein is the owner of that certain parcel of land described as follows:

That portion of Section 25, Township 24 North, Range 5 East, W.M., in King County, Washington, described as follows:

The Southwest ¼ of the Northeast ¼;
LESS the Northwest ¼ thereof;
The Southeast ¼ of the Northeast ¼;
The South ½ of the Northeast ¼ of the Southwest ¼,
The Northwest ¼ of the Southwest ¼;
LESS a portion lying West of Road No. 1543 and North of County Road No. 66;
LESS County Road;
The South ½ of the Southwest ¼; and
The Southeast ¼;
LESS, Beginning at the South ¼ Corner of the Section; thence West 232.86 feet; thence North 00°57'00"
West 240.03 feet; thence North 89°03'00" East 10.65 feet; thence North 00°57'00" West 295 feet; thence
North 45°27'00" West 363 feet; thence North 44°33'00" East 195 feet; thence North 45°27'00" West 275
feet; thence North 44°33'00" East 105 feet; thence South 45°27'00" East 332.78 feet; thence South
00°57'00" East 134.86 feet; thence South 89°30'00" East 245.56 feet; thence South 167 feet; thence
South 89°30'00" East 155 feet; thence South 00°30'00" West 652.46 feet, more or less, to the South line
of the Section; thence West 158.38 feet, more or less, To the Beginning;
EXCEPT coal and mineral rights;
LESS, Beginning 232.86 feet West of the South ¼ corner of the Section; thence North 00°57'00" West
240.03 feet, North 89°03'00" East 10.65 feet, North 00°57'00" West 295 feet, thence North 45°27'00"

West 363 feet; thence North 44°33'00" East 195 feet; thence North 45°27'00" West 275 feet; thence South 44°33'00" West 180 feet; thence North 88°54'00" West 367 feet; thence South 01°06'00" West 398 feet; thence South 88°54'00" East 272 feet; thence South 00°57'00" East to the South line of the Section; thence East To the Point of Beginning.

NOW THEREFORE, Grantor for and in consideration of TEN (\$10.00) DOLLARS, and other valuable consideration, does hereby grant and convey to the Grantee, its successors and assigns, agents, and licensees an easement on the above described parcel of land, which the Grantor owns, and which is described as follows:

That portion of the northwest quarter of the southwest quarter of Section 25, Township 24 North, Range 5 East, W.M., King County, Washington, lying northeasterly of 166th Way SE. Said portion being more particularly described as follows:

Beginning at the northeast corner of said northwest quarter of the southwest quarter; thence south 01°27'11" west along the east line of said subdivision 210.34 feet to the northeasterly margin of 166th way SE and a point of non-radial intersection with a curve, concave to the northeast the center of which bears north 65°05'33" east 379.26 feet distant;

Thence in a northwesterly direction along the arc of said curve passing through a central angle of 00°23'16" a distance of 2.57 feet;

Thence continuing along said margin north 24°31'11" west 232.63 feet to a point on the north line of said subdivision;

Thence along said north line south 87°56'11" east 103.02 feet to the point of beginning.

Containing 10,835 square feet more or less.

Permitted use shall allow Grantee to design, construct, maintain and repair (1) storm drainage facilities, including water quality facilities, flow control facilities and transmission facilities; (2) street improvements, including driving surfaces, pedestrian facilities, curbs, gutters, street lights and other appurtenances related to standard improvements typically located in road rights-of-way, according to King County's Road Standards; (3) entrance monumentation for Cougar Ridge development which is located to the east of the easement area; (4) utility facilities, including but not limited to sanitary sewer, domestic water, gas, telecommunications, electric service; (5) open space or recreational improvements associated with the Cougar Ridge development; and (6) any other structures, facilities or improvements which are intended to facilitate the development of the Cougar Ridge project located to east of the easement area, to wit:

Grantee shall (1) be solely responsible for all costs of design, permitting, construction, maintenance and repair of improvements constructed within the easement area; (2) indemnify and hold Grantor harmless against any claims, losses, damages or liabilities, including reasonable attorneys' fees and costs, created in whole or in part by Grantee's exercise of its rights pursuant to this Easement; (3) have the right to assign its interest in this Easement, upon written notice to Grantor, to either a homeowners association duly organized under the laws of the State of Washington which has responsibility for maintaining facilities and improvements within the Cougar Ridge development, to the City of Bellevue, or to public or private utility purveyors who are authorized to provide utility service to the Cougar Ridge development.

At such time as the easement area is included within the City of Bellevue Urban Growth Area, title to the easement area will be conveyed to Grantee by Grantor by quitclaim deed.

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Development of the permitted uses in this easement area shall have commenced no later than December 31, 2007. In the event the above described facilities are not completed and operable by December 31, 2011, the lands herein conveyed shall revert to Grantor.

In the event of abandonment, vacation or relocation of said street, road, or highway, the rights and interests in the above described lands that are herein conveyed shall revert to the Grantor, successors and assigns.

Dated this _____ day of _____, 2004.

KING COUNTY

By: _____
Calvin Hoggard, Real Estate Services Manager
Facilities Management Division

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EXHIBIT A3

AFTER RECORDING RETURN TO:

King County Real Property Division
Room 500A King County Administration Bldg.
500 Fourth Avenue
Seattle, WA 98

Grantor: King County
Grantee: C&R Investors, LLC
Legal: POR of the NW ¼ of SW ¼ of STR 25-24-5, lying NE of 166th Way SE
Tax Parcel ID # A Portion of 252405-9003

QUIT CLAIM DEED

The Grantor, KING COUNTY, a political subdivision of the State of Washington, for and in consideration of mutual benefits, receipt of which is hereby acknowledged, conveys and quit claims unto the Grantee, C&R Investors, LLC, a Washington limited liability company, the following described real estate, situated in King County, Washington:

That portion of the northwest quarter of the southwest quarter of Section 25, Township 24 North, Range 5 East, W.M., King County, Washington, lying northeasterly of 166th Way SE. Said portion being more particularly described as follows:

Beginning at the northeast corner of said northwest quarter of the southwest quarter; thence south 01°27'11" west along the east line of said subdivision 210.34 feet to the northeasterly margin of 166th way SE and a point of non-radial intersection with a curve, concave to the northeast the center of which bears north 65°05'33" east 379.26 feet distant;

Thence in a northwesterly direction along the arc of said curve passing through a central angle of 00°23'16" a distance of 2.57 feet;

Thence continuing along said margin north 24°31'11" west 232.63 feet to a point on the north line of said subdivision;

Thence along said north line south 87°56'11" east 103.02 feet to the point of beginning.

Containing 10,835 square feet more or less.

DATED this _____ day of _____, 2004.

KING COUNTY

By: _____
Calvin Hoggard, Real Estate Services Manager
Facilities Management Division

EXHIBIT A4

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AFTER RECORDING RETURN TO:

King County Real Property Division
Room 500A King County Administration Bldg.
500 Fourth Avenue
Seattle, WA 98

Grantor: KING COUNTY
Grantee: C&R Investors, LLC.
Legal: POR of Sw1/4 of NW1/4 of NW1/4 of STR 25-24-05
Tax Parcel ID # 252405-9037

SLOPE EASEMENT

THIS AGREEMENT is made this _____ day of _____, _____ between **KING COUNTY**, a political subdivision of the State of Washington, hereinafter called Grantor, and C&R Investors, LLC, a Washington limited liability company, hereinafter called Grantee.

WITNESSETH:

The said Grantor, for and in consideration of TEN DOLLARS (\$10.00) and other valuable consideration, receipt whereof is hereby acknowledged, do by these presents grant, bargain, sell, convey, and confirm unto the said Grantee, its successors and assigns, a perpetual easement to construct, reconstruct, and maintain slopes, cuts and fills, and all other purposes not inconsistent with the Grantee's use across, under, over, and upon the following property hereinafter described, situated in King County, Washington, being more particularly described as follows:

A strip of land 50.00 feet in width, as measured perpendicular to the southwesterly margin of 166th Way SE (said road being 60 feet in width), across the easterly boundary of the hereinafter-described parcel. Containing 16,251 square feet.

PARCEL DESCRIPTION:

That portion of the southwest quarter of the northwest quarter of Section 25, Township 24 North, Range 5 East, W.M., King County, Washington, lying easterly of Nels-Berglund Road and Westerly of 166th Way SE and southerly of the following described line:

Commencing at the Northwest corner of said southeast quarter of the northeast quarter of Section 26, Township 24 North, Range 5E;

Thence south 01°03'47" west 295.00 feet to the Point of Beginning of said line;

Thence south 71°16'00" east 1,635.00 feet;

Thence south 68°45'31" east 1,141.59 feet, more or less, to the east line of said southwest quarter of the northwest quarter at a point 1,110.95 feet south of the northeast corner thereof and the terminus of said line.

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ALSO KNOWN AS a portion of King County Separate Lot Review #L93M0025;
The above described property also being currently known as a portion of King County Separate Lot Review No. L93M0069, dated December 10, 1993.

In consideration of the premises, Grantee hereby agrees that said slope shall be constructed according to King County Road Standards.

Construction of the slope in this easement area shall have commenced no later than December 31, 2007. In the event construction is not completed by December 31, 2011, the lands herein conveyed shall revert to Grantor.

The rights, conditions, and provisions of this agreement shall inure to the benefit of and be binding upon the heirs, executors, administrators, successors and assigns of the respective parties hereto.

In the event of abandonment, vacation or relocation of said street, road, or highway, the rights and interests in the above described lands that are herein conveyed shall revert to the Grantor, successors and assigns.

IN WITNESS WHEREOF, the Grantor has hereunto signed his name the day and year first above written.

DATED this _____ day of _____, _____.

KING COUNTY

By: _____
Calvin Hoggard, Real Estate Services Manager
Facilities Management Division

EXHIBIT A5

AFTER RECORDING RETURN TO:

King County Real Property Division
Room 500A King County Administration Bldg.
500 Fourth Avenue
Seattle, WA 98

Grantor: King County
Grantee: C&R Investors, LLC
Legal: POR of STR 25-24-05, lying in the SW ¼ of the NE ¼.
Tax Parcel ID # 252405-9003

TEMPORARY CONSTRUCTION EASEMENT FOR SLOPE

THIS AGREEMENT is made this _____ day of _____, between KING COUNTY, a political subdivision of the State of Washington, hereinafter called Grantor, and C&R Investors, LLC, a Washington limited liability company, hereinafter called Grantee.

WITNESSETH:

WHEREAS, Grantor represents and warrants to be the owner of that certain parcel of land described as follows:

That portion of Section 25, Township 24 North, Range 5 East, W.M., in King County, Washington, described as follows:

The Southwest ¼ of the Northeast ¼;
LESS the Northwest ¼ thereof;
The Southeast ¼ of the Northeast ¼;
The South ½ of the Northeast ¼ of the Southwest ¼,
The Northwest ¼ of the Southwest ¼;
LESS a portion lying West of Road No. 1543 and North of County Road No. 66;
LESS County Road;
The South ½ of the Southwest ¼; and
The Southeast ¼;
LESS, Beginning at the South ¼ Corner of the Section; thence West 232.86 feet; thence North 00°57'00" West 240.03 feet; thence North 89°03'00" East 10.65 feet; thence North 00°57'00" West 295 feet; thence North 45°27'00" West 363 feet; thence North 44°33'00" East 195 feet; thence North 45°27'00" West 275 feet; thence North 44°33'00" East 105 feet; thence South 45°27'00" East 332.78 feet; thence South 00°57'00" East 134.86 feet; thence South 89°30'00" East 245.56 feet; thence South 167 feet; thence South 89°30'00" East 155 feet; thence South 00°30'00" West 652.46 feet, more or less, to the South line of the Section; thence West 158.38 feet, more or less, To the Beginning;
EXCEPT coal and mineral rights;

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LESS, Beginning 232.86 feet West of the South ¼ corner of the Section; thence North 00°57'00" West 240.03 feet, North 89°03'00" East 10.65 feet, North 00°57'00" West 295 feet, thence North 45°27'00" West 363 feet; thence North 44°33'00" East 195 feet; thence North 45°27'00" West 275 feet; thence South 44°33'00" West 180 feet; thence North 88°54'00" West 367 feet; thence South 01°06'00" West 398 feet; thence South 88°54'00" East 272 feet; thence South 00°57'00" East to the South line of the Section; thence East To the Point of Beginning.

NOW THEREFORE, Grantor, for and in consideration of TEN DOLLARS (\$10.00) and other valuable consideration, receipt whereof is hereby acknowledged, do by these presents grant, bargain, sell, convey, and confirm unto said Grantee, its successors and assigns, the right to construct slopes, cuts and fills, and the right to repave 166th Way SE, according to King County Road Standards. Grantee may make such improvements and locate its construction equipment during normal business hours, and only during such timeframe as is specific to completing those improvements in the immediate vicinity, on the following described land:

A strip of land 50.00 feet in width adjoining the southwesterly margin of 166th Way SE in the northwest quarter of the southwest quarter of Section 25, Township 24 North, Range 5 east, W.M., King County, Washington. Containing an area of 20,622 square feet, more or less.

WHEREAS, the Grantee is about to perform that certain improvement work on 166th Way SE directly adjacent to the above-described parcel, Grantee hereby agrees that prior to construction, Grantee will obtain a Special Use Permit and a Clearing and Grading Permit. Construction of the slope in this easement area shall have commenced no later than December 31, 2007. In the event construction is not completed by December 31, 2011, the lands herein conveyed shall revert to Grantor.

Upon completion of construction, Grantor shall maintain the easement area.

In the event of abandonment, vacation or relocation of said street, road, or highway, the rights and interests in the above described lands that are herein conveyed shall revert to the Grantor, successors and assigns.

IN WITNESS WHEREOF, the undersigned has executed this instrument this _____ day of _____.

KING COUNTY

By: _____
Calvin Hoggard, Real Estate Services Manager
Facilities Management Division

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EXHIBIT A6

AFTER RECORDING RETURN TO:

King County Real Property Division
Room 500A King County Administration Bldg.
500 Fourth Avenue
Seattle, WA 98

Grantor: **King County**
Grantee: C&R Investors, LLC
Legal: POR of the NW ¼ of SW ¼ of STR 25-24-05, lying NE of 166th Way SE
Tax Parcel ID # 252405-9003

DRAINAGE EASEMENT

THIS AGREEMENT made this _____ day of _____, _____
between **KING COUNTY**, a political subdivision of the State of Washington, hereinafter called Grantor,
and C&R Investors, LLC, a Washington limited liability company, hereinafter called Grantee.

WITNESSETH:

Whereas, the Grantor herein is the owner of that certain parcel of land described as follows:

That portion of Section 25, Township 24 North, Range 5 East, W.M., in King County, Washington,
described as follows:

The Southwest ¼ of the Northeast ¼;
LESS the Northwest ¼ thereof;
The Southeast ¼ of the Northeast ¼;
The South ½ of the Northeast ¼ of the Southwest ¼,
The Northwest ¼ of the Southwest ¼;
LESS a portion lying West of Road No. 1543 and North of County Road No. 66;
LESS County Road;
The South ½ of the Southwest ¼; and
The Southeast ¼;
LESS, Beginning at the South ¼ Corner of the Section; thence West 232.86 feet; thence North 00°57'00"
West 240.03 feet; thence North 89°03'00" East 10.65 feet; thence North 00°57'00" West 295 feet; thence
North 45°27'00" West 363 feet; thence North 44°33'00" East 195 feet; thence North 45°27'00" West 275
feet; thence North 44°33'00" East 105 feet; thence South 45°27'00" East 332.78 feet; thence South
00°57'00" East 134.86 feet; thence South 89°30'00" East 245.56 feet; thence South 167 feet; thence
South 89°30'00" East 155 feet; thence South 00°30'00" West 652.46 feet, more or less, to the South line
of the Section; thence West 158.38 feet, more or less, To the Beginning;
EXCEPT coal and mineral rights;

15096

LESS, Beginning 232.86 feet West of the South ¼ corner of the Section; thence North 00°57'00" West 240.03 feet, North 89°03'00" East 10.65 feet, North 00°57'00" West 295 feet, thence North 45°27'00" West 363 feet; thence North 44°33'00" East 195 feet; thence North 45°27'00" West 275 feet; thence South 44°33'00" West 180 feet; thence North 88°54'00" West 367 feet; thence South 01°06'00" West 398 feet; thence South 88°54'00" East 272 feet; thence South 00°57'00" East to the South line of the Section; thence East To the Point of Beginning.

NOW THEREFORE, Grantor, for and in consideration of TEN DOLLARS (\$10.00) and other valuable consideration, receipt whereof is hereby acknowledged, do by these presents grant, bargain, sell, convey, and confirm unto said Grantee, its successors and assigns, a drainage easement for constructing, reconstructing, maintaining, and repairing a drainage facility over, through, across, and under the property hereinafter described, situated in King County, Washington, being more particularly described as follows:

A strip of land 20.00 feet in width, having 10.00 feet of said width on each side of the following described line:

Commencing at the west quarter corner of Section 25, Township 24 North, Range 5 East, W.M., King County, Washington;

Thence south 87°56'11" east along the east / west centerline of said Section 1141.90 feet to a point of intersection with the westerly margin of 166th Way SE (Said right-of-way being 60 feet in width);

Thence along said margin south 24°31'11" east 122.41 feet to the Point of Beginning;

Thence south 59°24'01" west 33.31 feet;

Thence south 84°21'13" west 26.50 feet to the terminus of this line description.

The sidelines of said easement to lengthen or shorten as necessary to terminate at said westerly margin and at right angles to said Point of Terminus.

Containing an area of 1,196 square feet, more or less.

NOW, THEREFORE, in consideration of the premises, Grantee hereby agrees that said drainage area shall be constructed according to King County standards.

Construction of this easement area shall have commenced no later than December 31, 2007. In the event construction is not completed by December 31, 2011, the lands herein conveyed shall revert to Grantor.

IT IS MUTUALLY AGREED AND UNDERSTOOD that this Drainage Easement has been conveyed and accepted for development of a drainage system to service the Cougar Ridge Development. In the event of abandonment, vacation or relocation of said drainage area, the rights and interests in the above described lands that are herein conveyed shall revert to the Grantor, successors and assigns.

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The rights, conditions, and provisions of this agreement shall inure to the benefit of and be binding upon the heirs, executors, administrators, successors and assigns of the respective parties hereto.

Situated in the County of King, State of Washington

DATED this _____ day of _____.

KING COUNTY

By: _____
Calvin Hoggard, Real Estate Services Manager
Facilities Management Division

EXHIBIT A7

15096

AFTER RECORDING RETURN TO:

King County Real Property Division
Room 500A King County Administration Bldg.
500 Fourth Avenue
Seattle, WA 98

Grantor: KING COUNTY
Grantee: C&R Investors, LLC.
Legal: POR of STR 25-24-05, lying in the SW ¼ of the NE ¼.
Tax Parcel ID # 252405-9003

SLOPE EASEMENT

THIS AGREEMENT is made this _____ day of _____, _____ between KING COUNTY, a political subdivision of the State of Washington, hereinafter called Grantor, and C&R Investors, LLC, a Washington limited liability company, hereinafter called Grantee.

WITNESSETH:

The said Grantor, for and in consideration of TEN DOLLARS (\$10.00) and other valuable consideration, receipt whereof is hereby acknowledged, do by these presents grant, bargain, sell, convey, and confirm unto the said Grantee, its successors and assigns, a perpetual easement to construct, reconstruct, and maintain slopes, cuts and fills, and all other purposes not inconsistent with the Grantee's use across, under, over, and upon the following property hereinafter described, situated in King County, Washington, being more particularly described as follows:

All that portion of the hereinafter-described parcel, commencing at the northeast corner of said south half of the northeast quarter of the southwest quarter;
Thence south 01°53'28" west along the east line of said subdivision 30.00 feet;
Thence north 88°00'29" west along a line parallel with the north line of said south half 331.70 feet to the Point of Beginning;
Thence south 01°59'31" west 45.00 feet;
Thence north 88°00'29" west 328.21 feet;
Thence north 01°59'31" east 45.00 feet;
Thence south 88°00'29" east to the Point of Beginning.

Containing an area of 14,850 square feet, more or less.

PARCEL DESCRIPTION:

That portion of Section 25, Township 24 North, Range 5 East, W.M., in King County, Washington, described as follows:

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The Southwest ¼ of the Northeast ¼;
LESS the Northwest ¼ thereof;
The Southeast ¼ of the Northeast ¼;
The South ½ of the Northeast ¼ of the Southwest ¼,
The Northwest ¼ of the Southwest ¼;
LESS a portion lying West of Road No. 1543 and North of County Road No. 66;
LESS County Road;
The South ½ of the Southwest ¼; and
The Southeast ¼;

LESS, Beginning at the South ¼ Corner of the Section; thence West 232.86 feet; thence North 00°57'00"
West 240.03 feet; thence North 89°03'00" East 10.65 feet; thence North 00°57'00" West 295 feet; thence
North 45°27'00" West 363 feet; thence North 44°33'00" East 195 feet; thence North 45°27'00" West 275
feet; thence North 44°33'00" East 105 feet; thence South 45°27'00" East 332.78 feet; thence South
00°57'00" East 134.86 feet; thence South 89°30'00" East 245.56 feet; thence South 167 feet; thence
South 89°30'00" East 155 feet; thence South 00°30'00" West 652.46 feet, more or less, to the South line
of the Section; thence West 158.38 feet, more or less, To the Beginning;

EXCEPT coal and mineral rights;

LESS, Beginning 232.86 feet West of the South ¼ corner of the Section; thence North 00°57'00" West
240.03 feet, North 89°03'00" East 10.65 feet, North 00°57'00" West 295 feet, thence North 45°27'00"
West 363 feet; thence North 44°33'00" East 195 feet; thence North 45°27'00" West 275 feet; thence
South 44°33'00" West 180 feet; thence North 88°54'00" West 367 feet; thence South 01°06'00" West
398 feet; thence South 88°54'00" East 272 feet; thence South 00°57'00" East to the South line of the
Section; thence East To the Point of Beginning.

In consideration of the premises, Grantee hereby agrees that said slope shall be constructed according to King
County Road Standards. Construction of the slope in this easement area shall have commenced no later than
December 31, 2007. In the event construction is not completed by December 31, 2011, the lands herein
conveyed shall revert to Grantor.

The rights, conditions, and provisions of this agreement shall inure to the benefit of and be binding upon the
heirs, executors, administrators, successors and assigns of the respective parties hereto.

IT IS MUTUALLY AGREED AND UNDERSTOOD that this Slope Easement has been conveyed and
accepted for development of a private road to service the Cougar Ridge Development. In the event of
abandonment, vacation or relocation of said street, road, or highway, the rights and interests in the above
described lands that are herein conveyed shall revert to the Grantor, successors and assigns.

IN WITNESS WHEREOF, the Grantor has hereunto signed his name the day and year first above written.

DATED this _____ day of _____,

KING COUNTY

By: _____
Calvin Hoggard, Real Estate Services Manager
Facilities Management Division

EXHIBIT A8

15096

AFTER RECORDING RETURN TO:

King County Real Property Division
Room 500A King County Administration Bldg.
500 Fourth Avenue
Seattle, WA 98

Grantor: King County
Grantee: C&R Investors, LLC
Legal: POR of STR 25-24-05, lying in the SW ¼ of the NE ¼.
Tax Lot: 252405-9003

ROAD EASEMENT

THIS AGREEMENT is made this _____ day of _____, _____ between **KING COUNTY**, a political subdivision of the State of Washington, hereinafter called Grantor, and C&R Investors, LLC, a Washington limited liability company, hereinafter called Grantee.

WITNESSETH

That Grantor for and in consideration of TEN DOLLARS (\$10.00), and other valuable consideration, does hereby grant and convey to Grantee, its successors and assigns, agents, and licensees a perpetual easement and right-of-way, and all other purposes not inconsistent with Grantee's use across, under, over, and upon the following described land, which the Grantors own or in which the Grantors have any interest, to wit:

All that portion of the hereinafter-described parcel, beginning at the northeast corner of said south half of the northeast quarter of the southwest quarter;
Thence south 01°53'28" west along the east line of said subdivision 30.00 feet;
Thence north 88°00'29" west along a line parallel with the north line of said south half 660.00 feet;
Thence north 01°59'31" east 30.00 feet to a point on said north line of the south half;
Thence along said north line to the Point of Beginning.

Containing an area of 19,799 square feet, more or less.

PARCEL DESCRIPTION:

That portion of Section 25, Township 24 North, Range 5 East, W.M., in King County, Washington, described as follows:

The Southwest ¼ of the Northeast ¼;
LESS the Northwest ¼ thereof;
The Southeast ¼ of the Northeast ¼;
The South ½ of the Northeast ¼ of the Southwest ¼,
The Northwest ¼ of the Southwest ¼;

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LESS a portion lying West of Road No. 1543 and North of County Road No. 66;

LESS County Road;

The South 1/2 of the Southwest 1/4; and

The Southeast 1/4;

LESS, Beginning at the South 1/4 Corner of the Section; thence West 232.86 feet; thence North 00°57'00" West 240.03 feet; thence North 89°03'00" East 10.65 feet; thence North 00°57'00" West 295 feet; thence North 45°27'00" West 363 feet; thence North 44°33'00" East 195 feet; thence North 45°27'00" West 275 feet; thence North 44°33'00" East 105 feet; thence South 45°27'00" East 332.78 feet; thence South 00°57'00" East 134.86 feet; thence South 89°30'00" East 245.56 feet; thence South 167 feet; thence South 89°30'00" East 155 feet; thence South 00°30'00" West 652.46 feet, more or less, to the South line of the Section; thence West 158.38 feet, more or less, To the Beginning;

EXCEPT coal and mineral rights;

LESS, Beginning 232.86 feet West of the South 1/4 corner of the Section; thence North 00°57'00" West 240.03 feet, North 89°03'00" East 10.65 feet, North 00°57'00" West 295 feet, thence North 45°27'00" West 363 feet; thence North 44°33'00" East 195 feet; thence North 45°27'00" West 275 feet; thence South 44°33'00" West 180 feet; thence North 88°54'00" West 367 feet; thence South 01°06'00" West 398 feet; thence South 88°54'00" East 272 feet; thence South 00°57'00" East to the South line of the Section; thence East To the Point of Beginning.

In consideration of the premises, Grantee hereby agrees that said road shall be constructed according to King County Road Standards. Construction of the road in this easement area shall have commenced no later than December 31, 2007. In the event construction is not completed by December 31, 2011, the lands herein conveyed shall revert to Grantor.

The rights, conditions, and provisions of this agreement shall inure to the benefit of and be binding upon the heirs, executors, administrators, successors and assigns of the respective parties hereto.

IT IS MUTUALLY AGREED AND UNDERSTOOD that this Road Easement has been conveyed and accepted for development of a private road to service the Cougar Ridge Development. In the event of abandonment, vacation or relocation of said street, road, or highway, the rights and interests in the above described lands that are herein conveyed shall revert to the Grantor, successors and assigns.

IN WITNESS WHEREOF, the Grantor has hereunto signed his name the day and year first above written.

DATED this _____ day of _____, _____.

KING COUNTY

By: _____
Calvin Hoggard, Real Estate Services Manager
Facilities Management Division

1509e

EXHIBIT A9

County's Certificate of Non-Foreign Status

Section 1445 of the Internal Revenue Code provides that a transferee of a United States real property interest must withhold tax if the transferor is a foreign person. To inform the transferee that withholding of tax is not required upon the disposition of a United States real property interest by KING COUNTY ("Transferor"); the undersigned hereby certifies the following on behalf of Transferor:

1. That the King County is the owner of the real property described in *Attachment to Exhibit A9*, attached hereto;
2. That Transferor is not a foreign corporation, foreign partnership, foreign trust, or foreign estate (as those terms are defined in the Internal Revenue Code and Income Tax Regulations); and
3. That Transferor's United States employer identification number is 91-6001327;
4. That Transferor's office address is King County Facilities Management Division, Asset Development and Management Section, Room 500 King County Administration Building, 500 Fourth Avenue, Seattle, WA 98104; and
5. That Transferor understands that this certification may be disclosed to the Internal Revenue Service by the transferee and that any false statement contained herein could be punished by fine, imprisonment, or both.

Under penalties of perjury I declare that I have examined this certification and to the best of my knowledge and belief it is true, correct and complete, and I further declare that I have authority to sign this document on behalf of Transferor.

DATED this _____ day of _____, 2004.

TRANSFEROR:

By: _____
Calvin Hoggard

Title: Real Estate Services Manager

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ATTACHMENT TO EXHIBIT A9

LEGAL DESCRIPTION

A portion of the southwest quarter of the northwest quarter of Section 25, Township 24 North, Range 5 East, W.M., in King County, Washington, lying easterly of 166th Way SE & southerly of the following described line:

Beginning at the northwest corner of the southeast quarter of the northeast quarter of Section 26, Township 24, Range 5 East;

Thence south 01°03'47" west 295.00 feet to the Point of Beginning of said line;

Thence south 71°16'00" east 1,635.00 feet;

Thence south 68°45'31" east 1,141.59 feet, more or less, to the east line of said southwest quarter of the northwest quarter of said Section 25, at a point 1,110.95 feet south of the northeast corner and the terminus of said line;

Also known as a portion of King County separate lot review No. L93M0025, currently known as a portion of King County separate lot review No. L93M0069, dated 12/10/93.

Containing an area of 32,400 square feet, or .74 acre, more or less.

EXHIBIT B1

15096

AFTER RECORDING RETURN TO:

King County Real Property Division
Room 500A King County Administration Bldg.
500 Fourth Avenue
Seattle, WA 98

Grantor: C&R Investors, LLC
Grantee: King County
Legal: POR OF N1/2 OF NE1/4 OF SW 1/4 OF STR 25-24-05,
aka Tract "A", Cougar Ridge, according to the unrecorded plat thereof
Tax Parcel ID # 252405-9178

WARRANTY DEED

The Grantor herein, Cougar C&R Investors, LLC, a Washington limited liability company, for the consideration of TEN DOLLARS (\$10.00) and other valuable consideration, conveys and warrants to **KING COUNTY**, a political subdivision of the State of Washington, all interest in the following described real estate:

That portion of the north half of the northeast quarter of the southwest quarter of Section 25, Township 24 North, Range 5 East, Willamette Meridian, in King County, Washington, lying westerly of the southerly line of 166th Way Southeast (AKA Nike Site Access Road);
(Also know as Tract "A", Cougar Ridge, according to the unrecorded plat thereof);
Together with an easement for roadway, ingress, egress and utilities as granted by instrument recorded under Recording Number 5097186.

Containing an area of 51,429 square feet, more or less.

The rights, conditions, and provisions of this Warranty Deed shall pass with the land and shall inure to the benefit of and be binding upon the heirs, executors, administrators, successors and assigns of the respective parties hereto.

Situated in the County of King, State of Washington

DATED this _____ day of _____, _____.

KING COUNTY

By: _____
Clifford J. Mull, Managing Member

By: _____
Rory P., Managing Member

EXHIBIT B2

15096

AFTER RECORDING RETURN TO:

King County Real Property Division
Room 500A King County Administration Bldg.
500 Fourth Avenue
Seattle, WA 98

Grantor: King County
Grantee: C&R Investors, LLC
Legal: POR of N1/2 of NE1/4 of SW ¼ of STR 25-24-5, W.M., King County, Washington,
lying southwesterly of 166th Way SE (being 60 feet in width)
Tax Parcel ID # 252405-9178

TEMPORARY CONSTRUCTION EASEMENT

THIS AGREEMENT is made this _____ day of _____, between **KING COUNTY**, a political subdivision of the State of Washington, hereinafter called Grantor, and C&R Investors, LLC, a Washington limited liability company, hereinafter called Grantee.

WITNESSETH:

WHEREAS, Grantor represents and warrants to be the owner of that certain parcel of land described as follows:

That portion of the north half of the northeast quarter of the southwest quarter of Section 25, Township 24 North, Range 5 East, Willamette Meridian, in King County, Washington, lying westerly of the southerly line of 166th Way Southeast (AKA Nike Site Access Road);
(Also know as Tract "A", Cougar Ridge, according to the unrecorded plat thereof);
Together with an easement for roadway, ingress, egress and utilities as granted by instrument recorded under Recording Number 5097186.

Containing an area of 51,429 square feet, or 1.32 acres, more or less.

NOW THEREFORE, Grantor, for and in consideration of TEN DOLLARS (\$10.00) and other valuable consideration, receipt whereof is hereby acknowledged, do by these presents grant, bargain, sell, convey, and confirm unto said Grantee, its successors and assigns, the right to construct slopes, cuts and fills according to King County Road Standards. Grantee may make such improvements and locate its construction equipment during normal business hours, and only during such timeframe as is specific to completing those improvements in the immediate vicinity, on the following described land:

That portion of the north half of the northeast quarter of the southwest quarter of Section 25, Township 24 North, Range 5 East, W.M., King County, Washington, lying southwesterly of 166th Way SE (being 60 feet in width), and northeasterly of the following described line:

Commencing at the southwest corner of the above described subdivision;
Thence north 01°27'11" east along the west line thereof 266.90 feet to the Point of Beginning and a point on a curve concave to the northeast, the center of which bears north 43°33'29" east 489.26 feet distant;
Thence in a southeasterly direction along the arc of said curve, passing through a central angle of 01°53'16" a distance of 16.12 feet;
Thence south 01°27'11" west 40.97 feet;
Thence south 45°59'11" east 19.12 feet;
Thence south 61°40'49" east 111.49 feet to a point of non-radial intersection with a curve concave to the west, the center of which bears south 44°00'49" west 158.73 feet distant;
Thence in a southeasterly direction along the arc of said curve, passing through a central angle of 57°35'36" a distance of 159.56 feet;
Thence south 11°36'25" west 8.47 feet to a point on the south line of said subdivision and the terminus of this line description.

Containing an area of 21,796 square feet, more or less.

Construction of the slope in this easement area shall have commenced no later than December 31, 2007. In the event construction is not completed by December 31, 2011, the lands herein conveyed shall revert to Grantor.

The rights, conditions, and provisions of this agreement shall inure to the benefit of and be binding upon the heirs, executors, administrators, successors and assigns of the respective parties hereto.

In the event of abandonment, vacation or relocation of said street, road, or highway, the rights and interests in the above described lands that are herein conveyed shall revert to Grantor, successors and assigns.

IN WITNESS WHEREOF, the undersigned has executed this instrument this _____ day of _____,

KING COUNTY

By: _____
Calvin Hoggard, Real Estate Services Manager
Facilities Management Division

EXHIBIT B3

15096

AFTER RECORDING RETURN TO:

King County Real Property Division
Room 500A King County Administration Bldg.
500 Fourth Avenue
Seattle, WA 98

Grantor: King County
Grantee: C&R Investors, LLC
Legal: POR OF N1/2 OF NE1/4 OF SW 1/4 OF STR 25-24-05,
aka Tract "A", Cougar Ridge, according to the unrecorded plat thereof
Tax Parcel ID # 252405-9178

DRAINAGE EASEMENT

THIS AGREEMENT is made this _____ day of _____, _____ between **KING COUNTY**, a political subdivision of the State of Washington, hereinafter called Grantor, and C&R Investors, LLC, a Washington limited liability company, hereinafter called Grantee.

WITNESSETH:

Whereas, the Grantor herein is the owner of that certain parcel of land described as follows:

That portion of the north half of the northeast quarter of the southwest quarter of Section 25, Township 24 North, Range 5 East, Willamette Meridian, in King County, Washington, lying westerly of the southerly line of 166th Way Southeast (AKA Nike Site Access Road);
(Also know as Tract "A", Cougar Ridge, according to the unrecorded plat thereof);
Together with an easement for roadway, ingress, egress and utilities as granted by instrument recorded under Recording Number 5097186.
Containing and area of 51,429 square feet, or 1.32 acres, more or less.

NOW THEREFORE, Grantor, for and in consideration of TEN DOLLARS (\$10.00) and other valuable consideration, receipt whereof is hereby acknowledged, do by these presents grant, bargain, sell, convey, and confirm unto said Grantee, its successors and assigns, a drainage easement for constructing, reconstructing, maintaining, and repairing a drainage facility over, through, across, and under the property hereinafter described, situated in King County, Washington, being more particularly described as follows:

A strip of land 20.00 feet in width, having 10.00 feet of said width on each side of the following described line:

Commencing at the southwest corner of that portion of the north half of the northeast quarter of the southwest quarter of Section 25, Township 24 North, Range 5 East, W.M., King County, Washington, lying southwesterly of 166th Way SE (being 60 feet in width);

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Thence south 88°00'29" east along the south line of said subdivision 223.44 feet to the easterly margin of said 166th Way SE and a point on a curve, concave to the southwest, the center of which bears north 78°23'35" west 208.73 feet distant;

Thence in a northwesterly direction along the arc of said curve passing through a central angle of 30°33'37" a distance of 111.33 feet to the Point of Beginning;

Thence south 76°45'39" west 45.56 feet;

Thence 84°06'00" west 26.50 feet to the terminus of this line description.

The sidelines of said easement to lengthen or shorten as necessary to terminate at said westerly margin and at right angles to said point of terminus.

Containing an area of 1,440 square feet more or less.

NOW, THEREFORE, in consideration of the premises, Grantee hereby agrees that said drainage area shall be constructed according to King County standards.

Construction of this easement area shall have commenced no later than December 31, 2007. In the event construction is not completed by December 31, 2011, the lands herein conveyed shall revert to Grantor.

IT IS MUTUALLY AGREED AND UNDERSTOOD that this Drainage Easement has been conveyed and accepted for development of a drainage system to service the The Belvedere development. In the event of abandonment, vacation or relocation of said drainage area, the rights and interests in the above described lands that are herein conveyed shall revert to the Grantor, successors and assigns.

The rights, conditions, and provisions of this agreement shall inure to the benefit of and be binding upon the heirs, executors, administrators, successors and assigns of the respective parties hereto.

Situated in the County of King, State of Washington

DATED this _____ day of _____, _____.

KING COUNTY

By: _____
Calvin Hoggard, Real Estate Services Manager
Facilities Management Division

EXHIBIT B4

C&R's AFFIDAVIT OF NON-FOREIGN STATUS

The undersigned, a duly authorized representative of C&R Investors, LLC, a Washington limited liability company (hereinafter "C&R"), after being duly sworn in accordance with law, deposes and says:

- 1. That the C&R is the owner of the real property described in *Attachment to Exhibit B4*, attached hereto;
- 2. That C&R's address is P.O. Box 2127, Issaquah, Washington 98027;
- 3. That C&R is a limited liability company validly existing under the laws of the state of Washington;
- 4. That the undersigned is duly authorized to sign this affidavit on behalf of C&R and does so sign for the purpose of complying with Exemption (b)(2) of Internal Revenue Code Section 1445, 26 U.S.C. § 2445, relating to withholding of tax upon the sale of certain real estate;
- 5. That the C&R's United States Taxpayer Identification Number is 91-2097866; and
- 6. That C&R is not a "foreign person" (including a foreign corporation, foreign partnership, foreign trust or foreign estate) as defined in Internal Revenue Code Section 1445 and any related regulations.

Signed under penalty of perjury as of _____, 2004.

C&R Investors, LLC, a Washington limited liability company

By: _____
Managing General Partner

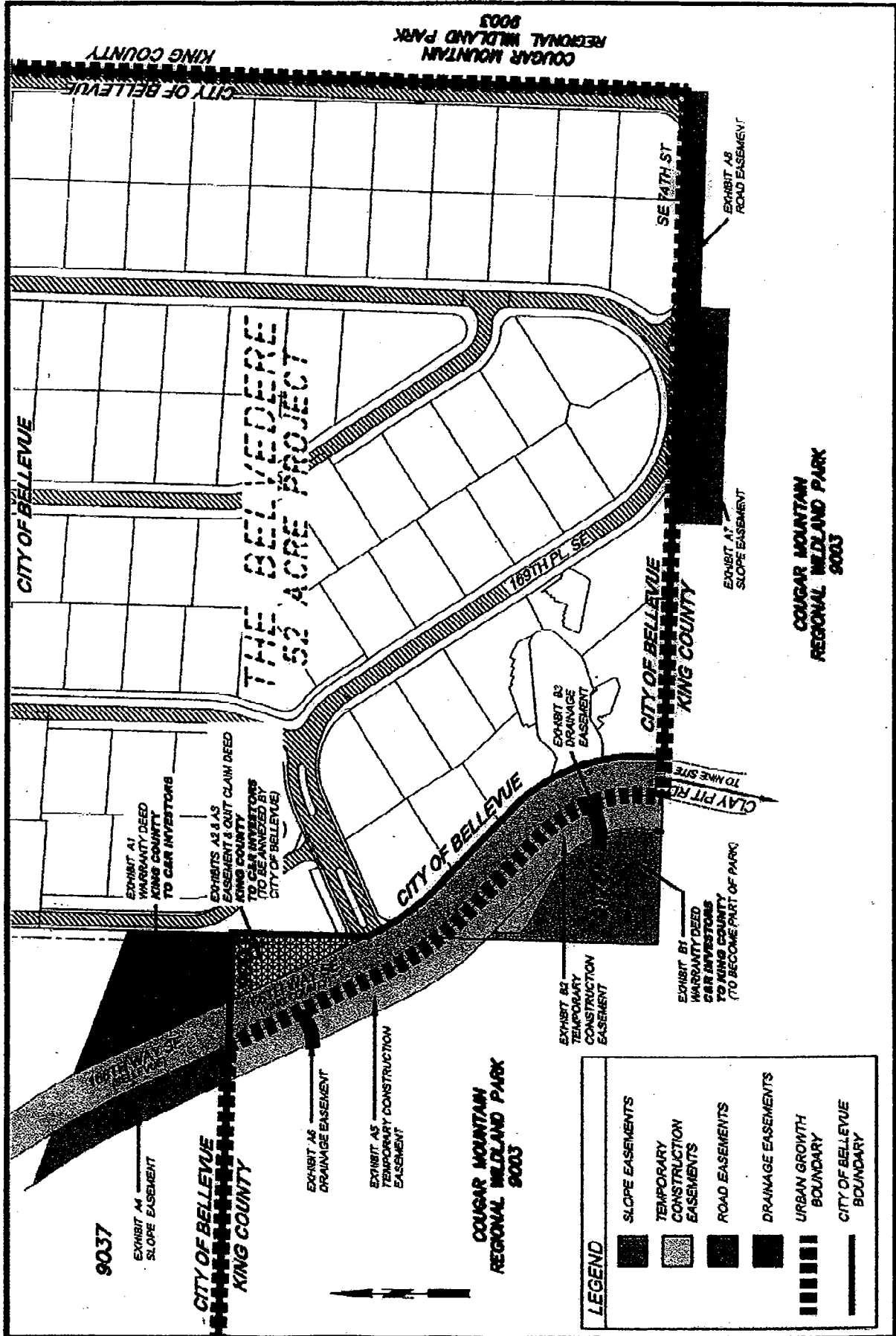
By: _____
Managing General Partner

LEGAL DESCRIPTION

That portion of the north half of the northeast quarter of the southwest quarter of Section 25, Township 24 North, Range 5 East, Willamette Meridian, in King County, Washington, lying westerly of the southerly line of 166th Way Southeast (AKA Nike Site Access Road); (Also know as Tract "A", Cougar Ridge, according to the unrecorded plat thereof); Together with an easement for roadway, ingress, egress and utilities as granted by instrument recorded under Recording Number 5097186.

Containing an area of 51,429 square feet, more or less.

Proposed Ordinance 2004-0530
Cougar Mountain Park Land Exchange



9037

EXHIBIT A4
SLOPE EASEMENT

CITY OF BELLEVUE
KING COUNTY

EXHIBIT A6
DRAINAGE EASEMENT

EXHIBIT A5
TEMPORARY CONSTRUCTION
EASEMENT

COUGAR MOUNTAIN
REGIONAL WILDLAND PARK
9003

EXHIBIT B2
TEMPORARY
CONSTRUCTION
EASEMENT

EXHIBIT B1
WARRANTY DEED
CAR INVESTORS
TO KING COUNTY
(TO BECOME PART OF PARK)

LEGEND

- SLOPE EASEMENTS
- TEMPORARY CONSTRUCTION EASEMENTS
- ROAD EASEMENTS
- DRAINAGE EASEMENTS
- URBAN GROWTH BOUNDARY
- CITY OF BELLEVUE BOUNDARY
- KING COUNTY BOUNDARY

CITY OF BELLEVUE
KING COUNTY

COUGAR MOUNTAIN
REGIONAL WILDLAND PARK
9003

SE 14TH ST

EXHIBIT A8
ROAD EASEMENT

CITY OF BELLEVUE

THE BELVEDERE
52 ACRE PROJECT

189TH PL SE

CITY OF BELLEVUE
KING COUNTY

EXHIBIT A7
SLOPE EASEMENT

COUGAR MOUNTAIN
REGIONAL WILDLAND PARK
9003

CLAY PIT

EXHIBIT B3
DRAINAGE
EASEMENT

EXHIBIT A1
WARRANTY DEED
KING COUNTY
TO CAR INVESTORS

EXHIBITS A2 & A3
EASEMENT & QUIT CLAIM DEED
KING COUNTY
TO CAR INVESTORS
(TO BE ANNEXED BY
CITY OF BELLEVUE)