

DECEMBER 29, 1995

STEWARDSHIP AGREEMENT

between

KING COUNTY

and

SEATTLE-KING COUNTY LAND CONSERVANCY

and

QV ASSOCIATES L.P.

and

TAIYO AMERICAN CORPORATION

Contract No.:

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STEWARDSHIP AGREEMENT

AN AGREEMENT is made this _____ day of _____, 199_ by and between SEATTLE-KING COUNTY LAND CONSERVANCY (the "Land Conservancy"), a Washington nonprofit corporation, having an address at 1150 19th Avenue East, Seattle, Washington 98112, KING COUNTY, a political subdivision of the State of Washington (the "County"), having an address at 707 Smith Tower, 506 Second Avenue, Seattle, Washington 98104, QV ASSOCIATES L.P. ("QV"), a Washington limited partnership, having an address at Quadrant Plaza, Suite 500, N.E. 8th at 112th, Bellevue, Washington 98009, and TAIYO AMERICAN CORPORATION ("Taiyo"), a Washington corporation, having an address at Quadrant Plaza, Suite 750, 11100 N.E. 8th Street, Bellevue, Washington 98004 (collectively, the "Parties").

BACKGROUND/RECITALS

A. In furtherance of its organizational purposes as described in Paragraph B below, the Land Conservancy has acquired a fee simple interest in a certain approximately 116-acre parcel, located south of NE 8th, east of 228th Avenue SE, and north of Beaver Lake on the East Lake Sammamish Plateau, north of Issaquah, Washington (the "Land"). The legal description of the Land is provided in Exhibit "A."

B. The Land Conservancy is a nonprofit corporation whose purpose is to promote the preservation of open space and critically important ecological systems in Seattle, King County and Washington State. The Land Conservancy's purposes are set forth in its Articles of Incorporation, which are attached to this Agreement as Exhibit "B." The Land Conservancy is a tax-exempt corporation under Section 501(c)(3) of the Internal Revenue Code ("IRC") and is a publicly supported organization as defined in IRC Sections 1-70(b)(1)(A)(vi) and 509(a). The Land Conservancy is also qualified as a nonprofit nature conservancy corporation under RCW 64.04.130 and 84.34.250. The Land Conservancy has adopted the 1989 Statement of Land Trust Standards & Practices as issued by the Land Trust Alliance (hereinafter "Standards and Practices," attached as Exhibit "C") and its operating practices substantially comply with the Standards and Practices.

C. The County has acquired an easement in the Land from the Land Conservancy under that certain Open Space and Access Easement Agreement (the "Easement") attached as Exhibit "D." Under the Easement, the Land Conservancy agreed to convey and quit claim to the County a perpetual, nonexclusive easement over the Land, for the purposes of (a) public access for educational and passive recreational activities and for environmental stewardship, training and research, and (b) limiting the future use of the Land to open space uses.

D. QV is the prior owner of the Land and the present owner of property to the west, north and east of the Land. QV is developing its property into a residential subdivision (Beaverdam) whose common areas will be owned and managed by a residential homeowner's association. QV has reserved an easement over the property to construct and maintain an

equestrian/pedestrian trail required under the conditions of its preliminary plat approval for the Beaverdam Development (Beaverdam Preliminary Plat Approval S90P0038) and for other purposes (the "Reservation of Easement"), a copy of which is attached as Exhibit "E." QV will transfer its rights under the Reservation of Easement to the homeowner's association for the Beaverdam Development and to Taiyo as provided in Paragraph E below, who will jointly retain responsibility for constructing and maintaining the equestrian/pedestrian trail until such time as the homeowner's association and the Land Conservancy agree to have the responsibility for trail maintenance transferred to the Land Conservancy.

E. Taiyo will receive from QV ownership to portions of QV's property to the north and east of the Land. Taiyo plans to develop its property into a golf course.

F. The Parties have concluded and agree that the protection, maintenance and enhancement of the Land will be most effective if the Parties work cooperatively for that purpose.

G. The County is authorized to enter into stewardship agreements for the protection, maintenance and enhancement of park and open space properties.

H. The Land Conservancy is willing to take responsibility for the protection, maintenance and enhancement of the Land, and to make any necessary improvements to the Land in accordance with the terms and conditions set forth in this Stewardship Agreement.

NOW THEREFORE, in a spirit of mutual cooperation, and in consideration of the above and the mutual covenants, terms, conditions and restrictions contained herein, the Parties agree as follows:

1. Stewardship of the Land. The Land Conservancy hereby agrees to take responsibility for the protection, maintenance and enhancement of the Land, and to make any necessary improvements to the Land in accordance with the terms and conditions set forth in this Stewardship Agreement. The County, QV and Taiyo hereby agree to work together with the Land Conservancy to protect, maintain and enhance the Land in accordance with the terms and conditions set forth in this Stewardship Agreement.

2. Term of the Stewardship Agreement.

A. The term of this Stewardship Agreement ("Term") shall be for a period which shall commence upon the execution of this document and shall continue in full force and effect for ten (10) years.

B. This Stewardship Agreement shall be automatically renewed for additional ten (10) year Terms unless agreement is reached by three of the four Parties, or their successors and assigns, to terminate the Stewardship Agreement as set forth in Paragraph 3.

3. Termination of the Stewardship Agreement.

A. In addition to the right to terminate at the end of the 10 year Term as provided in Paragraph 2 above, this Stewardship Agreement also may be terminated at any time upon agreement of three of the four Parties, upon ninety (90) days prior written notice to all Parties and the Saddle Swamp Advisory Committee. The Parties shall remain responsible for their financial obligations to the Saddle Swamp Operating Fund as provided for in Paragraph 7 herein through the end of the year of termination, and shall not be entitled to any reimbursement of contributions already made by the Parties to this Operating Fund. This Operating Fund shall continue to be the sole property of the Land Conservancy upon termination of the Stewardship Agreement.

B. Termination of this Stewardship Agreement shall have no effect on the County's or the Land Conservancy's rights or obligations pursuant to the Easement or on QV's or Taiyo's rights or obligations pursuant to the Reservation of Easement.

4. Saddle Swamp Advisory Committee.

A. The Parties shall establish the Saddle Swamp Advisory Committee (the "Advisory Committee") to make recommendations concerning management of the Land to the Land Conservancy and, as appropriate, to the County.

B. The Advisory Committee shall evaluate the draft Capital Improvement Plan, and draft yearly Work Programs and Alterations proposed by the Land Conservancy and submitted to the Advisory Committee as set forth in Paragraphs 9-11. Based on this evaluation, the Advisory Committee shall offer suggestions and recommendations for changes to the draft Capital Improvement Plan and draft yearly Work Programs and Alterations to the Land Conservancy. The Land Conservancy shall carefully consider the recommendations made by the Advisory Committee in finalizing or approving the Capital Improvement Plan and Work Programs and Alterations, but is not required to abide by such recommendations, except as provided for in the Easement.

C. The Advisory Committee shall evaluate Alterations proposed by any of the Parties (other than the Land Conservancy) and submitted to the Advisory Committee as set forth in Paragraph 11. Based on this evaluation, the Advisory Committee shall offer suggestions and recommendations for changes to the proposed Alterations to the party proposing the Alterations. The party proposing the Alterations shall carefully consider the recommendations made by the Advisory Committee in finalizing its Alterations, but is not required to abide by such recommendations, except as provided for in the Easement or Reservation of Easement.

D. The Advisory Committee shall consist of a representative from each of the following organizations, or their successors and assigns:

- i. QV Associates L.P.

- ii. Taiyo American Corporation
- iii. King County, through its Parks, Cultural and Natural Resources Department (or successor department)
- iv. Seattle-King County Land Conservancy
- v. Beaver Lake Community.

Each representative shall be entitled to one vote. The Parties shall select, by majority vote, the representative of the Beaver Lake Community out of a list of four potential representatives submitted by the Beaver Lake Community to the Land Conservancy.

E. The Advisory Committee shall be chaired by the Program Advisor of the Land Conservancy, who shall also serve as the Land Conservancy's representative to the Advisory Committee.

F. The Advisory Committee shall prepare by-laws or rules of procedure for conducting its activities.

G. The Advisory Committee shall meet at such times as provided for in the by-laws or rules of procedure adopted by the Advisory Committee, but in no event less than annually.

H. The Advisory Committee shall use its best efforts to expedite review of draft Capital Improvement Plans, Work Programs and Alterations submitted to the Advisory Committee by any of the Parties.

5. Saddle Swamp Capital Improvement Fund.

A. The Land Conservancy shall establish the Saddle Swamp Capital Improvement Fund (the "Capital Improvement Fund") upon execution of this Stewardship Agreement. The Capital Improvement Fund shall be comprised of One Hundred and Fifty Thousand and No/100 Dollars (US \$150,000.00) of the proceeds of the County's purchase of the Easement for the Land, less moneys used to cover initial transaction costs.

B. The Land Conservancy shall make disbursements from the Capital Improvement Fund to cover capital costs incurred by the Land Conservancy in carrying out its Capital Improvement Plans as set forth in Paragraph 9.

C. The Land Conservancy shall reinvest, in accordance with the fiscal policies adopted by its Board of Directors, any moneys that remain in the Capital Improvement Fund upon completion of the Capital Improvement Plan encompassing the length of one Term for use in the next Term.

6. Saddle Swamp Investment Fund.

A. The Land Conservancy shall establish the Saddle Swamp Investment Fund (the "Investment Fund"). The Investment Fund shall be comprised of One Hundred Thousand and No/100 Dollars (US \$100,000.00) of the proceeds of the County's purchase of the Easement for the Land. The Investment Fund shall be held in a trust account established by the Land Conservancy for the benefit of the Land and shall be invested prudently by its Board of Directors with the goal of ensuring that the Investment Fund increases with inflation.

B. The Land Conservancy shall make disbursements of the income from the Investment Fund, as set forth in Paragraph 7, to cover operating costs incurred by the Land Conservancy under Paragraph 10 of this Stewardship Agreement.

C. The Land Conservancy shall reinvest the income on the Investment Fund in accordance with the fiscal policies adopted by its Board of Directors, as necessary, to keep the Investment Fund growing at least at a rate equal to the inflation rate as that rate is determined annually for each calendar year by the Consumer Price Index published for Seattle by the U.S. Department of Labor, Bureau of Labor Statistics (the "Inflation Rate"). Any income not needed to keep the Investment Fund growing at least at the annual Inflation Rate shall be transferred to the Saddle Swamp Operating Fund described in Paragraph 7 on an annual basis, beginning with the one-year anniversary of the effective date of this Stewardship Agreement.

7. Saddle Swamp Operating Fund.

A. The Land Conservancy shall establish the Saddle Swamp Operating Fund, into which revenues can be deposited and from which disbursements can be made to cover yearly operating expenses incurred by the Land Conservancy under Paragraph 10 of this Stewardship Agreement (the "Operating Fund"). The Operating Fund shall operate on a calendar year basis.

B. The primary sources of revenue for the Operating Fund shall be:

- i. The income from the Investment Fund, less any funds needed for reinvestment to keep the Investment Fund growing at least at the Inflation Rate; and
- ii. Contributions from QV and Taiyo, or their successors and assigns, in the amount of Two Thousand and Five Hundred Dollars (US \$2,500.00) each as of the effective date of this Stewardship Agreement, and annually thereafter Nine Thousand Six Hundred and Seventy Dollars (US \$9,670.00) or such adjusted amount as determined by subparagraphs iii-v below.

- iii. During calendar year 1996, QV and Taiyo may each offset up to two-thirds of their annual contribution (US \$6,470.00) by completing capital improvements to the Land; provided, however, that such capital improvements shall be over and above any capital improvements to the Land required by King County as a condition to the preliminary plat approval of the Beaverdam Development and the conditional use and variance approval of the Beaverdam golf course. Such capital improvements must be reviewed and approved as provided in the Reservation of Easement, and must be of equivalent value to the amount of the Operating Fund that is actually offset, as agreed to by the Land Conservancy based on documentation provided to the Land Conservancy by QV or Taiyo as appropriate (the Land Conservancy's approval not to be unreasonably withheld).
- iv. Contributions from QV and Taiyo shall be adjusted on an annual basis, beginning on January 1, 1997 to equal the average annual Inflation Rate during the previous calendar year (the 1996 "Base Year"); provided, however, that the contributions from QV and Taiyo shall not be adjusted more than 5.5 percent for each party over the previous year, shall not be adjusted cumulatively, and shall not, in any event, exceed Twenty Thousand Dollars (\$20,000.00) each (the "Initial Annual Contribution Cap") except as provided in subparagraph v below. QV and Taiyo, or their successors and assigns, shall have flexibility in collecting their contribution from home owners and golf course users, respectively.
- v. When the annual contributions from QV and Taiyo reach the Initial Annual Contribution Cap, the Land Conservancy shall reasonably demonstrate that its anticipated Work Program requires a higher cap and shall propose a new 10 year annual contribution cap to the parties hereto, which shall become the Annual Contribution Cap for the next 10 year term unless it is rejected by three of the four parties hereto. The Land Conservancy shall use this same procedure for setting an Annual Contribution Cap during successive 10 year term over the life of this Agreement. The Land Conservancy may exceed any Annual Contribution Cap within any 10 year term where it can reasonably demonstrate that its anticipated Work Program requires a higher adjustment and the other parties hereto agree to such higher adjustment.
- vi. The Land Conservancy shall elect to decline acceptance of any annual inflationary adjustment should such an adjustment be unnecessary, as reasonably determined by the Land Conservancy, to

fulfill its duties and obligations under this Stewardship Agreement for a particular year. However, the Land Conservancy's declining such an annual adjustment shall not affect future annual adjustments for inflation, and future annual adjustments shall be calculated to include all annual inflationary adjustments, whether or not such adjustments were declined by the Land Conservancy.

C. QV and Taiyo shall pay each year's annual contribution to the Land Conservancy in two installments of one-half of the year's annual contribution each, with the first installment due by January 31st and the second installment due by July 31st.

D. The parties to this Stewardship Agreement shall meet and evaluate funding and operations after the third, seventh and final full year of operation under each Term. If appropriate, the Parties shall make necessary amendments to this Stewardship Agreement as provided for in Paragraph 21 herein.

8. Access.

A. The Land Conservancy may facilitate the general public's access to the Land and shall use its best efforts to ensure such access is consistent with the wetland protection purposes of this Stewardship Agreement, the Reservation of Easement, and the Easement entered into between the Land Conservancy and the County.

B. The Land Conservancy may post signs in a reasonable number, at selected points in and around the perimeter of the Land. Such signs may notify the general public of the educational opportunities available at the Land and how and when access to the Land will be provided. Such signs may include any additional information that the Land Conservancy determines is appropriate, including, but not limited to, identification of those areas within the Land that should be avoided in furtherance of the wetland protection purposes of this Stewardship Agreement.

C. The Land Conservancy shall ensure that its signage on the Land is compatible with that found on adjacent QV and Taiyo properties. To ensure such compatibility, the Land Conservancy shall provide representatives of QV and Taiyo serving on the Advisory Committee the opportunity to review and approve the location and design of proposed signage for the Land, provided that such approval shall not be unreasonably withheld.

9. Capital Improvements. The Land Conservancy, at its sole cost and expense using funds provided for in the Capital Improvement Fund, shall make such capital improvements as are necessary to protect, maintain and enhance the Land in its natural state as a conservation and passive educational area. Specifically, the Land Conservancy shall:

A. Provide to the Advisory Committee, within six (6) months of the beginning of each term, a long-range capital improvement plan (the "Capital Improvement Plan") encompassing the length of each Term;

B. Make no Alterations to the Land inconsistent with Paragraph 11 below;
and

C. Carry out the Capital Improvement Plan, approved by the Land Conservancy upon review by the Advisory Committee, limited by such funds as are available in the Capital Improvement Fund provided for in Paragraph 5 herein.

10. Operations, Maintenance and Repair. The Land Conservancy, at its sole cost and expense using funds provided for in the Operating Fund, shall protect, maintain and enhance the Land in its natural state as a conservation and passive educational area. Specifically, the Land Conservancy shall:

A. Keep the Land in good order, repair and a clean condition, consistent with the wetland protection purposes of this Stewardship Agreement;

B. Regularly pick up and remove from the Land all trash and litter, including from areas of standing water;

C. Make no Alterations to the Land inconsistent with Paragraph 11 below;

D. Provide to the Advisory Committee, within six (6) months of executing this Stewardship Agreement, and annually thereafter, an annual work program for protecting, maintaining and enhancing the Land (the "Work Program"); and

E. Make repairs necessary to keep all trails, gates, fences, and other equipment in good order and repair.

11. Alterations of the Land.

A. As used in this Stewardship Agreement, "Alteration" shall mean:

i. any restoration, rehabilitation, modification, renovation or improvement to the Land by the Land Conservancy, except ordinary maintenance and repair as provided in Paragraph 10 above; and

ii. any work, construction or other activity that would or might affect in any manner, or have any impact upon, the structure, character, appearance or design of the Land.

B. The Land Conservancy shall not begin any Alteration to the Land until the Advisory Committee has reviewed the Capital Improvement Plan, Work Program or proposed Alteration, as appropriate, and made any recommendations nor shall the Land Conservancy begin any Alteration prior to the completion of all reviews and approvals necessary for the Alteration required by any agency or entity of government with jurisdiction over the Land.

C. The Land Conservancy shall undertake any Alteration in full compliance with all applicable laws, rules, and regulations.

D. The Land Conservancy shall not make any Alteration that is inconsistent with the purpose of this Stewardship Agreement, the Easement or the Reservation of Easement.

12. Report To the Advisory Committee. Within ninety (90) days after the first anniversary of the execution of this Stewardship Agreement, and annually thereafter, the Land Conservancy shall deliver to the Advisory Committee a report setting forth in detail the activities that occurred on the Land during the preceding year.

13. Monitoring. The Land Conservancy shall monitor the condition of the Land through its own expenditures, not to exceed Four Thousand Dollars (\$4,000.00) annually, and, where possible, through a community-based volunteer program organized and managed by the Land Conservancy and King County. The Land Conservancy shall work with QV and Taiyo so that the monitoring it performs on the Land may provide all or part of the monitoring information on the Land required under the preliminary plat requirements of the Beaverdam Development (Beaverdam Preliminary Plat Approval S 90P0038) and the conditional use and variance approvals for the Beaverdam golf course (Beaverdam Golf Course Approval L93 CU0005 and L93 VA045); provided, however, that QV and Taiyo acknowledge that they, not the Land Conservancy, shall retain responsibility for satisfying all conditions and other obligations for monitoring under the preliminary plat requirements of the Beaverdam Development and the conditional use and variance approvals for the Beaverdam golf course. The Land Conservancy shall make available to QV and Taiyo any monitoring results the Land Conservancy determines to be of reasonable quality. The Land Conservancy's obligation to monitor the condition of the Land shall terminate at such time as QV and Taiyo are no longer required to perform monitoring under the preliminary plat requirements of the Beaverdam Development and the conditional use and variance approvals for the Beaverdam golf course.

14. Liability Insurance.

A. The Land Conservancy shall, at its own cost and expense, procure and maintain liability insurance throughout each Term that will protect the Land Conservancy and the County, QV and Taiyo as additional insured parties, respectively, from any claims for loss or damage to property and for personal injuries, including death, which may arise directly or indirectly from their activities conducted pursuant to this Stewardship Agreement. Such insurance shall provide for a combined single limit liability coverage of at least Five Million and

No/100 Dollars (US \$5,000,000) and shall name the County, QV and Taiyo as additional insured parties under the policy.

B. Failure of the Land Conservancy to procure or maintain any insurance required under this Stewardship Agreement shall not relieve the Land Conservancy from any liability under this Stewardship Agreement.

15. Contractors. Any party hereto shall use licensed and bonded contractors in carrying out Capital Improvements as described in Paragraph 9 and Alterations as described in Paragraph 11. Such contractors shall agree to abide by the terms of this Stewardship Agreement. The requirements of this Paragraph shall not apply to Land Conservancy or King County volunteers undertaking other activities required or permitted under this Stewardship Agreement. Such exempted volunteer activity includes, but is not limited to, the following: (1) activities associated with the Work Program described in Paragraph 10; (2) activities undertaken in connection with the Land Conservancy's requirements under Paragraph 10 to operate, maintain and repair the Land; and (3) any monitoring activities undertaken by the Land Conservancy in connection with the requirements of Paragraph 13.

16. Assumption of Risk. Any party hereto assumes all risk in its activities pursuant to this Stewardship Agreement and agrees to comply, at its own cost and expense, with all laws and regulations affecting the Land or its activities on the Land.

17. Employees. Under no circumstances shall any person employed by any of the Parties to perform any activity pursuant to this Stewardship Agreement be considered an employee of the other Parties to this Stewardship Agreement.

18. Manner of Notice. Where provision is made herein for notice to be given in writing, the same shall be given by mailing a copy of such notice by first class mail, sent to the address provided herein, or to such other address as shall be provided to the Parties, by delivering such other address to the Parties at the address provided herein. Notices shall be sent to the following addresses:

SEATTLE-KING COUNTY LAND
CONSERVANCY:

1150 19th Avenue East
Seattle, Washington 98112

KING COUNTY:

707 Smith Tower
506 Second Avenue
Seattle, Washington 98104

QV ASSOCIATES L.P.:

Quadrant Plaza, Suite 500
N.E. 8th at 112th
P.O. Box 130
Bellevue, Washington 98009

TAIYO AMERICAN CORPORATION:

Quadrant Plaza, Suite 750
11100 N.E. Eighth Street
Bellevue, Washington 98004

19. Assignment. The Parties intend that their rights and obligations under this Stewardship Agreement may be assigned. The Parties anticipate that QV will eventually assign its rights and obligations under this Stewardship Agreement to a yet to be formed home owners association. Should the Land Conservancy or the County wish to assign its rights and obligations under this Stewardship Agreement, the Parties agree that the Land Conservancy or the County will assign its rights and obligations only to an organization that is a qualified organization at the time of assignment under Section 170(h) of the Internal Revenue Code of 1986, as amended (or any successor provision then applicable), and the applicable regulations promulgated thereunder, and authorized to acquire and hold conservation easements under RCW 64.04.130 or RCW 84.34.250 (or any successor provision then applicable), such as the Seattle Audubon Society or The Nature Conservancy of Washington. The Conservancy agrees to assign moneys within the Capital Improvement Fund, the Investment Fund, and the Operating Fund along with any assignment of its rights and obligations under this Stewardship Agreement; provided, however, that the Land Conservancy may retain moneys from such funds in an amount equal to the monetary value that the Land Conservancy has reasonably added to the Land as a result of its stewardship of the Land. Any party assigning its rights and obligations under this Stewardship Agreement shall require the assignee to abide by the provisions of this Stewardship Agreement.

20. Performance of Terms. Failure of the Parties to insist on strict performance of any term, agreement or condition herein shall not constitute or be construed as a waiver or relinquishment of that party's right thereafter to enforce any such term, agreement, or condition, and such term, agreement or condition shall continue in full force and effect.

21. Modification. This Stewardship Agreement may be modified from time to time by mutual agreement three of the four Parties. No modifications or amendments shall be valid unless in writing and executed by the Parties.

22. Severability. If any provision of this Stewardship Agreement, or the application thereof to any person or circumstance, is invalid, the remainder of the provisions of this Stewardship Agreement, or the application of such provision to persons or circumstances other than those as to which it is found to be invalid, shall not be affected thereby.

23. Integration. This Stewardship Agreement constitutes the entire agreement between the Parties and there are no promises, conditions, terms, obligations, statements, or guarantees other than those contained herein.

24. Captions. The table of contents and captions found herein have been inserted solely for convenience of reference and are not a part of this instrument and shall have no effect upon construction or interpretation.

25. Beaverdam Development Final Plat Requirements. The Parties will cooperate in providing any releases or approvals required by King County in connection with the recording of the final plat for the Beaverdam Development, including, without limitation, any drainage releases or easements, and further agrees to execute the final plat or to allow the Land to be included in the final plat or any subsequent phase final plat and to be governed by the conditions of the final plat approval if required by King County for any phase of the Beaverdam Development; provided, however, that QV and Taiyo acknowledge that they, not the Land Conservancy, shall retain responsibility for satisfying all conditions and other obligations under the final plat or any subsequent phase final plat for the Beaverdam Development. The Land Conservancy may work with King County staff on developing suitable language for any document it is required to sign under this paragraph.

26. Effective Date. The effective date of this Stewardship Agreement is the date provided for at the beginning of this agreement.

KING COUNTY, by and through the King
County Parks, Cultural and Natural Resources
Department

By James C. Merfield
Its Administrator, Office of
Open Space

SEATTLE-KING COUNTY LAND
CONSERVANCY

By Jimmy J. Haney
Its PRESIDENT

QV ASSOCIATES L.P.
By The Quagrant Corporation
Its General Partner

By Steph Johnson
Its VICE PRESIDENT

TAIYO AMERICAN CORPORATION

By Car. Miller
Its Vice President

**EXHIBIT A
LEGAL DESCRIPTION**

TRACT "Z" AT BEAVERDAM (REVISED)

That portion of the fractional North half of the North half of Section 2, Township 24 North, Range 6 East, W.M., King County, Washington and of the South half of Section 35, Township 25 North, Range 6 East, W.M., King County, Washington described as follows:

Beginning at the Southwest corner of said Section 35;

Thence S 88°14'59" E along the South line thereof a distance of 2,375.07 feet to the True Point of Beginning of the herein described tract;

Thence S 88°14'59" E continuing along said South line a distance of 106.09 feet;

Thence N 00°34'16" W a distance of 620.49 feet;

Thence N 60°22'56" W a distance of 122.63 feet;

Thence N 00°34'16" W a distance of 46.88 feet to a point of curve;

Thence Northerly along the arc of a curve to the right, said curve having a radius of 276.00 feet through a central angle of 22°12'59" a distance of 107.02 feet to a point of reverse curve;

Thence Northerly along the arc of a curve to the left, said curve having a radius of 424.00 feet through a central angle of 10°07'53" a distance of 74.97 feet;

Thence S 85°40'13" E a distance of 216.66 feet;

Thence N 07°20'19" W a distance of 30.00 feet;

Thence N 39°04'36" W a distance of 175.63 feet;

Thence N 11°54'55" W a distance of 127.88 feet;

Thence N 28°00'31" W a distance of 236.81 feet;

Thence N 10°39'35" E a distance of 76.56 feet;

Thence N 39°17'09" W a distance of 147.06 feet;

Thence N 32°51'49" W a distance of 322.55 feet;

Thence N 48°20'13" W a distance of 115.14 feet to a point on the arc of a curve, the center of which bears N 32°02'42" E;

Thence Northerly along the arc of a curve to the right, said curve having a radius of 100.00 feet through a central angle of 77°34'37" a distance of 135.40 feet;

Thence N 07°43'40" E a distance of 202.78 feet to a point on the arc of a curve, the center of which bears S 88°17'36" E;

Thence Northerly and Easterly along the arc of a curve to the right, said curve having a radius of 100.00 feet through a central angle of 74°48'58" a distance of 130.58 feet;

Thence N 76°31'22" E a distance of 47.33 feet to a point of curve;

Thence Easterly along the arc of a curve to the right, said curve having a radius of 100.00 feet through a central angle of 70°39'02" a distance of 123.31 feet;

Thence S 44°29'14" E a distance of 81.81 feet;

Thence S 56°16'40" E a distance of 138.49 feet;

Thence N 66°05'52" E a distance of 35.22 feet to a point of curve;

Thence Easterly along the arc of a curve to the right, said curve having a radius of 100.00 feet through a central angle of 75°18'30" a distance of 131.44 feet;

Thence S 38°35'39" E a distance of 17.70 feet to a point of curve;

Thence Southerly along the arc of a curve to the right, said curve having a radius of 100.00 feet through a central angle of 55°02'12" a distance of 96.06 feet;

Thence S 11°32'18" W a distance of 86.30 feet;

Thence S 33°07'00" E a distance of 72.12 feet;

Thence N 78°20'06" E a distance of 198.97 feet;

Thence N 11°27'50" W a distance of 69.69 feet;

Thence N 08°02'13" W a distance of 48.02 feet;

**EXHIBIT A
(CONTINUED)**

Thence N 13°16'36" W a distance of 24.78 feet;
Thence N 45°36'57" W a distance of 75.23 feet;
Thence N 16°04'03" W a distance of 61.25 feet;
Thence N 13°43'49" W a distance of 104.64 feet;
Thence N 08°47'32" W a distance of 79.47 feet;
Thence N 05°38'24" W a distance of 98.26 feet to a point on the arc of a curve, the center of which bears N 80°52'59" E;
Thence Northerly and Easterly along the arc of a curve to the right, said curve having a radius of 100.00 feet through a central angle of 145°01'45" a distance of 253.12 feet;
Thence S 44°05'16" E a distance of 105.96 feet;
Thence S 41°49'09" E a distance of 77.09 feet;
Thence S 19°50'03" E a distance of 184.62 feet;
Thence S 17°33'53" E a distance of 177.83 feet;
Thence S 09°47'44" E a distance of 208.71 feet;
Thence S 01°15'06" E a distance of 124.02 feet;
Thence S 87°16'28" E a distance of 183.75 feet;
Thence S 77°47'45" E a distance of 88.16 feet to a point of curve;
Thence Easterly and Southerly along the arc of a curve to the right, said curve having a radius of 100.00 feet through a central angle of 84°50'16" a distance of 148.07 feet;
Thence S 08°54'49" W a distance of 230.23 feet;
Thence S 30°56'34" E a distance of 105.52 feet;
Thence S 35°04'19" E a distance of 127.90 feet;
Thence S 83°27'57" E a distance of 26.73 feet to a point of curve;
Thence Southeasterly along the arc of a curve to the right, said curve having a radius of 100.00 feet through a central angle of 48°40'19" a distance of 84.95 feet;
Thence S 37°51'37" E a distance of 306.05 feet to a point on the arc of a curve, the center of which bears S 40°05'12" W;
Thence Southerly along the arc of a curve to the right, said curve having a radius of 100.00 feet through a central angle of 67°34'50" a distance of 117.96 feet;
Thence S 08°44'14" E a distance of 121.53 feet;
Thence S 44°33'42" E a distance of 71.69 feet to a point on the arc of a curve, a center of which bears S 16°26'49" E;
Thence Easterly and Southerly along the arc of a curve to the right, said curve having a radius of 100.00 feet through a central angle of 108°37'47" a distance of 189.59 feet;
Thence S 02°00'17" W a distance of 160.47 feet;
Thence S 89°54'30" E a distance of 103.50 feet;
Thence S 77°38'24" E a distance of 126.74 feet;
Thence S 34°38'47" E a distance of 75.74 feet;
Thence S 19°25'36" E a distance of 145.57 feet to a point on the arc of a curve, the center of which bears S 56°43'32" W;
Thence Southerly along the arc of a curve to the right, said curve having a radius of 100.00 feet through a central angle of 51°21'59" a distance of 89.65 feet;
Thence S 18°05'31" W a distance of 54.75 feet;
Thence N 69°06'56" E a distance of 96.56 feet to a point on the arc of a curve, the center of which bears S 38°34'03" E;
Thence Easterly along the arc of a curve to the right, said curve having a radius of 100.00 feet through a central angle of 66°30'02" a distance of 116.07 feet;
Thence S 41°52'20" E a distance of 112.70 feet to a point on the arc of a curve, the center of which bears S 80°16'34" W;
Thence Southerly along the arc of a curve to the right, said curve having a radius of 100.00 feet through a central angle of 62°57'24" a distance of 109.88
Thence S 53°13'58" W a distance of 34.05 feet to a point on the arc of a curve, the center of which bears S 20°09'15" W;

**EXHIBIT A
(CONTINUED)**

Thence Southerly along the arc of a curve to the right, said curve having a radius of 100.00 feet through a central angle of $63^{\circ}30'58''$ a distance of 110.86 feet;

Thence S $01^{\circ}59'08''$ W a distance of 87.87 feet;

Thence S $22^{\circ}52'10''$ W a distance of 196.72 feet to a point of curve;

Thence Southerly and Westerly along the arc of a curve to the right, said curve having a radius of 100.00 feet through a central angle of $82^{\circ}13'26''$ a distance of 143.51 feet;

Thence S $16^{\circ}47'48''$ W a distance of 92.07 feet;

Thence S $31^{\circ}48'21''$ W a distance of 167.77 feet;

Thence S $38^{\circ}01'29''$ W a distance of 98.51 feet;

Thence S $43^{\circ}24'43''$ W a distance of 49.36 feet;

Thence S $46^{\circ}02'15''$ W a distance of 43.98 feet;

Thence S $53^{\circ}14'55''$ W a distance of 52.12 feet;

Thence S $60^{\circ}55'36''$ W a distance of 47.96 feet;

Thence S $52^{\circ}47'52''$ W a distance of 69.97 feet;

Thence S $39^{\circ}28'29''$ W a distance of 31.55 feet to a point on the South line of said fractional North half of the North half of Section 2;

Thence N $88^{\circ}13'20''$ W along said South line a distance of 1,297.85 feet;

Thence N $30^{\circ}19'41''$ W a distance of 299.05 feet;

Thence N $02^{\circ}13'23''$ E a distance of 212.34 feet;

Thence N $39^{\circ}48'28''$ W a distance of 116.31 feet to a point on the arc of a curve, the center of which bears N $88^{\circ}44'52''$ W;

Thence Northerly along the arc of a curve to the left, said curve having a radius of 359.00 feet through a central angle of $45^{\circ}13'28''$ a distance of 283.36 feet to a point of reverse curve;

Thence Northerly along the arc of a curve to the right, said curve having a radius of 249.00 feet through a central angle of $43^{\circ}24'05''$ a distance of 188.62 feet;

Thence N $00^{\circ}34'16''$ W a distance of 32.55 feet to the True Point of Beginning.

Tract contains 116.08 acres.