

Please Return To:
Cairncross & Hempelmann
Attn: Donald E. Marcy
524 Second Ave., Ste. 500
Seattle, WA 98104

WASHINGTON STATE COUNTY AUDITOR/RECORDER INDEXING FORM

Document Title(s) (or transactions contained therein): DEVELOPMENT AGREEMENT	
Reference Number(s) of Documents assigned or released: Additional reference numbers on page ____ of document	
<hr/>	
Grantor(s): (Last name first, then first name and initials) BENAROYA CAPITAL COMPANY, LLC, a Washington limited liability company LEWIS COUNTY <input type="checkbox"/> Additional names on page __ of document	
<hr/>	
Grantee(s): (Last name first, then first name and initials) LEWIS COUNTY BENAROYA CAPITAL COMPANY, LLC, a Washington limited liability company <input type="checkbox"/> Additional names on page __ of document	
<hr/>	
Legal Description: (abbreviated form i.e. lot, block, plat name, section-township-range) _____ <input checked="" type="checkbox"/> Additional legal is on <u>Exhibit A</u> of document	
<hr/>	
Assessor's Property Tax Parcel Account Number(s): _____	
<hr/>	
Project Number: N/A	Permit Number: N/A
The Auditor/Recorder will rely on the information provided on the form. The staff will not read the document to verify the accuracy or completeness of the indexing information provided herein.	

DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT (this "Agreement") is entered into this _____ day of _____, 2016 by and between BENAROYA CAPITAL COMPANY, LLC, a Washington limited liability company ("Benaroya"), and LEWIS COUNTY, a Washington municipal corporation (the "County").

RECITALS

- A. Benaroya owns the real property more particularly described on Exhibit A attached hereto and incorporated herein by this reference (the "Property"), which Property is located in the County within the urban growth area of the City of Winlock (the "City").
- B. The County oversees and regulates the provision of transportation improvements for the roads that are within and abut the Property, the placement of utilities within the public right of way, and stormwater.
- C. Benaroya may construct an industrial warehouse development on the Property.
- D. Benaroya and the County agree that Benaroya's proposed development of the Property will provide economic and community benefits to the County and its residents.
- E. Benaroya prepared and, on or about March 23, 2014, the City approved with conditions a Binding Site Plan for the Property.
- F. The City has conducted a review of Benaroya's proposed development of the Property pursuant to the State Environmental Policy Act ("SEPA") and issued a Mitigated Determination of Nonsignificance (MDNS).
- G. The Binding Site Plan includes as Conditions of Approval certain transportation improvements for the development of the Property.
- H. The Binding Site Plan with conditions is valid for ten years.
- I. Both the County and Benaroya recognize the benefits that both will derive from facilities planning and development.
- J. Benaroya and the County desire to utilize the provisions of RCW 36.70B that provide for local governments to enter into development agreements with property owners to govern applicable development of real property during the term of the agreement.
- J. A development agreement between Benaroya and the County is a collaboration that will provide mutual benefit for the parties as well as the region.

Accordingly, the parties agree:

AGREEMENTS

1. Project. Subject to its compliance with the Binding Site Plan and with the conditions attached to the Binding Site Plan, Benaroya shall have the right to develop on the Property up to 5,215,280 square feet of industrial buildings with associated office space on the Property (the "Project"). The 5,215,280 square feet of building area shall not be reduced on account of any dedication of portions of the Property pursuant to this Agreement.

2. Design and Development. Benaroya has prepared and on or about March 23, 2014 the City issued a Binding Site Plan subject to conditions for the Project which is attached hereto as Exhibit B and incorporated herein by this reference, but the final design could change due to requirements of the ultimate user of the Property. The County shall not impose any condition on the Project that is inconsistent with any portion of this Agreement unless required on account of a serious threat to public health and safety.

3. Required Transportation Improvements – County Roadways. In compliance with the Conditions of Approval to the Binding Site Plan, Benaroya shall design and construct -- in accordance with plans approved by the County as part of Benaroya's Application(s) for Permit(s) to Perform Work on County Road Right of Way-- the following two transportation improvements to N. Military Road, which improvements are illustrated on Exhibits C1 and C2 attached hereto and incorporated herein by this reference and described as follows:

a. Northern Segment. The northern roadway segment improvement is designated as "Segment 1" on Exhibit C1. Segment 1 will extend along N. Military Road from a point adjacent to the Property's northern property line to a point adjacent to the Property's southern property line. Segment 1 will be improved to provide two (2) four (4) foot wide paved shoulders and two (2) twelve (12) foot wide travel lanes. In addition, curb, gutter, and a five (5) foot wide sidewalk will be constructed along the west side of Segment 1. These improvements will all be constructed within the existing public right-of-way, and no dedication of any of the Property will be required by the County for their construction.

b. Southern Segment. The southern roadway segment is designated as "Segment 2" on Exhibit C2. Segment 2 will extend from a point adjacent to the Property's southern property line to SR 505. Segment 2 will be improved to provide two (2) four (4) foot wide paved shoulders in addition to the two (2) existing twelve (12) foot wide travel lanes. No curbs, gutters, or sidewalks will be constructed on either side of N. Military Road in this segment, and Benaroya shall not be required to obtain any right-of-way to construct the improvements in Segment 2.

These two transportation improvements shall be completed prior to occupancy of any buildings on the Property.

4. Required Transportation Improvements; Mickelsen Parkway. Prior to occupancy of any building in the Project, Benaroya shall design and construct Mickelsen Parkway in accordance with the design presented in the Stormwater Report prepared for the Mickelsen Parkway Right of Way Establishment by Cook Engineering or such alternative design presented by Benaroya, its successors or assigns, as is supported by an appropriate Traffic Impact Analysis (TIA) and approved by the Director of the Lewis County Department of Public Works, which approval shall not be unreasonably withheld.

5. Vehicular Access Points. All access driveways and roadways serving the Property along N. Military Road will be designed to concentrate Project truck traffic at a single access location, having one (1) driveway approach to the east and one (1) driveway approach to the west, which will be designed and constructed to discourage or obstruct Project truck traffic from traveling south along N. Military Road in front of the Winlock Senior High and Middle Schools. This access driveway is labeled as "B" on Exhibit C1. Preliminary design concepts for this single access point include a small radius on the southwest corner and raised median on N. Military Road south of this intersection.

Assuming that Benaroya demonstrates through the County's road standards deviation process that additional driveways are appropriate, two (2) additional access driveways may be constructed along the west side of N. Military Road and three (3) additional access driveways may be constructed along the east side of N. Military Road. These access driveways are labeled as "A", "C", and "D" on Exhibit C1. Driveways "A" and "C" serve the west side of N. Military Road, and driveways "A", "C", and "D" serve the east side of N. Military Road. Driveway "D" shall align with the existing school driveway on the west side of N. Military Road. The existing access across from Nevil Road will be abandoned and demolished and no access will be allowed at this location. All of these five (5) driveway approaches will be designed to meet County requirements and will include small radius corners and/or other engineering solutions to effectively limit the use of these access driveways to passenger and two (2) axle vehicles. General design guidelines for these access points will be developed for approval as part of the deviation process.

6. Transportation Concurrency. All of the Project shall be deemed to have met transportation system concurrency requirements set forth in LCC 12.60.550.

Except as required by Section 4 above for an alternative design of Mickelsen Parkway, and provided the transportation improvements described in Sections 3 and 4 above are built prior to occupancy of any buildings in the Project, no additional transportation analysis shall be required for Benaroya to construct the amount of building area shown on the Binding Site Plan attached as Exhibit B. Benaroya may construct as much of the Project in any calendar year as it desires; however, no phasing of the Project is required.

7. Public Benefit. Benaroya has agreed to provide benefits to the County and its citizens as part of this Agreement, including:

a. Transportation Improvements. The transportation improvements described in Section 3, above;

b. Mickelsen Parkway. Initiating and coordinating the timely extension of the current right of way agreement between Lewis County and the owners of the right of way for Mickelsen Parkway, as needed, and coordinating and constructing Mickelsen Parkway and the intersection of that road with SR 505; and

c. Water Tank. Dedicating to the City no more than one (1) acre of the Property for a water tank.

8. Latecomer Reimbursement Agreements. Benaroya may request that the County process a latecomer reimbursement agreement for the following transportation improvements:

a. The transportation improvements described in Section 3.b, above; and

b. Construction of Mickelsen Parkway from the southern boundary of the Property to the edge of the SR 505 right-of-way.

If Benaroya requests and the County approves such a latecomer reimbursement agreement, the County shall process payments made on any latecomer reimbursement agreement if and when the latecomer applies to the County for a permit to access the County Right of Way associated with the transportation improvements herein described. County staff shall not object to the latecomer reimbursement agreement. The traffic generated by the proposed Project is expected to be fifty-three and one-half percent (53.5%) of the 2024 traffic on N. Military Road before adjusting the baseline, which will theoretically increase that percentage.

The Parties understand that Benaroya may also request that the Washington State Department of Transportation (“WSDOT”) approve and process payments under a latecomer reimbursement agreement for the following improvements to SR 505:

a. A truck climbing lane, if required, on westbound SR 505 between the southbound I-5 off-ramp and the proposed Mickelsen Parkway;

b. A traffic signal or roundabout and any additional intersection channelization at the intersection of SR 505 and the northbound and southbound I-5 ramps;

c. A traffic signal or roundabout and any additional intersection channelization at the intersection of SR 505 and Knowles-Mickelsen Parkway; and

d. A traffic signal or roundabout and any additional intersection channelization at the intersection of SR 505 and S. Military Road.

If Benaroya requests such a latecomer reimbursement agreement, the County shall not object to the latecomer reimbursement agreement.

9. Environmental Review. Environmental review for the Project has been conducted pursuant to the State Environmental Policy Act (“SEPA”), and a Mitigated Determination of Nonsignificance (the “MDNS”) was issued by the City on or about November 13, 2013. No additional environmental review shall be required unless the Project is modified to such a degree that an agency with jurisdiction determines that the impacts of the modified Project exceed the impacts considered in conjunction with the issuance of the MDNS.

10. Vested Rights. The provisions of the Lewis County Code in effect on the date of this Agreement shall apply to the Project, except as otherwise provided in this Agreement or by state or federally mandated laws preempting the County’s authority to vest regulations for the Project, and excluding revisions to plan review fees and building and fire codes. Any amendments or additions made during the term of this Agreement to transportation concurrency regulations, which may be applicable to the Project shall not apply to or affect the conditions of the Project. However, pursuant to RCW 36.70B.170(4) the County reserves authority to impose new or different officially adopted regulations of general applicability, but only if, and to the extent required by a serious threat to public health and safety, as determined by the Board of County Commissioners after notice and an opportunity to be heard has been provided to Benaroya. Benaroya may request to be bound by future amendments to the Lewis County Code applicable within the City’s urban growth area, and such request shall be approved administratively provided that, as a result of being subject to such amendment(s), the Project will meet the following criteria: no increase in traffic is proposed; no increase in the percentage of trucks is proposed; no change in the distribution of traffic is proposed; and, no increase in impervious surface area within the Project area is proposed. The Project shall not be subject to any development moratoria the County may adopt subsequent to the date of this Agreement unless necessitated by a serious threat to the public health, safety, or welfare.

11. Term. Unless earlier terminated pursuant to the provisions of this Agreement, the term of this Agreement shall be ten (10) years. The County and Benaroya may agree to extend the term of this Agreement, provided that such extension is approved by the Board of County Commissioners.

12. Termination. This Agreement shall expire or terminate as provided below:

- A. This Agreement shall terminate upon the expiration of the term identified in Section 11 or when the Property has been fully developed, which ever first occurs, and all of Benaroya’s obligations in connection therewith are satisfied as determined by the County. Upon termination of this Agreement, the County shall record a notice of such termination in a form satisfactory to the Lewis County Prosecuting Attorney that the Agreement has been terminated.
- B. Effects upon Termination on Benaroya’s Obligations. Termination of this Agreement as to Benaroya or any portion of the Property shall not affect any of Benaroya’s obligations to comply with City Comprehensive Plan and the

terms and conditions of any applicable zoning code(s) or Binding Site Plan or subdivision map or other land use entitlements approved with respect to the Property, any other conditions of any other development specified in the Agreement to continue after the termination of this Agreement or obligations to pay assessments, liens, fees or taxes.

- C. Effects upon Termination on County. Upon any termination of this Agreement (either under Section 11 or Section 12) as to Benaroya or any portion of the Property, the entitlements, conditions of development, limitations on fees and all other terms and conditions of this Agreement shall no longer be vested thereby with respect to the property affected by such termination (provided that vesting of such entitlements, conditions or fees may be established for such property pursuant to the then existing laws).

13. Default. Subject to extensions of time by mutual consent in writing, failure or delay by either party not released from this Agreement, to perform any term or provision of this Agreement shall constitute a default. In the event of the alleged default or breach of any terms or conditions of this Agreement, the party alleging such default or breach shall give the other party not less than thirty (30) days' notice in writing, specifying the nature of the alleged default and the manner in which said default may be cured. During this thirty (30) day period, the party charged shall not be considered in default for purposes of termination or institution of legal proceedings. After notice and expiration of the thirty (30) day period, if such default had not been cured or is not being diligently cured in the manner set forth in the notice, the other party to this Agreement may, at its option, institute legal proceedings pursuant to this Agreement.

14. Amendment of Agreement. This Agreement may be amended by mutual consent of the parties, provided that any such amendment shall follow the process established by law for the adoption of a development agreement (*see* RCW 36.70B.200).

15. Recording. This Agreement shall be recorded in the records of Lewis County, Washington.

16. Successors and Assigns. Benaroya shall have the right to sell, assign or transfer this Agreement with all of its rights, title and interests therein to any person, firm or corporation at any time during the term of this Agreement. Benaroya shall provide the County with written notice of any intention to sell, assign, or transfer all or a portion of the Property, at least thirty (30) days in advance of such action. Upon the sale of all or a portion of the Property, this Agreement shall not terminate or be deemed to terminate as to Benaroya for purposes of Section 11 or 12, but Benaroya shall be relieved of any liability or responsibility for performing Benaroya's obligations under this Agreement as they pertain to such portion(s) of the Property.

17. Covenants Running with the Land. The conditions, restrictions, and covenants set forth in this Agreement and incorporated herein by the Exhibits shall run with the land and the benefits and burdens shall bind and inure to the benefit of the parties. Benaroya and every purchaser, assignee or transferee of any interest in the Property, or any portion thereof, shall be obligated and bound by the terms and conditions of this Agreement and shall be the beneficiary

thereof and a party thereto, but only with respect to the Property, or such portion thereof sold, assigned or transferred to it. Any such purchaser, assignee or transferee shall observe and fully perform all of the duties and obligations of Benaroya contained in this Agreement, as such duties and obligations pertain to the Property sold, assigned or transferred to it.

18. Attorneys' Fees. In the event of any dispute concerning this Agreement, the substantially prevailing party shall be entitled to receive its reasonable attorneys' fees and costs at trial, at any alternative dispute resolution proceeding and on appeal.

19. Governing Law and Venue. This Agreement shall be governed and construed in accordance with the laws of the State of Washington. Venue shall lie in the Washington Superior Court in and for Lewis County.

20. Third-Party Legal Challenge. In the event any legal action or special proceeding is commenced by any person or entity other than a party to challenge this Agreement or any provision therein, the County may elect to tender the defense of such lawsuit or individual claims in the lawsuit to Benaroya. In such event, Benaroya shall hold the County harmless from and defend the County from all costs and expenses incurred in the defense of such lawsuit or individual claims in the lawsuit, including but not limited to, attorneys' fees and expenses of litigation, and damages awarded to the prevailing party or parties to such litigation. Benaroya shall not settle any lawsuit without the consent of the County. The County shall act in good faith and shall not unreasonably withhold consent to settle.

21. Exhibits. This Agreement includes the following exhibits:

- a. Exhibit A - Legal Description of Property
- b. Exhibit B – Binding Site Plan
- c. Exhibit C1 – Illustration of N. Military Road Improvements (Northern Segment) and Access
- d. Exhibit C2 – Illustration of N. Military Road Improvements (Southern Segment)

22. Severability. If any phrase, provision or section of this Agreement is determined by a court of competent jurisdiction to be invalid or unenforceable, or if any provision of this Agreement is rendered invalid or unenforceable according to the terms of any statute of the State of Washington which became effective after the effective date of the ordinance adopting this Development Agreement, and either party in good faith determines that such provision or provisions are material to entering into this Agreement, that party may elect to terminate this Agreement as to all of its obligations remaining unperformed.

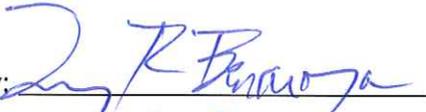
23. Notices. Notices, demands, correspondence to the County and Benaroya shall be sufficiently given if dispatched by pre-paid first-class mail to the addresses of the parties designated in Section 23. Notice to the County shall be to the attention of both the Public Works Director and the Director of Community Development. The parties may, from time to time, advise the other of new addresses for such notices, demands or correspondence.

Benaroya: Benaroya Capital Company, LLC
3600 136th Place SE, Suite 250
Bellevue, WA 98006
Attn: Joe Alhadeff
Attn: Marc Nemirow

County: Lewis County
2025 NE Kresky Avenue
Chehalis, WA 98532
Attn: Public Works Director
Attn: Director of Community Development

IN WITNESS WHEREOF, the parties have executed this Agreement on the date first set forth above.

BENAROYA CAPITAL COMPANY, LLC, a Washington limited liability company

By: 
Larry R. Benaroya

Date: 11/7/16

Its: Manager

Date: _____

APPROVED AS TO FORM:
Jonathan Meyer, Prosecuting Attorney

BOARD OF COUNTY COMMISSIONERS
LEWIS COUNTY, WASHINGTON

By: Glenn Carter, Deputy Prosecuting Attorney

P.W. Schulte, Chair

ATTEST:

Gary Stamper, Vice Chair

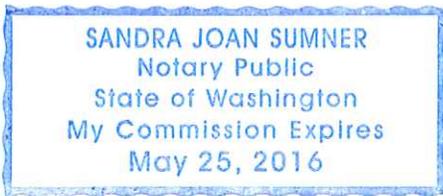
Karri Muir, CMC, Clerk of the Board

Edna J. Fund, Commissioner

COUNTY OF KING) ss.
)

On this day personally appeared before me Larry Benaroya, to me known to be Manager of BENAROYA CAPITAL COMPANY, LLC, a Washington limited liability company that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said limited liability company, for the uses and purposes therein mentioned, and on oath stated that _____ is authorized to execute said instrument and that the seal affixed, if any, is the corporate seal of said limited liability company.

GIVEN under my hand and official seal this 7th day of January, 2016.



Sandra Joan Sumner
Sandra Joan Sumner
(Print name of notary)
NOTARY PUBLIC in and for the State of Washington, residing at Mountlake Terrace
My commission expires May 25, 2016

STATE OF WASHINGTON)
) ss.
COUNTY OF LEWIS)

On this day personally appeared before me _____, to me known to be _____ of LEWIS COUNTY, the Washington municipal corporation that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that _____ is authorized to execute said instrument and that the seal affixed, if any, is the corporate seal of said corporation.

GIVEN under my hand and official seal this ____ day of _____, 2016.

(Print name of notary)
NOTARY PUBLIC in and for the State of Washington, residing at _____
My commission expires _____

STATE OF WASHINGTON)
) ss.
COUNTY OF LEWIS)

On this day personally appeared before me _____, to me known to be _____ of LEWIS COUNTY, the Washington municipal corporation that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that _____ is authorized to execute said instrument and that the seal affixed, if any, is the corporate seal of said corporation.

GIVEN under my hand and official seal this ____ day of _____, 2016.

(Print name of notary)
NOTARY PUBLIC in and for the State of
Washington, residing at _____
My commission expires _____

STATE OF WASHINGTON)
) ss.
COUNTY OF LEWIS)

On this day personally appeared before me _____, to me known to be _____ of LEWIS COUNTY, the Washington municipal corporation that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that _____ is authorized to execute said instrument and that the seal affixed, if any, is the corporate seal of said corporation.

GIVEN under my hand and official seal this ____ day of _____, 2016.

(Print name of notary)
NOTARY PUBLIC in and for the State of
Washington, residing at _____
My commission expires _____

EXHIBIT A

Legal Description of Property

PARCEL A

That portion of the John B. Provost Donation Land Claim in Section 35, Township 12 North, Range 2 West, W.M., Lewis County, Washington, described as follows:

BEGINNING at the northeast corner of the John B. Provost Donation Land Claim, and running thence south 42°30' west 20.72 chains along the east boundary line of said Donation Land Claim; thence north 68° west 9 chains; thence in a northerly direction to a point on the north boundary line of the said Donation Land Claim which is north 68° west 14 chains distant from the northeast corner of said Claim; thence south 68° east to the place of beginning. **EXCEPT** State Highway 505.

EXCEPTING THEREFROM all that portion of said land as conveyed to the State of Washington by deed recorded April 3, 1953, in volume 362 of Deeds, page 292, under Auditor's File No. 517222.

PARCEL B

That portion of the John B. Provost Donation Land Claim in Section 35, Township 12 North, Range 2 West, W.M., Lewis County, Washington, described as follows:

BEGINNING at a point on the north line of said Donation Land Claim 14 chains west of the northeast corner thereof; thence continuing along said north line north 68° west 343 feet; thence south 21°28' west to the southerly line of that certain property described in Quit Claim Deed to Harold R. Graham, recorded March 21, 1974, under Auditor's File No. 787875; thence south 68° east along the southerly line of said Graham property to the most southerly corner of said Graham property; thence northeasterly to the point of beginning.

PARCEL C

Lot 1 MDI thru Lot 12 MDI, inclusive; Lot 1 BLK thru Lot 11 BLK, inclusive; and Lot #1 of Segregation Survey, recorded November 1, 2001, under Auditor's File No. 3124758, in volume 21 of Surveys, page 22, records of Lewis County, Washington, being located within Sections 35 and 36, Township 12 North, Range 2 West, W.M., Lewis County, Washington.

TOGETHER WITH AND RESERVING UNTO THE GRANTORS an easement for ingress, egress and utilities over, under and across those 60 foot strips of land as delineated on the face of said Survey.

PARCEL D

Government Lot 3 located in Section 36, Township 12 North, Range 2 West, W.M., Lewis County, Washington,

EXCEPT those portions of said Government Lot 3 lying within Lot 8 BLK, Lot 9 BLK and Lot #1 of that Segregation Survey recorded November 1, 2001 in volume 21 of Surveys, page 22 under Auditor's File No. 3124758.

TOGETHER WITH AND RESERVING UNTO THE GRANTORS an easement for ingress, egress and utilities over, under and across those 60 foot strips of land as delineated on the face of said Survey.

PARCEL E

A part of the Oliver Dauphine Donation Land Claim located in Sections 35 and 36, Township 12 North, Range 2 West, W.M., Lewis County, Washington, described as follows:

COMMENCING at the southeast corner of said Donation Land Claim; thence north 22° east on the

east boundary of said Donation Land Claim 1010.20 feet; thence north 68° west 1234 feet to the point of true beginning; thence north 21°58'20" east 1000 feet (also shown of record as north 22° east 1000 feet as described in that deed to Mickelsen Dairy, Inc., recorded August 23, 1996, under Auditor's File No. 3006697 hereinafter referred to as "Mickelsen Deed"); thence north 68°01'40" west 1000 feet (north 68° west 1000 feet on said Mickelsen Deed); thence south 21°58'20" west 1000 feet (south 22° west 1000 feet on said Mickelsen Deed); thence south 68°01'40" east 300 feet (south 68° east 300 feet on said Mickelsen Deed); thence south 21°58'20" west 500 feet (south 22° west 500 feet on said Mickelsen Deed); thence south 68°01'40" east 350 feet (south 68° east 350 feet on said Mickelsen Deed); thence north 21°58'20" east 500 feet (north 22° east 500 feet on said Mickelsen Deed); thence south 68°01'40" east 350 feet (south 68° east 350 feet on said Mickelsen Deed) to the point of true beginning.

TOGETHER WITH AND RESERVING UNTO THE GRANTOR an easement for ingress, egress and utilities over, under and across that 60 foot gravel road as delineated on the face of that Segregation Survey recorded November 1, 2002, in volume 21 of Survey, page 22 under Auditor's File No. 3124758.

PARCEL F

That portion of the Oliver Dauphine Donation Land Claim in Sections 25, 26, 35 and 36, Township 12 North, Range 2 West, W.M., Lewis County, Washington, described as follows:

BEGINNING at a point on the easterly line of the Oliver Dauphine Donation Land Claim, 155.3455 rods northerly of the southeast corner of said Donation Land Claim; thence north 22° east on the east boundary of said Donation Land Claim, 40.6545 rods; thence north 68° west 196 rods; thence south 22° west 60.2548 rods; thence south 68° east 79.34 rods; thence north 22° east 19.60 rods; thence south 68° east 116.66 rods to the place of beginning.

EXCEPT that portion of Oliver Dauphine Donation Land Claim in Sections 25, 35 and 36, Township 12 North, Range 2 West, W.M., Lewis County, Washington, described as follows:

Beginning at the southeast corner of said Donation Land Claim; thence north 22° east 155.3455 rods along the easterly line of said Donation Land Claim to the true point of beginning; thence continuing north 22° east 40.6545 rods; thence north 68° west 116.66 rods; thence south 22° west 40.6545 rods; thence south 68° east 116.66 rods to the true point of beginning. **EXCEPT** Interstate Highway No. 5.

ALSO EXCEPT that portion of Oliver Dauphine Donation Land Claim in Sections 25, 35 and 36, Township 12 North, Range 2 West, W.M., Lewis County, Washington, described as follows:

Beginning at the southeast corner of said Donation Land Claim; thence north 22° east 155.3455 rods along the easterly line of said Donation Land Claim; thence north 68° west 116.66 rods to the true point of beginning; thence south 22° west 19.6 rods; thence north 68° west 30 feet; thence north 22° east 60.2545 rods; thence south 68° east 30 feet; thence south 22° west 40.6545 rods to the true point of beginning.

PARCEL G

A part of the Oliver Dauphine Donation Land Claim in Sections 35 and 36, Township 12 North, Range 2 West, W.M., Lewis County, Washington, described as follows:

BEGINNING at a point on the east line of said Donation Land Claim 134.7755 rods northerly of the southeast corner thereof; thence north 22° east along the east boundary of said Donation Land Claim 20.57 rods; thence north 68° west 116.66 rods; thence south 22° west 20.57 rods; thence south 68° east 116.66 rods to the place of beginning.

EXCEPT 1-5.

ALSO a part of the Oliver Dauphine Donation Land Claim in Sections 25, 26, 35 and 36, Township 12 North, Range 2 West, W.M., Lewis County, Washington, described as follows:

BEGINNING at a point on the east line of said Donation Land Claim 134.7755 rods northerly of the southeast corner thereof; thence north 68° west 116.66 rods to the true point of beginning; thence

continuing north 68° west 79.34 rods; thence north 22° east 16 feet; thence south 68° east 79.34 rods; thence south 22° west 16 feet to true point of beginning.

PARCEL II

That portion of the Oliver Dauphine Donation Land Claim, in Sections 25, 26, 35 and 36, Township 12 North, Range 2 West, W.M., Lewis County, Washington, lying westerly of Primary State Highway No. 1 (I-5).

EXCEPT that portion described as follows:

BEGINNING at the southeast corner of said Dauphine Donation Land Claim; thence north 22° east along the easterly line of said Donation Land Claim 3234 feet; thence north 68° west to the southeasterly line of Military Road; thence southwesterly along said southeasterly line to the southerly line of said Dauphine Donation Land Claim; thence southeasterly along said southerly line to the point of beginning.

ALSO EXCEPT that portion lying southerly of Nevil Road and westerly of Military Road.

ALSO EXCEPT that portion of the north half of Oliver Dauphine Donation Land Claim in Sections 25, 26, 35 and 36, Township 12 North, Range 2 West, W.M., Lewis County, Washington lying westerly of North Military Road and northerly of Nevil County Road, described as follows:

COMMENCING at the northeast corner of the Oliver Dauphine Donation Land Claim; thence south 21°57'38" west along the east line of said Donation Land Claim a distance of 3086.80 feet; thence north 69°16'24" west a distance of 3281.46 feet to the intersection of the northerly margin of Nevil County Road with the westerly margin of North Military County Road and the true point of beginning; thence north 21°47'44" east along said westerly margin a distance of 465.00 feet; thence north 69°16'24" west parallel with the northerly margin of Nevil Road a distance of 473.68 feet; thence south 20°43'35" west a distance of 464.92 feet to the northerly margin of Nevil Road; thence south 69°16'24" east along said margin a distance of 465.00 feet to the true point of beginning.

ALSO EXCEPT Nevil Road, Military Road and McCorkle Road.

EXHIBIT C-1

Illustration of N. Military Road Improvements and Access – Northern Segment

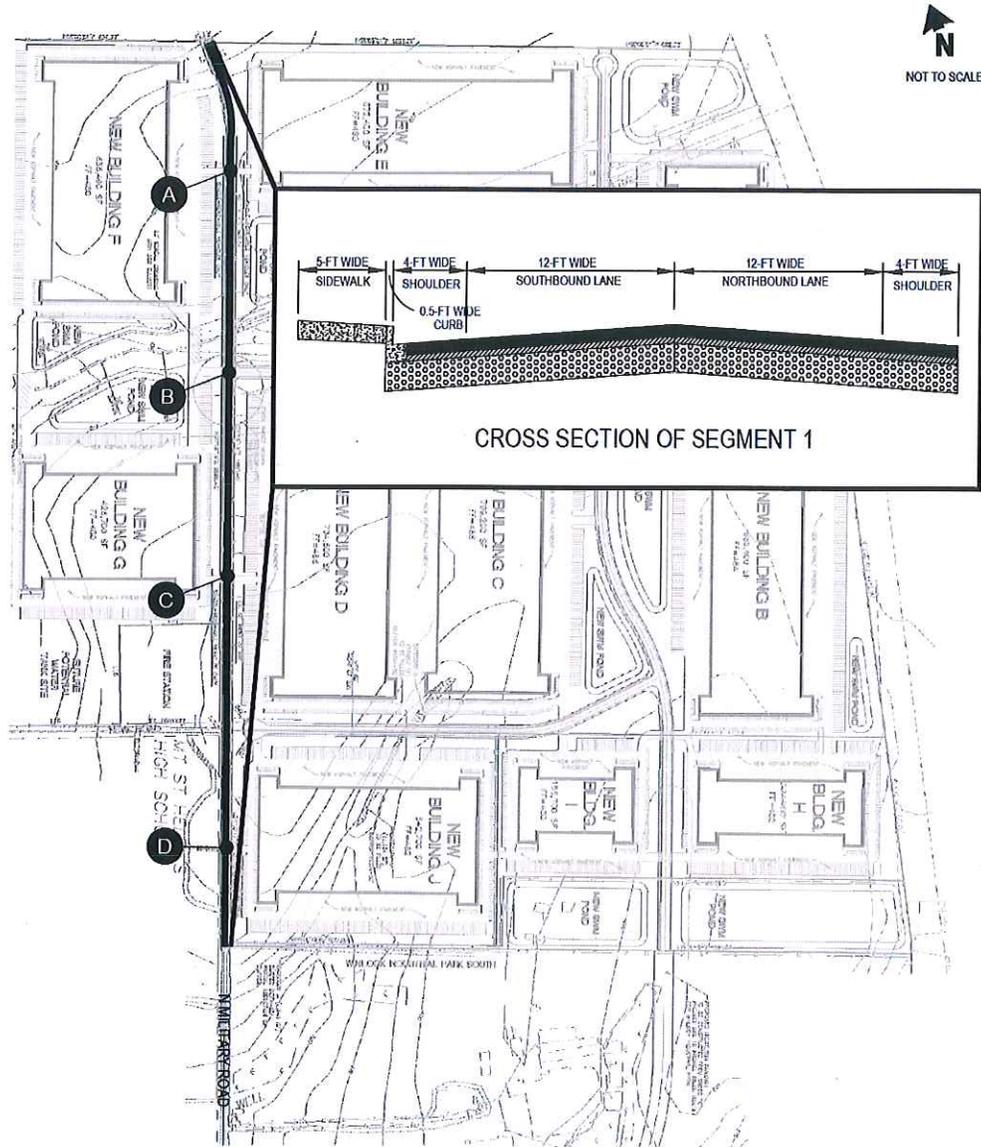


Illustration of N Military Road Improvements
(Northern Segment) and Access

Development Agreement

EXHIBIT
C1

EXHIBIT C-2
Illustration of N. Military Road Improvements and Access – Southern Segment

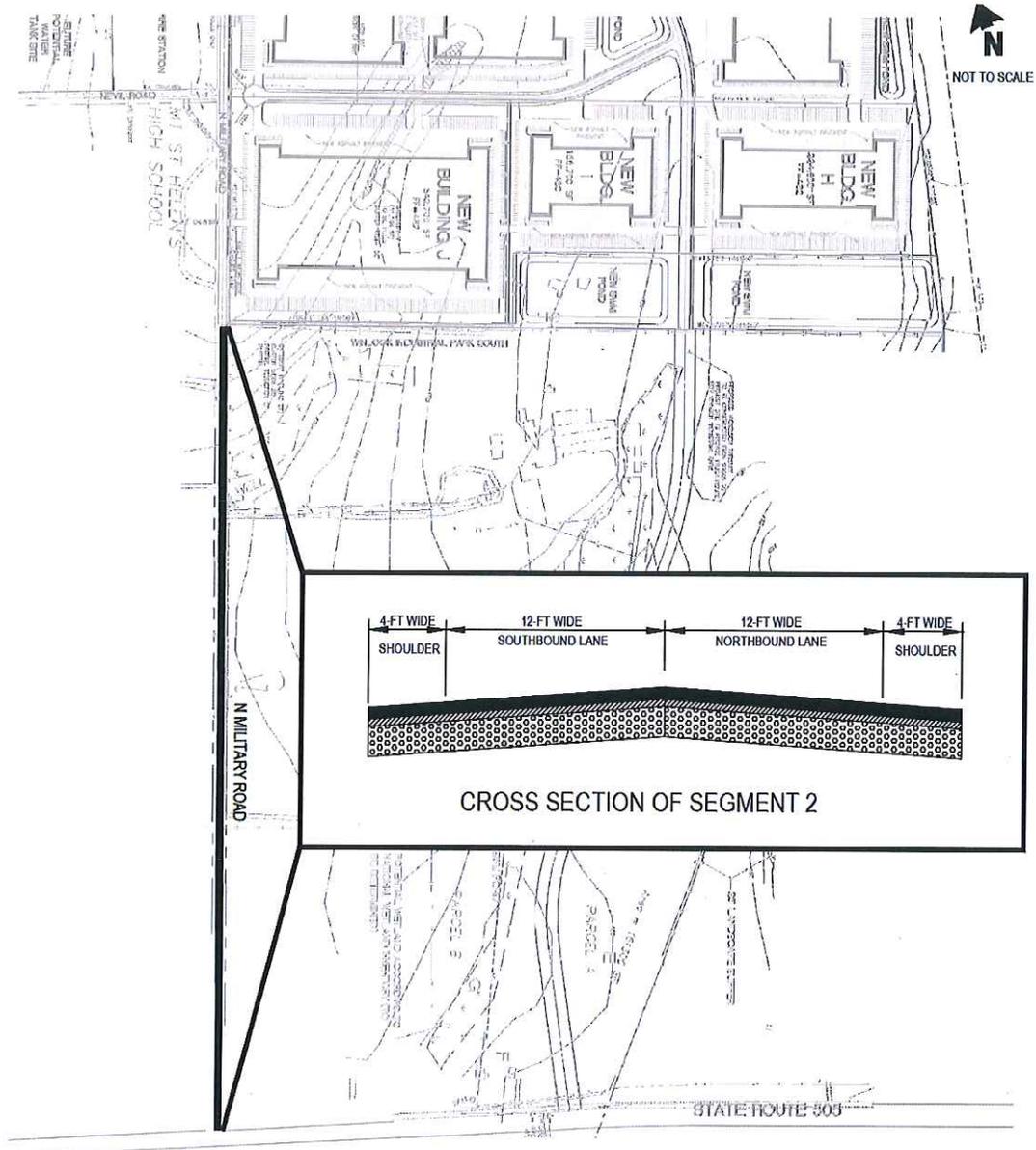


Illustration of N Military Road Improvements
(Southern Segment)

Development Agreement

EXHIBIT
C2