

Red ed Taxes on 10/3/17



19991229000117

PAGE 001 OF 042  
12/29/1999 09:33  
KING COUNTY, WA

KING COUNTY AS AG

48.00

RETURN ADDRESS

DEPT. OF ASSESSMENTS  
853 KING CO. ADMIN BLDG  
SEATTLE, WA 98104

Please print neatly or type information

Document Title(s)

OPEN SPACE TAXATION AGREEMENT

Reference Numbers(s) of related documents

E98CT066

Grantor(s) (Last, First and Middle Initial)

PPR REDMOND RETAIL LLC  
WALKS BUTLER MADDEN & TEEL L.P.

Grantee(s) (Last, First and Middle Initial)

KING COUNTY, WASHINGTON

Taxation Agreement  
19991229000117

Additional grantees on page

Legal Description (abbreviated form: i.e. lot, block, plat or section, township, range, quarter/quarter)

FOR NE 1/4, SEC 11, TOWN 25, RANG 5, E, N.M.

Additional legal is on page

Assessor's Property Tax Parcel/Account Number

720241-0180 720241-0190 720241-0260

Additional parcel #'s on page

The Auditor/Recorder will rely on the information provided on this form. The staff will not read the document to verify the accuracy or completeness of the indexing information provided herein.

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After Recording Return to:  
King County Department of Assessments  
853 King County Admin Bldg.  
500 Fourth Avenue  
Seattle, WA 98104  
ATTN: Susan Monroe

### OPEN SPACE TAXATION AGREEMENT

This Agreement between PPR Redmond Retail LLC and Walls, Butler, Madden & Teel, L.P. hereinafter called the "Owner", and

(granting authority) King County, Washington.

Whereas the Owner of the following described real property having made application for classification of that property under provisions of RCW 84.34.

And whereas, both the Owner and granting authority desire to limit the use of said property recognizing that such land has substantial public value as open space and that the preservation of such land constitutes an important physical, social, esthetic and economic asset to the public, and both parties agree that the classification of the property during the life of this Agreement shall be for Open Space

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Now, therefore, the parties, in consideration of the mutual covenants and conditions set forth herein, do agree as follows:

- (1) During the term of this Agreement, the land shall only be used in accordance with the provisions of the Public Access Open Space Agreement attached hereto as "Attachment A" and incorporated herein by this reference.
- (2) This agreement shall be effective commencing on the date the granting authority receives the signed Agreement from the property owner.
- (3) This Agreement shall run with the land described herein and shall be binding upon the heirs, successors and assigns of the parties hereto.
- (4) **Withdrawal:** The landowner may withdraw from this Agreement if after a period eight years the landowner makes a withdrawal request to the assessor. When two assessment years have elapsed following the date of that request, the assessor shall withdraw the land from the classification, and the applicable taxes and interest shall be imposed as provided in RCW 84.34.108.

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- (5) Breach: After land has been classified and an Agreement executed, any change of the use of the land, except through compliance with items (4) or (6) of this Agreement, shall be considered a breach of this Agreement, and subject to applicable taxes, penalties and interest as provided in RCW 84.34.080 and RCW 84.34.108.
- (6) A breach of Agreement shall not occur and the additional tax shall not be imposed if the removal of designation resulted solely from:
- (a) Transfer to a government entity in exchange for other land located within the State of Washington;
  - (b) A taking through the exercise of the power of eminent domain, or sale or transfer to an entity having the power of eminent domain in anticipation of the exercise of such power said entity having manifested its intent in writing or by other official actions;
  - (c) A natural disaster such as a flood, windstorm, earthquake, or other such calamity rather than by virtue of the act of the landowner changing the use of such property.
  - (d) Official action by the state of Washington or by the county or city within which the land is located which disallows the present use of such land.
  - (e) Transfer to a church and such land would qualify for exemption pursuant to RCW 84.36.020.
  - (f) Acquisition of property interests by state agencies or organizations qualified under RCW 84.34.210 and 64.04. (See RCW 84.34.108 (5)(f)).
  - (g) Reclassification as provided in chapter 84.34. RCW.
- (7) The county assessor may require an owner to submit data relevant to continuing the eligibility of any parcel of land described in this Agreement.

Legal Description of Classified Land:

See "Attachment B" which is incorporated by reference and made a part of this agreement.

Assessor's Parcel or Account Numbers: 720241-0180, 720241-0190 and 720241-0260.

It is declared that this agreement contains the classification and conditions as provided for in RCW 84.34 and the conditions imposed by the Granting Authority.

Dated \_\_\_\_\_

Granting Authority:  
King County, Washington

By: *Louise Miller*  
Louise Miller  
Chair of Council

As owner(s) of the herein described land I (we) indicate by my (our) signature(s) that I (we) are aware of the potential tax liability and hereby accept the classification and conditions of this Agreement.

Dated \_\_\_\_\_

(Must be signed by all owners)  
WALLS, BUTLER, MADDEN & TEEL, L.P.,  
a Washington limited partnership

By: *Daryl L. Vander Pol*  
Daryl L. Vander Pol, Its Manager

(Please see following pages for additional signatures and acknowledgements.)

\_\_\_\_\_  
Owner



Subscribed and sworn to before me this 18<sup>th</sup> day of August, 1999.

*James H. Williams*  
Notary Public

Date signed Agreement received by Legislative Authority

August 19, 1999

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As owner(s) of the herein described land I (we) indicate by my (our) signature(s) that I (we) are aware of the potential tax liability and hereby accept the classification and conditions of this Agreement:

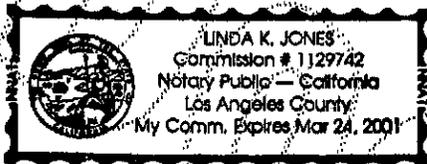
Dated: 08/18/99

PPR REDMOND RETAIL LLC  
A Delaware limited liability company  
(successor-in-interest to Town Center Associates)

By: Pacific Premier Retail Trust,  
a Maryland real estate investment trust,  
its sole member

By:   
Lori A. Gatto  
Senior Vice President / Officer

Subscribed and sworn to before me this 18<sup>th</sup> day of August, 1999



  
Notary Public

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**KING COUNTY DEPARTMENT OF NATURAL RESOURCES  
WATER AND LAND RESOURCES DIVISION**

**REPORT TO THE METROPOLITAN KING COUNTY COUNCIL  
UTILITIES AND NATURAL RESOURCES COMMITTEE**

**June 28, 1999**

**APPLICANTS: Town Center Associates and  
Walls, Butler, Madden & Teal, L.P.**

**FILE NO: E98CT066R**

**A. GENERAL INFORMATION:**

**Owners:** Town Center Associates and  
Walls, Butler, Madden & Teal, L.P.  
Attention: Thomas A. Barkewitz  
PO Box 21545  
Seattle, WA 98164-3545

**Location:** The property is bounded by Leary Way, the Sammamish River, Bear Creek  
and SR-520, Burlington Northern Railroad right-of-way, Bear Creek Parkway,  
and 162<sup>nd</sup> Avenue NE.

**Priority Resources Requested:**

**HIGH PRIORITY RESOURCES**

- Active or passive recreation area
- Scenic resource, viewpoint or view corridor
- Surface water quality buffer area
- Significant plant, wildlife or salmonid habitat area
- Trail linkage
- Urban or growth area open space

**MEDIUM PRIORITY RESOURCE**

- Buffer to designated Historic landmark/Archaeological site

**BONUS RESOURCES**

- Resource restoration
- Bonus surface water quality buffer area
- Contiguous parcels under separate ownership

**PUBLIC ACCESS**

- Unlimited access

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Zoning: CC3

Acreage

Total: 43.14  
 Requested for Open Space: 43.07  
 Recommended Open Space: 40.91

*0.22 acres  
- the white house*

NOTE: Requested acreage includes entire area of each parcel except parcel #0210, which includes 0.15 of the 0.22 acres. Recommended acreage is for entire area of each parcel but does not include acreage from parcel #0210 and #0200.

*Sub Market*

STR: NE-11-25-05 and NW-12-25-05

**B. FACTS:**

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1. Zoning in the Vicinity: Zoning in the area of this property is CC3.
2. Development of the subject property: The property contains walking trails, a parking area, and stormwater quality ponds. The Redmond Town Center business area is located across Bear Creek Parkway and 162<sup>nd</sup> Avenue NE.
3. Site Use: The property is used for passive recreation, stormwater quality ponds and a seasonal farmers' market.
4. Access: The property is accessed from Bear Creek Parkway or 162<sup>nd</sup> Avenue NE.
5. Assessor Valuation (Dated: 06/07/99)

| <u>Parcel #</u> | <u>Land Assessed Value</u> | <u>Tax</u>   |
|-----------------|----------------------------|--------------|
| 720241-0180     | Market \$ 1,864,500        | \$ 23,993.91 |
| 720241-0190     | Market \$ 2,233,500        | \$ 29,158.01 |
| 720241-0200     | Market \$ 1,576,000        | \$ 20,574.45 |
| 720241-0210     | Market \$ 114,900          | \$ 1,500.00  |
| 720241-0260     | Market \$ 2,139,000        | \$ 27,924.32 |

NOTE: The total land value for the parcels is \$7,927,900, which represents a total tax of \$103,150.69. The total value and tax for the parcels **recommended** is \$6,237,700 and \$81,076.24.

**C. REQUIREMENTS SPECIFIED BY KING COUNTY CODE (KCC):**

**1. KCC 20.36.010 Purpose and intent.**

"It is the in the best interest of the county to maintain, preserve, conserve and otherwise continue in existence adequate open space lands for the production of food, fiber and forest crops, and to assure the use and enjoyment of natural resources and scenic beauty for the economic and social well-being of the county and its citizens.

It is the intent of this chapter to implement RCW 84.34, as amended, by establishing procedures, rules and fees for the consideration of applications for public benefit rating system assessment on "open space lands" and for current use assessment on "farm and agricultural land" and "timber land" as those lands are defined in RCW 84.34.020. the provisions of Chapter 84.34, and the regulations adopted thereunder shall govern the matters not expressly covered by this chapter. (Ord. 10511 Sec. 3, 1992; Ord. 1886 Sec. 1, 1974; Ord. 1076 Sec. 1, 1971.)"

COMMENT: The appropriate application was received and all documentation was complete upon submittal.

**2. KCC 20.36.100 Criteria for approval - public benefit rating system for open space lands.**

A. Rating system. To be eligible for open space classification under the public benefit rating system, property must contain one or more priority open space resources. These resources are ranked as high priority, medium priority and low priority resources and are based on the adopted King County Open Space Plan referenced in K.C.C. 20.12.380. High priority resources receive five points each, medium priority resources receive three points each and low priority resources receive one point each. Properties can receive a maximum of thirty points from no more than six open space priority resources. In addition, bonus points and super bonus points may be awarded pursuant to Subsection B and C and a property can achieve a maximum of fifty-two points through the rating system and the bonus system. Portions of property may also qualify for open space designation. Complete definitions of each resource, sources and eligibility standards are fully described in the summary report adopted by reference by K.C.C. 20.36.150.

1. High priority resources - five points each.
  - a. Active or passive recreation area.
  - b. Property under option for purchase as park, recreation, open space land or CIP mitigation site.
  - c. Aquifer protection area.
  - d. Shoreline: "Conservancy" environment.
  - e. Scenic resource, viewpoint, or view corridor.
  - f. Surface water quality buffer area.

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- g. Open space close to urban growth area.
- h. Urban or growth area open space.
- i. Significant plant, wildlife or salmonid habitat area.
- j. Significant aquatic ecosystem.
- k. Historic landmark/archaeological site: designated site.
- l. Trail linkage.
- m. Farm and agricultural conservation land.
- n. Forest stewardship land.

2. Medium priority resources - three points each.

- a. Public lands or right-of-way buffer.
- b. Special native plant site.
- c. Shoreline: "Natural" environment.
- d. Geological feature.
- e. Eligible historic landmark or archaeological site.
- f. Buffer to designated historic landmark/archaeological site.
- g. Special animal site.

3. Low priority resource - one point.

- a. Buffer to eligible historic landmark/archaeological site.

B. Bonus System. Properties qualifying in the specific high, medium or low priority categories may receive up to twelve bonus points in at least three categories if the following additional qualifications are met:

- 1. Resource restoration - five points.
- 2. Bonus surface water quality buffer - three or five points.
- 3. Contiguous parcels under separate ownership - two points.
- 4. Conservation/historic easement in perpetuity - five points.
- 5. Bonus public access points (granted only in categories that require public access).
  - a. Unlimited public access - five points.
  - b. Limited public access - sensitive areas - five points.
  - c. Limited public access - non-sensitive areas - three points.

C. Super bonus system. Properties with at least one high priority resource and which allow unlimited public access, or limited public access if due to resource sensitivity, and which convey a conservation, historic, or trail easement in perpetuity, in a form approved by the county, shall be automatically eligible for current use value at 10% of market value.

COMMENT: Points requested by the applicants and comments follow:

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## HIGH PRIORITY RESOURCES

1. Active or passive recreation area  
The applicants are providing unlimited access to the existing trails and picnic area. The applicants and the City have recorded a Public Access Open Space Agreement and intend to record a trail easement that will allow unlimited public access to designated areas of the property. The property would substitute for a public facility, such as a public park. Credit for this category is recommended.
2. Scenic resource, viewpoint or view corridor  
The property is over 40 acres in size and contains natural features that add to the scenic quality of the City of Redmond. The property enhances the views of the Sammamish River, Bear Creek and the Cascades. Credit for this category is recommended.
3. Surface water quality buffer area  
The applicants are providing protective buffers to the Sammamish River and Bear Creek. These open space buffers are more than 225 feet in depth, more than 1.5 times the buffer required by the City of Redmond, the King County Sensitive Areas Ordinance and the Bear Creek Basin Plan. Credit for this category is recommended.
4. Significant plant, wildlife or salmonid habitat area  
The property is adjacent to Bear Creek, a class 2s stream and the Sammamish River, a class 1 stream. The applicants are providing an area of natural vegetation that should offer protection to the salmonid habitat located within these waterways. Credit for this category is recommended.
5. Trail linkage  
The property contains trails for pedestrian, equestrian and bicycle uses, available for use by the general public. Although the applicants have a recorded Public Access Open Space Agreement, a trail easement has not been recorded nor is one expected to be recorded with the County Records and Elections within four months. Credit for this category can not be recommended.
6. Urban or growth area open space  
The property is located within the City of Redmond. The property is larger than one acre, contains several open space resources and the applicants have restricted future development of the property. Credit for this category is recommended.

## MEDIUM PRIORITY RESOURCE

1. Buffer to designated Historic landmark/Archaeological site  
The property contains the Justice William White House. However, King County, the State Register of Historic Places and the City of Redmond do not designate the House as an historic landmark. If the House were designated, credit would not be recommended for the adjacent parcels due to their use and development. Credit for this category can not be recommended.

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**BONUS RESOURCES**

1. Resource restoration

The applicants have stated that restoration work has occurred and will continue to occur with the assistance of the Department of Fish and Wildlife. The construction of anadromous fish-rearing habitat is an important and valuable resource restoration process. A plan that includes past, present and future restoration will be submitted to the Resource Lands and Open Space Section prior to the end of July 1999. Credit is recommended for this category.

2. Bonus surface water quality buffer area

The applicants are providing a buffer to the Sammamish River and Bear Creek. These buffers are more than 225 feet in depth, which is more than 1.5 times the buffer required by the City of Redmond and the King County Sensitive Areas Ordinance. However, the buffer is not more than two times that required by the Bear Creek Basin Plan, which requires stream buffers in this area to be 150 feet for class 1 or class 2s streams. Credit for this category can not be recommended.

3. Contiguous parcels under separate ownership

The parcels are owned under separate ownership, are contiguous and contain the same resources. Credit for this category is recommended.

**PUBLIC ACCESS**

1. Unlimited access

The applicants have recorded a Public Access Open Space Agreement that will allow the property to be used for passive recreation. The property would substitute for a public facility and is open to the general public. Credit for this category is recommended.

**D. 1994 COMPREHENSIVE PLAN POLICIES AND TEXT:**

**Policy # PR-105**

"A variety of measures should be used to preserve regional and local parks, trails and open space. King County will rely on incentives, regulations, trades or purchase of lands or easements."

COMMENT: Current use taxation is an incentive to maintain high quality lands as open space.

**Policy # NE 101**

"In addition to its regulatory authority, King County should use incentives to protect and restore the natural environment whenever practicable. Incentives should be monitored to determine their effectiveness."

COMMENT: The Public Benefit Rating System is an incentive program which protects natural resources voluntarily.

## CONCLUSIONS AND RECOMMENDATIONS

### A. CONCLUSIONS:

1. Approval of the subject request, as modified, would be consistent with the specific purpose and intent of KCC 20.36.010.
2. Approval of the subject request, as modified, would be consistent with Policies PR-105 and NE-101 of the 1994 King County Comprehensive Plan.
3. Of the points requested, the subject request meets the mandatory criteria of KCC 20.36.100 as indicated:

#### HIGH PRIORITY RESOURCES

- Active or passive recreation area 5
- Scenic resource, viewpoint or view corridor 5
- Surface water quality buffer area 5
- Significant plant, wildlife or salmonid habitat area 5
- Trail linkage 0
- Urban or growth area open space 5

#### MEDIUM PRIORITY RESOURCE

- Buffer to designated Historic landmark/Archaeological site 0
- Subtotal 25

*(Count points from no more than six categories...30 points maximum)*

#### BONUS RESOURCES

- Resource restoration 5
- Bonus surface water quality buffer area 0
- Contiguous parcels under separate ownership 2

#### PUBLIC ACCESS

- Unlimited access 5

Subtotal 12

#### TOTAL 37 points

#### PUBLIC BENEFIT RATING

37 points result in 10% of market value or a 90% reduction.

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**B. RECOMMENDATION:**

APPROVE the request, as modified, for current use taxation "Open space" classification with a Public Benefit Rating of 37 points, subject to the following conditions:

**CONDITIONS**

1. Failure of the owner to comply with these conditions shall be basis for removal, by King County, of the current use designation, in which case the land shall be subject to the penalty, tax, and interest provisions of RCW 84.34 and assessed at true and fair value. The County Assessor and the King County Resource Lands and Open Space Section may re-evaluate the property to determine whether removal of the open space designation is appropriate. Removal shall follow the process in RCW 84.34.108.
2. Revisions to this agreement may only occur upon mutual written approval of the owner and granting authority. These conditions shall apply so long as the property retains its open space designation or until a conservation easement is granted to the Department of Natural Resources, King county, City of Redmond or an approved grantee by the applicant or his successors or assigns.
3. The open space classification for this land will continue so long as it is primarily devoted to and used for the purpose of protecting open space. Classification will be removed if dedication to this purpose ceases to exist. A change in circumstances which diminishes the extent of public benefit from that generally outlined in the Department of Natural Resources Report to the Metropolitan King County Council Utilities and Natural Resources Committee will be cause for removal of the current use assessment classification. It is the owner's responsibility to notify the Assessor of a change in circumstance.
4. When a portion of the open space land is withdrawn or removed from the program, the Resource Lands and Open Space Section and the Assessor shall re-evaluate the remaining land to determine its continued qualification under the program. If the remaining portion meets the criteria for priority resources, it may continue under current use taxation.
5. Except as otherwise stated in section 6 of this agreement, there shall be no alteration of the open space land or resources. **Any alteration may constitute a change of use and subject the property to the additional tax, interest, and penalty provisions of RCW 84.34.080** "Alteration" means any human-induced action that adversely impacts the existing condition of the open space land or resources including but not limited to the following: *(Walking, horseback riding, passive recreation or actions taken in conjunction with a resource restoration plan, or other similar activities are permitted)*
  - a) erecting structures;
  - b) grading;
  - c) filling;

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- d) dredging;
- e) channelizing;
- f) modifying land or hydrology for surface water management purposes;
- g) cutting, pruning, limbing or topping, clearing, planting, introducing, relocating or removing vegetation, however, selective cutting may be permitted for firewood;
- h) applying herbicides or pesticides or any hazardous or toxic substance;
- i) discharging pollutants excepting stormwater;
- j) paving, construction, application of gravel;
- k) storing of equipment, household supplies, play equipment, or compost;
- l) engaging in any other activity that adversely impacts the existing vegetation, hydrology, wildlife, wildlife habitat, or other open space resource.

6. Notwithstanding the provisions of Section 5, the following limited uses, activities and alterations are permitted, following receipt of written approval as set forth below:

- a) In areas which have become infested by noxious weeds, the Owner shall submit a control and enhancement plan to the King County Resource Lands and Open Space Section for approval prior to removing the weeds.
- b) In areas invaded by non-native invasive species, replacement with native species or other appropriate vegetation may be allowed subject to approval of an enhancement plan by the King County Resource Lands and Open Space Section.
- c) Trees posing a hazard to structures or major roads may be removed. Any trees removed must be replaced.

7. There shall be no motorized vehicle driving or parking allowed on the open space land with the exception of along driveways.

8. Grazing of livestock shall be prohibited on the open space land.

9. Unlimited public access will be permitted upon a designated area of the open space land.

10. Activities which are consistent with passive recreational uses and maintenance shall be permitted as long as those activities do not conflict with limitations required by other awarded categories.

**TRANSMITTED** to the parties listed hereafter:

Town Center Associates and Walls, Butler, Madden & Teal, L.P., applicants  
Metropolitan King County Council Utilities and Natural Resources Committee  
City of Redmond  
Susan Monroe, King County Assessors Office

WHEN RECORDED RETURN TO:

ATTACHMENT A

Colleen M. Broaddus  
Winmar Company, Inc.  
700 Fifth Avenue, Suite 2600  
Seattle, WA 98104-5026

M-9700909-1  
Document Title: Public Access Open Space Agreement  
Grantor: Walls, Butler, Madden & Teel, L.P.  
Grantee: City of Redmond  
Legal Description: Parcels 7, 8, 9 and portions of Parcels 14 and 15 of Redmond Town Center. Additional legal description is attached as Exhibit A to this document, <sup>16<sup>th</sup></sup> PAGE 9  
Assessor's Tax Parcel #'s: 720241-0160-0, 720241-0170-0, 720241-0180-0, and portions of 720241-0230-04, 720241-0240-02.  
Reference Nos. of Documents Released or Assigned: None.

1999 122 9000117  
9706031221

970603-1221 12:12:00 PM KING COUNTY RECORDS 009 SH 16.00

FILED FOR RECORD AT THE REQUEST OF  
TRANSNATION TITLE INSURANCE CO.

19 OCT 05 6

RECORDING REQUESTED BY AND  
WHEN RECORDED MAIL TO:

TOWN CENTER ASSOCIATES  
700 Fifth Avenue, Suite 2600  
Seattle, Washington 98104  
Attn: Colleen M. Broaddus

PUBLIC ACCESS OPEN SPACE AGREEMENT

THIS AGREEMENT is made this 24 day of Sept, 1996 by WALLS, BUTLER, MADDEN & TEEL, L.P., a Washington limited partnership ("Grantor"), and the City OF REDMOND, a Washington municipal corporation (the "City"). Grantor is the owner of real property more particularly described on Exhibit A attached hereto and incorporated herein by this reference (the "Property"). The Property is part of a larger parcel of real property commonly known as the Redmond Town Center site. The Redmond City Council adopted Ordinance No. 1841 which amended the Redmond Community Development Guide to allow development of a mixed used project on the Property. Ordinance No. 1841 required that certain portions of the Property be subjected to an easement for the purpose of preserving open space on the Property. The area to be subjected to this easement is Parcel 9 described on Exhibit A (the "Easement Area").

In order to satisfy the requirements of Ordinance No. 1841, the parties hereby agree:

1. Conveyance. Grantor conveys and quit claims to the City a perpetual, nonexclusive easement (the "Easement") over the Easement Area for the purposes of open space, passive recreation as described in paragraph 4 below, maintaining slopes along the south side of Bear Creek Parkway, and maintaining storm drainage swales along the south side of Bear Creek Parkway.
2. No Other Purposes. The Easement Area shall not be used by the City for any purpose other than as stated in paragraph 1 above, and the City shall not conduct any grading or construction activities within the Easement Area without the prior written consent of Grantor.
3. Grantor's Reserved Rights. Grantor reserves the right to construct, maintain, and repair storm drainage facilities/wet ponds within the Easement Area which were approved by the City pursuant to the site plan review process. Grantor also reserves

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the right to construct, repair, and maintain within the Easement Area amenities that are consistent with the open space character of the Easement Area, including, but not limited to, picnic tables, art installations and displays, children's play areas, screening, and signage, and to engage in any other use of the Easement Area compatible with the full enjoyment of the rights granted to the City in this Agreement.

4. Public Rights. The public shall have the right to utilize the Easement Area for walking, running, bicycling, and other passive recreation purposes; provided, however, that such activities are conducted in accordance with any mutually acceptable rules or regulations established by Grantor and the City for the use of the Easement Area as set forth below. Either party shall have the power to propose such rules and regulations for use of the Easement Area by the public as such party may deem fit and proper to promote its safe and equitable use, and the other party shall promptly review such proposed rules and regulations and not unreasonably withhold its approval thereof; provided that nothing herein shall enlarge the rights of the City with respect to the use of the Easement Area beyond the limitations specified in paragraph 1 above. The City and Grantor shall each have the power to enforce such mutually acceptable rules and regulations for use of the Easement Area. Use by motorized vehicles, camping, camp fires, and any other activities that would be inconsistent with Grantor's retained use or the safe use of the Easement Area by the public are prohibited.

5. Taxes. Grantor shall pay all real property taxes assessed by King County on the land comprising the Easement Area, and the City shall pay all taxes assessed on any improvements owned or installed by or at the direction of the City in the Easement Area.

6. Maintenance. The City shall maintain the improvements in the Easement Area which consist of the trails and other structures or improvements built by the City or at the direction of the City. Grantor shall maintain the rest of the Easement Area, including the storm drainage wet ponds.

7. Repairs and Restoration. The City shall repair any damage to any property of Grantor or any improvements thereon resulting from the exercise of the City's or the public's rights hereunder. If the City fails to make such repairs, Grantor may (but is not obligated to) make such repairs, and the City shall, upon demand, reimburse Grantor for all expenses incurred by Grantor in connection therewith.

8. Indemnity.

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(a) The City hereby releases and agrees to indemnify, defend, and save Grantor harmless from and against any and all claims for damages suffered, and any and all losses, liabilities, costs and other expenses incurred, by Grantor (including, without limitation, attorneys' fees) and any and all claims, demands or actions asserted against Grantor arising out of the exercise of the City's or the public's rights hereunder or the enforcement of the City's obligations hereunder.

(b) The City's obligation to indemnify, hold harmless and defend pursuant to paragraph 8(a) above shall not extend to injuries, sickness, death or damage caused by, or arising out of, the sole negligence of Grantor's officers, agents or employees; and in the event that injury, sickness, death or damage is caused by or arises out of the concurrent negligence of Grantor, or its officers, agents or employees, and the City, or its officers, agents or employees, the City's obligation to indemnify, defend and hold harmless shall apply only to the extent of the negligence of the City, its officers, agents or employees. After mutual negotiation with Grantor, the City specifically and expressly agrees that by agreeing to indemnify Grantor as set forth above, the City waives any immunity it may have under industrial insurance RCW 51, but only as to claims made by the City's employees against Grantor based upon the actions of the City or its officers, agents or employees.

(c) Grantor hereby releases and agrees to indemnify, defend, and save the City harmless from and against any and all claims for damages suffered, and any and all losses, liabilities, costs and other expenses incurred, by the City (including, without limitation, attorneys' fees) and any and all claims, demands or actions asserted against the City arising out of the exercise of the Grantor's reserved rights under paragraph 3 above or the enforcement of Grantor's obligations hereunder.

(d) Grantor's obligation to indemnify, hold harmless and defend pursuant to paragraph 8(c) above shall not extend to injuries, sickness, death or damage caused by, or arising out of, the sole negligence of the City's officers, agents or employees; and in the event that injury, sickness, death or damage is caused by or arises out of the concurrent negligence of the City, or its officers, agents or employees, and Grantor, or its officers, agents or employees, Grantor's obligation to indemnify, defend and hold harmless shall apply only to the extent of the negligence of Grantor, its officers, agents or employees. After mutual negotiation with the City, Grantor specifically and expressly agrees that by agreeing to indemnify the City as set forth above, Grantor waives any immunity it may have under industrial insurance RCW 51, but only as to claims made by

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Grantor's employees against the City based upon the actions of Grantor or its officers, agents or employees.

9. Termination. The Easement shall terminate upon:

(a) The demolition or destruction of the improvements built by or at the direction of the City on the Property and the passage of one year without reconstruction of the improvements; or

(b) The mutual agreement of Grantor and the City.

10. No Release of Obligations on Termination. No termination of this Agreement shall release the City from any liability or obligation with respect to any matter occurring prior to such termination.

11. Compliance with Laws and Rules. The City shall at all times exercise the City's rights hereunder in accordance with the requirements of all applicable statutes, orders, rules and regulations of any public authority having jurisdiction.

12. Notices. All notices given hereunder shall be in writing and shall be given as follows:

If to Grantor: Walls, Butler, Madden & Teal, L.P.  
427 NE 72nd  
Seattle, Washington 98115  
Attn: Daryl L. Vander Pol

with a copy to: Town Center Associates  
c/o Winmar Company, Inc.  
700 Fifth Avenue, Suite 2600  
Seattle, Washington 98104-5026  
Attn: President

If to the City: City of Redmond  
15965 N.E. 85th  
Redmond, Washington 98052  
Attn: Parks Director

Notices shall be deemed effective, if mailed, upon the second day following deposit thereof in the United States mail, postage prepaid, certified or registered mail, return receipt requested, or upon delivery thereof if otherwise given. Either party may change the address to which notices may be given by giving notice as above provided.

13. Title. The rights granted herein are subject to existing permits, leases, licenses and easements, if any, granted

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by Grantor affecting the Property subject to this Agreement, together with any amendments and extensions to such documents as may be executed by Grantor in the future.

14. Application of the Recreational User Statute. Nothing in this Agreement is intended to create liability on the part of Grantor or the City to third persons, or to alter or abrogate Grantor's or the City's rights and immunities under the Washington Recreational User Statute, RCW 4.24.200 and 4.24.210, to the extent applicable. Both Grantor and the City intend any rights and immunities provided by said statute to continue to apply.

15. Run With Land. This Agreement shall run with the land and shall be binding upon the successors and assigns of Grantor.

16. Attorneys' Fees. In the event of any dispute regarding this Agreement, the prevailing party shall be entitled to receipt of its attorneys' fees and costs in any alternative dispute resolution proceeding, at trial, or on appeal.

17. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Washington.

18. Enforcement. The parties acknowledge that remedies at law may be inadequate to protect against breach of this Agreement, and in addition to all other remedies available at law or equity, the parties hereby in advance agree to the granting of injunctive relief without proof of actual damages in the event of any breach or threatened breach of any of the provisions of this Agreement.

19. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original and all of which shall collectively constitute one agreement.

IN WITNESS WHEREOF this Agreement is executed on the date first set forth above.

[Signatures Follow]

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WALLS, BUTLER, MADDEN & TEEL, L.P.  
a Washington limited partnership

By: *Daryl L. Vander Pol*  
Daryl L. Vander Pol, its Manager

CITY OF REDMOND

By: *Sandra D. Main*  
Its: MAVR 4-11-97

APPROVED AS TO FORM:

*W. G. J.*  
City Attorney

ATTEST:

*Sandra D. Main*  
City Clerk (Deputy)

9706011221

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Unofficial Document



EXHIBIT A

PARCELS 7, 8, 9 AND THOSE PORTIONS OF PARCELS 14 AND 15 LYING EASTERLY OF THE NORTH-SOUTH CENTERLINE OF THE NORTHWEST 1/4 OF SECTION 12, TOWNSHIP 25 NORTH, RANGE 5 EAST W.M., OF REDMOND TOWN CENTER, A BINDING SITE PLAN, AS PER PLAT RECORDED IN VOLUME 176 OF PLATS, PAGES 56 THROUGH 67, RECORDS OF KING COUNTY;

SITUATE IN THE CITY OF REDMOND, COUNTY OF KING, STATE OF WASHINGTON.

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Unofficial  
Document

WHEN RECORDED RETURN TO:

Colleen M. Broaddus  
Winmar Company, Inc.  
700 Fifth Avenue, Suite 2600  
Seattle, WA 98104-5026

9706031223

M-97009109-3  
Document Title: Public Access Open Space Agreement  
Grantor: Town Center Associates  
Grantee: City of Redmond  
Legal Description: Parcels 1-A, 1-B, 1-C, 1-D, 1-E, 2-A, 2-C, 3, 4, 5-A, 5-B, 5-C, 5-D, 6, 10, 11, 12, 13, 16, 17 and portions of Parcels 14 and 15 of Redmond Town Center. Additional legal description is attached as Exhibit A to this document, *PAGE 9*  
Assessor's Tax Parcel #'s: 720241-0010-00, 720241-0020-08, 720241-0030-06, 720241-0040-04, 720241-0050-01, 720241-0060-09, 720241-0080-05, 720241-0090-03, 720241-0100-01, 720241-0110-09, 720241-0120-07, 720241-0130-05, 720241-0140-03, 720241-0150-00, 720241-0190-02, 720241-0200-00, 720241-0210-08, 720241-0220-06, 720241-0250-09, 720241-0260-07, and portions of 720241-0230-04, 720241-0240-02.  
Reference Nos. of Documents Released or Assigned: None

16<sup>th</sup>

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970603-1223 12:12:00 PM KING COUNTY RECORDS 009 SK 16.00

FILED FOR RECORD AT THE REQUEST OF  
TRANSACTION TITLE INSURANCE CO.

E98CT066R

RECORDING REQUESTED BY AND  
WHEN RECORDED MAIL TO:

TOWN CENTER ASSOCIATES  
700 Fifth Avenue, Suite 2600  
Seattle, Washington 98104  
Attn: Colleen M. Broaddus

PUBLIC ACCESS OPEN SPACE AGREEMENT

THIS AGREEMENT is made this 17<sup>th</sup> day of September, 1996 by TOWN CENTER ASSOCIATES, a Washington general partnership ("Grantor"), and the City OF REDMOND, a Washington municipal corporation (the "City"). Grantor is the owner of real property more particularly described on Exhibit A attached hereto and incorporated herein by this reference (the "Property"). The Property is part of a larger parcel of real property commonly known as the Redmond Town Center site. The Redmond City Council adopted Ordinance No. 1841 which amended the Redmond Community Development Guide to allow development of a mixed used project on the Property. Ordinance No. 1841 required that certain portions of the Property be subjected to an easement for the purpose of preserving open space and allowing the operation of a farmers' market and parking areas on the Property. The area to be subjected to this easement is Parcel 11 described on Exhibit A (the "Easement Area").

In order to satisfy the requirements of Ordinance No. 1841, the parties hereby agree:

1. Conveyance. Grantor conveys and quit claims to the City a perpetual, nonexclusive easement (the "Easement") over the Easement Area for the purposes of open space, passive recreation as described in paragraph 4 below and maintaining slopes along the north side of Bear Creek Parkway.
2. No Other Purposes. The Easement Area shall not be used by the City for any purpose other than as stated in paragraph 1 above, and neither the City nor Grantor shall conduct any grading or construction activities within the Easement Area without the prior written consent of the other party.
3. Grantor's Reserved Rights. Grantor reserves the right to operate a farmers' market and parking areas within the Easement Area and the right, but not the obligation, to construct, maintain, and repair improvements within the Easement

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Area in order to facilitate the operation of the farmers' market and parking areas. Grantor also reserves the right to construct, repair, and maintain within the Easement Area amenities that are consistent with the open space character of the Easement Area, including, but not limited to, picnic tables, art installations and displays, children's play areas, screening, and signage, and to engage in any other use of the Easement Area compatible with the full enjoyment of the rights granted to the City in this Agreement.

4. Public Rights. The public shall have the right to utilize the Easement Area for walking, running, bicycling, picnicking, horseback riding on designated horse trails, access to the grounds around the Justice White House, and other passive recreation purposes, as well as patronizing the farmers' market; provided, however, that such activities are conducted in accordance with any mutually acceptable rules or regulations established by Grantor and the City for the use of the Easement Area as set forth below. Either party shall have the power to propose such rules and regulations for use of the Easement Area by the public as such party may deem fit and proper to promote its safe and equitable use, and the other party shall promptly review such proposed rules and regulations and not unreasonably withhold its approval thereof; provided that nothing herein shall enlarge the rights of the City with respect to the use of the Easement Area beyond the limitations specified in paragraph 1 above. The City and Grantor shall each have the power to enforce such mutually acceptable rules and regulations for use of the Easement Area. If the City desires to use the Easement Area for a purpose not specified above, such as festivals or other City-sponsored events, and Grantor concurs with such use of the Easement Area, the parties shall enter into a separate agreement specifying the terms upon which the City may use the Easement Area for the desired purpose. Use by motorized vehicles (except Grantor's and City's maintenance vehicles), camping, camp fires, and any other activities that would be inconsistent with Grantor's retained use or the safe use of the Easement Area by the public are prohibited.

5. Taxes. Grantor shall pay all real property taxes assessed by King County on the land comprising the Easement Area, and the City shall pay all taxes assessed on any improvements owned or installed by or at the direction of the City in the Easement Area.

6. Maintenance. The City shall maintain the improvements in the Easement Area which consist of the trails and other structures or improvements built by the City or at the direction of the City. Grantor shall maintain the rest of the Easement

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Area, including the improvements utilized for the farmers' market and parking areas.

7. Repairs and Restoration. The City shall repair any damage to any property of Grantor or any improvements thereon resulting from the exercise of the City's or the public's rights hereunder. If the City fails to make such repairs, Grantor may (but is not obligated to) make such repairs, and the City shall, upon demand, reimburse Grantor for all expenses incurred by Grantor in connection therewith.

8. Indemnity.

(a) The City hereby releases and agrees to indemnify, defend, and save Grantor harmless from and against any and all claims for damages suffered, and any and all losses, liabilities, costs and other expenses incurred, by Grantor (including, without limitation, attorneys' fees) and any and all claims, demands or actions asserted against Grantor arising out of the exercise of the City's or the public's rights hereunder or the enforcement of the City's obligations hereunder.

(b) The City's obligation to indemnify, hold harmless and defend pursuant to paragraph 8(a) above shall not extend to injuries, sickness, death or damage caused by, or arising out of, the sole negligence of Grantor's officers, agents or employees; and in the event that injury, sickness, death or damage is caused by or arises out of the concurrent negligence of Grantor, or its officers, agents or employees, and the City, or its officers, agents or employees, the City's obligation to indemnify, defend and hold harmless shall apply only to the extent of the negligence of the City, its officers, agents or employees. After mutual negotiation with Grantor, the City specifically and expressly agrees that by agreeing to indemnify Grantor as set forth above, the City waives any immunity it may have under industrial insurance RCW 51, but only as to claims made by the City's employees against Grantor based upon the actions of the City or its officers, agents or employees.

(c) Grantor hereby releases and agrees to indemnify, defend, and save the City harmless from and against any and all claims for damages suffered, and any and all losses, liabilities, costs and other expenses incurred, by the City (including, without limitation, attorneys' fees) and any and all claims, demands or actions asserted against the City arising out of the exercise of the Grantor's reserved rights under paragraph 3 above or the enforcement of Grantor's obligations hereunder.

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(d) Grantor's obligation to indemnify, hold harmless and defend pursuant to paragraph 8(c) above shall not extend to injuries, sickness, death or damage caused by, or arising out of, the sole negligence of the City's officers, agents or employees; and in the event that injury, sickness, death or damage is caused by or arises out of the concurrent negligence of the City, or its officers, agents or employees, and Grantor, or its officers, agents or employees, Grantor's obligation to indemnify, defend and hold harmless shall apply only to the extent of the negligence of Grantor, its officers, agents or employees. After mutual negotiation with the City, Grantor specifically and expressly agrees that by agreeing to indemnify the City as set forth above, Grantor waives any immunity it may have under industrial insurance RCW 51, but only as to claims made by Grantor's employees against the City based upon the actions of Grantor or its officers, agents or employees.

9. Termination. The Easement shall terminate upon:

(a) The demolition or destruction of the improvements built by or at the direction of the City on the Property and the passage of one year without reconstruction of the improvements; or

(b) The mutual agreement of Grantor and the City.

10. No Release of Obligations on Termination. No termination of this Agreement shall release the City from any liability or obligation with respect to any matter occurring prior to such termination.

11. Compliance with Laws and Rules. The City shall at all times exercise the City's rights hereunder in accordance with the requirements of all applicable statutes, orders, rules and regulations of any public authority having jurisdiction.

12. Notices. All notices given hereunder shall be in writing and shall be given as follows:

If to Grantor: Town Center Associates  
c/o Winmar Company, Inc.  
700 Fifth Avenue, Suite 2600  
Seattle, Washington 98104-5026  
Attn: President

If to the City: City of Redmond  
15965 N.E. 85th  
Redmond, Washington 98052  
Attn: Parks Director

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Notices shall be deemed effective, if mailed, upon the second day following deposit thereof in the United States mail, postage prepaid, certified or registered mail, return receipt requested, or upon delivery thereof if otherwise given. . Either party may change the address to which notices may be given by giving notice as above provided.

13. Title. The rights granted herein are subject to existing permits, leases, licenses and easements, if any, granted by Grantor affecting the Property subject to this Agreement, together with any amendments and extensions to such documents as may be executed by Grantor in the future.

14. Application of the Recreational User Statute. Nothing in this Agreement is intended to create liability on the part of Grantor or the City to third persons, or to alter or abrogate Grantor's or the City's rights and immunities under the Washington Recreational User Statute, RCW 4.24.200 and 4.24.210, to the extent applicable. Both Grantor and the City intend any rights and immunities provided by said statute to continue to apply.

15. Run With Land. This Agreement shall run with the land and shall be binding upon the successors and assigns of Grantor.

16. Attorneys' Fees. In the event of any dispute regarding this Agreement, the prevailing party shall be entitled to receipt of its attorneys' fees and costs in any alternative dispute resolution proceeding, at trial, or on appeal.

17. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Washington.

18. Enforcement. The parties acknowledge that remedies at law may be inadequate to protect against breach of this Agreement, and in addition to all other remedies available at law or equity, the parties hereby in advance agree to the granting of injunctive relief without proof of actual damages in the event of any breach or threatened breach of any of the provisions of this Agreement.

19. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original and all of which shall collectively constitute one agreement.

IN WITNESS WHEREOF this Agreement is executed on the date first set forth above.

[Signatures Follow]

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TOWN CENTER ASSOCIATES,  
a Washington general partnership

By: WINMAR REDMOND, INC.,  
its General Partner

By: Eddie L. Hendrikson  
Eddie L. Hendrikson, President

By: Colleen M. Broadus  
Colleen M. Broadus,  
Vice President and Secretary

CITY OF REDMOND

By: Regina S. ...  
Its: MAYOR 4-11-97

APPROVED AS TO FORM:

[Signature]  
City Attorney

ATTEST

Sandra L. Marin  
City Clerk (Deputy)

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STATE OF WASHINGTON )  
 ) SS.  
COUNTY OF KING )

I certify that I know or have satisfactory evidence that Eddie L. Hendrikson and Colleen M. Broadus are the persons who appeared before me, and said persons acknowledged that they signed this instrument, on oath stated that they were authorized to execute the instrument and acknowledged it as the President and Vice President/Secretary, respectively, of Winmar Redmond, Inc., the corporation acting as general partner of Town Center Associates, the partnership that executed the within and foregoing instrument, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument; and on oath stated that they were duly elected, qualified and acting as said officers of the corporation and that they were authorized to execute said instrument on behalf of the corporation and that the seal affixed, if any, is the corporate seal of the corporation, and that the corporation was authorized to execute said instrument on behalf of the partnership.

Dated: Sept 17 1996



Gail P. Klemencic  
Print Name: GAIL P. KLEMENCIC  
NOTARY PUBLIC in and for the State  
of Washington, residing at Seattle  
My commission expires: 1-15-99

STATE OF WASHINGTON )  
 ) SS.  
COUNTY OF KING )

I certify that I know or have satisfactory evidence that Rosemarie Tr... is the person who appeared before me, and said person acknowledged that he/she signed this instrument, on oath stated that he/she was authorized to execute the instrument and acknowledged it as the Mayor, of the City of Redmond to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: April 11, 1997



Bonnie Mattson  
Print Name: Bonnie Mattson  
NOTARY PUBLIC in and for the State  
of Washington, residing at Redmond  
My commission expires: 3-10-99

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EXHIBIT A.

PARCELS 1-A, 1-B, 1-C, 1-D, 1-E, 2-A, 2-C, 3, 4, 5-A, 5-B, 5-C, 5-D,  
AND 6, 10, 11, 12, 13, 16, 17 AND THOSE PORTIONS OF PARCELS 14 AND 15  
LYING WESTERLY OF THE NORTH-SOUTH CENTERLINE OF THE NORTHWEST 1/4 OF  
SECTION 12, TOWNSHIP 25 NORTH, RANGE 5 EAST W.M. OF REDMOND TOWN  
CENTER, A BINDING SITE PLAN, AS PER PLAN RECORDED IN VOLUME 176 OF  
PLATS, PAGES 56 THROUGH 67, RECORDS OF KING COUNTY;

SITUATE IN THE CITY OF REDMOND, COUNTY OF KING, STATE OF WASHINGTON.

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UNOFFICIAL  
DOCUMENT

WHEN RECORDED RETURN TO:

Colleen M. Broaddus  
Winmar Company, Inc.  
700 Fifth Avenue, Suite 2600  
Seattle, WA 98104-5026

M-9700909-2

Document Title: Public Access Open Space Agreement

Grantor: Town Center Associates

Grantee: City of Redmond

Legal Description: Parcels 1-A, 1-B, 1-C, 1-D, 1-E, 2-A, 2-C, 3/4, 5-A, 5-B, 5-C, 5-D, 6, 10, 11, 12, 13, 16, 17 and portions of Parcels 14 and 15 of Redmond Town Center. Additional legal description is attached as Exhibit A to this document. *PAGE 9*

Assessor's Tax Parcel #'s: 720241-0010-00, 720241-0020-08, 720241-0030-06, 720241-0040-04, 720241-0050-01, 720241-0060-09, 720241-0080-05, 720241-0090-03, 720241-0100-01, 720241-0110-09, 720241-0120-07, 720241-0130-05, 720241-0140-03, 720241-0150-00, 720241-0190-02, 720241-0200-00, 720241-0210-08, 720241-0220-06, 720241-0250-09, 720241-0260-07, and portions of 720241-0230-04, 720241-0240-02.

Reference Nos. of Documents Released or Assigned: None.

16<sup>th</sup>

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FILED FOR RECORD AT THE REQUEST OF  
TRANSACTION TITLE INSURANCE CO.

FOOTNOTES R

RECORDING REQUESTED BY AND  
WHEN RECORDED MAIL TO:

TOWN CENTER ASSOCIATES  
700 Fifth Avenue, Suite 2600  
Seattle, Washington 98104  
Attn: Colleen M. Broadus

PUBLIC ACCESS/ OPEN SPACE AGREEMENT

THIS AGREEMENT is made this 17<sup>th</sup> day of September, 1996 by TOWN CENTER ASSOCIATES, a Washington general partnership ("Grantor"), and the City OF REDMOND, a Washington municipal corporation (the "City"). Grantor is the owner of real property more particularly described on Exhibit A attached hereto and incorporated herein by this reference (the "Property"). The Property is part of a larger parcel of real property commonly known as the Redmond Town Center site. The Redmond City Council adopted Ordinance No. 1841 which amended the Redmond Community Development Guide to allow development of a mixed used project on the Property. Ordinance No. 1841 required that certain portions of the Property be subjected to an easement for the purpose of preserving open space on the Property. The area to be subjected to this easement is Parcels 10, 13 and 17 described on Exhibit A (the "Easement Area").

In order to satisfy the requirements of Ordinance No. 1841, the parties hereby agree:

1. Conveyance. Grantor conveys and quit claims to the City a perpetual, nonexclusive easement (the "Easement") over the Easement Area for the purposes of open space, passive recreation as described in paragraph 4 below, maintaining slopes along the south side of Bear Creek Parkway, maintaining storm drainage swales along the south side of Bear Creek Parkway, and access, ingress and egress for the purpose of construction, operation and maintenance of the NE 72nd Street Bridge project on Grantee's adjacent property.

2. No Other Purposes. The Easement Area shall not be used by the City for any purpose other than as stated in paragraph 1 above, and the City shall not conduct any grading or construction activities within the Easement Area without the prior written consent of Grantor.

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3. Grantor's Reserved Rights. Grantor reserves the right to construct, maintain, and repair storm drainage facilities/wet ponds within the Easement Area which were approved by the City pursuant to the site plan review approval granted for City of Redmond File No. SPR 95-014. Grantor also reserves the right to construct, repair, and maintain within the Easement Area activities that are consistent with the open space character of the Easement Area, including, but not limited to, picnic tables, art installations and displays, children's play areas, screening, and signage, and to engage in any other use of the Easement Area compatible with the full enjoyment of the rights granted to the City in this Agreement.

4. Public Rights. The public shall have the right to utilize the Easement Area for walking, running, bicycling, and other passive recreation purposes; provided, however, that such activities are conducted in accordance with any mutually acceptable rules or regulations established by Grantor and the City for the use of the Easement Area as set forth below. Either party shall have the power to propose such rules and regulations for use of the Easement Area by the public as such party may deem fit and proper to promote its safe and equitable use, and the other party shall promptly review such proposed rules and regulations and not unreasonably withhold its approval thereof; provided that nothing herein shall enlarge the rights of the City with respect to the use of the Easement Area beyond the limitations specified in paragraph 1 above. The City and Grantor shall each have the power to enforce such mutually acceptable rules and regulations for use of the Easement Area. Use by motorized vehicles, camping, camp fires, and any other activities that would be inconsistent with Grantor's retained use or the safe use of the Easement Area by the public are prohibited.

5. Taxes. Grantor shall pay all real property taxes assessed by King County on the land comprising the Easement Area, and the City shall pay all taxes assessed on any improvements owned or installed by or at the direction of the City in the Easement Area.

6. Maintenance. The City shall maintain the improvements in the Easement Area which consist of the trails and other structures or improvements built by the City or at the direction of the City. Grantor shall maintain the rest of the Easement Area, including the storm drainage wet ponds.

7. Repairs and Restoration. The City shall repair any damage to any property of Grantor or any improvements thereon resulting from the exercise of the City's or the public's rights hereunder. If the City fails to make such repairs, Grantor may (but is not obligated to) make such repairs, and the City shall,

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upon demand, reimburse Grantor for all expenses incurred by Grantor in connection therewith.

8. Indemnity.

(a) The City hereby releases and agrees to indemnify, defend, and save Grantor harmless from and against any and all claims for damages suffered, and any and all losses, liabilities, costs and other expenses incurred, by Grantor (including, without limitation, attorneys' fees) and any and all claims, demands or actions asserted against Grantor arising out of the exercise of the City's or the public's rights hereunder or the enforcement of the City's obligations hereunder.

(b) The City's obligation to indemnify, hold harmless and defend pursuant to paragraph 8(a) above shall not extend to injuries, sickness, death or damage caused by, or arising out of, the sole negligence of Grantor's officers, agents or employees; and in the event that injury, sickness, death or damage is caused by or arises out of the concurrent negligence of Grantor, or its officers, agents or employees and the City, or its officers, agents or employees, the City's obligation to indemnify, defend and hold harmless shall apply only to the extent of the negligence of the City, its officers, agents or employees. After mutual negotiation with Grantor, the City specifically and expressly agrees that by agreeing to indemnify Grantor as set forth above, the City waives any immunity it may have under industrial insurance RCW 51, but only as to claims made by the City's employees against Grantor based upon the actions of the City or its officers, agents or employees.

(c) Grantor hereby releases and agrees to indemnify, defend, and save the City harmless from and against any and all claims for damages suffered, and any and all losses, liabilities, costs and other expenses incurred, by the City (including, without limitation, attorneys' fees) and any and all claims, demands or actions asserted against the City arising out of the exercise of the Grantor's reserved rights under paragraph 3 above or the enforcement of Grantor's obligations hereunder.

(d) Grantor's obligation to indemnify, hold harmless and defend pursuant to paragraph 8(c) above shall not extend to injuries, sickness, death or damage caused by, or arising out of, the sole negligence of the City's officers, agents or employees; and in the event that injury, sickness, death or damage is caused by or arises out of the concurrent negligence of the City, or its officers, agents or employees, and Grantor, or its officers, agents or employees, Grantor's obligation to indemnify, defend and hold harmless shall apply only to the extent of the negligence of Grantor, its officers, agents or employees. After

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mutual negotiation with the City, Grantor specifically and expressly agrees that by agreeing to indemnify the City as set forth above, Grantor waives any immunity it may have under industrial insurance RCW 51, but only as to claims made by Grantor's employees against the City based upon the actions of Grantor or its officers, agents or employees.

9. Termination. The Easement shall terminate upon:

(a) The demolition or destruction of the improvements built by or at the direction of the City on the Property and the passage of one year without reconstruction of the improvements; or

(b) The mutual agreement of Grantor and the City.

10. No Release of Obligations on Termination. No termination of this Agreement shall release the City from any liability or obligation with respect to any matter occurring prior to such termination.

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c/o Winmar Company, Inc.  
700 Fifth Avenue, Suite 2600  
Seattle, Washington 98104-5026  
Attn: President

If to the City: City of Redmond  
15965 N.E. 85th  
Redmond, Washington 98052  
Attn: Parks Director

Notices shall be deemed effective, if mailed, upon the second day following deposit thereof in the United States mail, postage prepaid, certified or registered mail, return receipt requested, or upon delivery thereof if otherwise given. Either party may change the address to which notices may be given by giving notice as above provided.

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together with any amendments and extensions to such documents as may be executed by Grantor in the future.

14. Application of the Recreational User Statute. Nothing in this Agreement is intended to create liability on the part of Grantor or the City to third persons, or to alter or abrogate Grantor's or the City's rights and immunities under the Washington Recreational User Statute, RCW 4.24.200 and 4.24.210, to the extent applicable. Both Grantor and the City intend any rights and immunities provided by said statute to continue to apply.

15. Run With Land. This Agreement shall run with the land and shall be binding upon the successors and assigns of Grantor.

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19. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original and all of which shall collectively constitute one agreement.

IN WITNESS WHEREOF this Agreement is executed on the date first set forth above.

TOWN CENTER ASSOCIATES,  
a Washington general partnership

By: WINMAR REDMOND, INC.,  
its General Partner

By: Eddie L. Hendrikson  
Eddie L. Hendrikson, President

By: Colleen M. Broadus  
Colleen M. Broadus,  
Vice President and Secretary

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CITY OF REDMOND

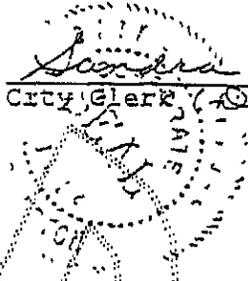
By: *Bozmaui Dora*  
Its: Mayor 4-11-97

APPROVED AS TO FORM:

*[Signature]*  
City Attorney

ATTEST:

*Sandra L. Marin*  
City Clerk (Deputy)



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Unofficial Document

STATE OF WASHINGTON )  
 ) SS.  
COUNTY OF KING )

I certify that I know or have satisfactory evidence that Eddie L. Hendrikson and Colleen M. Broadus are the persons who appeared before me, and said persons acknowledged that they signed this instrument, on oath stated that they were authorized to execute the instrument and acknowledged it as the President and Vice President/Secretary respectively, of Winmar Redmond, Inc., the corporation acting as general partner of Town Center Associates, the partnership that executed the within and foregoing instrument, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument; and on oath stated that they were duly elected, qualified and acting as said officers of the corporation and that they were authorized to execute said instrument on behalf of the corporation and that the seal affixed, if any, is the corporate seal of the corporation, and that the corporation was authorized to execute said instrument on behalf of the partnership.

Dated: Sept 17 1996

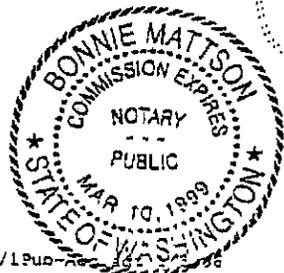


Gail P. Klemencic  
Print Name: GAIL P. KLEMENCIC  
NOTARY PUBLIC in and for the State  
of Washington, residing at Seattle  
My commission expires: 1-15-99

STATE OF WASHINGTON )  
 ) SS.  
COUNTY OF KING )

I certify that I know or have satisfactory evidence that Rosanne Ives is the person who appeared before me, and said person acknowledged that he/she signed this instrument, on oath stated that he/she was authorized to execute the instrument and acknowledged it as the Heir, of the City of Redmond to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: April 11, 1997



Bonnie Mattson  
Print Name: Bonnie Mattson  
NOTARY PUBLIC in and for the State  
of Washington, residing at Redmond, WA  
My commission expires: 3-10-99

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EXHIBIT A

PARCELS 1-A, 1-B, 1-C, 1-D, 1-E, 2-A, 2-C, 3, 4, 5-A, 5-B, 5-C, 5-D,  
AND 6, 10, 11, 12, 13, 16, 17 AND THOSE PORTIONS OF PARCELS 14 AND 15  
LYING WESTERLY OF THE NORTH-SOUTH CENTERLINE OF THE NORTHWEST 1/4 OF  
SECTION 12, TOWNSHIP 25 NORTH, RANGE 5 EAST W.M. OF REDMOND TOWN  
CENTER, A BINDING SITE PLAN, AS PER PLAT RECORDED IN VOLUME 176 OF  
PLATS, PAGES 56 THROUGH 67, RECORDS OF KING COUNTY;

SITUATE IN THE CITY OF REDMOND, COUNTY OF KING, STATE OF WASHINGTON.

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Unofficial Document

**ATTACHMENT B  
TOWN CENTER ASSOCIATES AND  
WALLS, BUTLER, MADDEN & TEEL, L.P.  
E98CT066R**

**LEGAL DESCRIPTION**

Parcel #720241-0180:  
LOT 9 REDMOND TOWN CENTER - BSP

Parcel #720241-0190:  
LOT 10 REDMOND TOWN CENTER - BSP

Parcel #720241-0260:  
LOT 17 REDMOND TOWN CENTER - BSP

1999 122 9000117