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KING COUNTY, WA

After Recording Return
Original Signed Covenant to:
Mr. Michael Warfel
Toxics Cleanup Program
Department of Ecology
Northwest Region
3190 160th Ave SE
Bellevue, Washington 98008

Environmental Covenant

Grantor: Alamo Manhattan Bellevue, LLC

Grantee: State of Washington, Department of Ecology (hereafter "Ecology")

Brief Legal Description: Parcel A, City of Bellevue Boundary Line Adjustment No. 13-109430
LW

Tax Parcel No.: King County Tax Parcel 5223300005

Cross Reference: No Further Action Opinion, VCP Project No. NW2811, Alamo Manhattan
Main Street, 10505 Main Street, Bellevue WA 98004

RECITALS

- a. This document is an environmental (restrictive) covenant (hereafter "Covenant") executed pursuant to the Model Toxics Control Act ("MTCA"), chapter 70.105D RCW, and Uniform Environmental Covenants Act ("UECA"), chapter 64.70 RCW.
- b. The property that is the subject of this Covenant is part or all of a MTCA site (hereafter "Site") known as the Alamo Manhattan Main Street property located at 10505 Main Street, Bellevue, Washington, Facility No. 5245 (hereafter "Property"). The Property is legally described in Exhibit A, and illustrated in Exhibit B, both of which are attached. If there are differences between these two Exhibits, the legal description in Exhibit A shall prevail.
- c. The Property has been the subject of remedial action conducted under MTCA, including the excavation and removal of 1,434 tons of contaminated soil during redevelopment. This Covenant is required because residual soil contamination remains on the Property after completion of remedial action. Specifically, the following principal contaminants remain on the Property:

Medium	Principal Contaminants Present
Soil	Diesel-range total petroleum hydrocarbons (TPH) Tetrachloroethylene (PCE)
Groundwater	Not applicable
Surface Water/Sediment	Not applicable

Remaining institutional controls for the Property due to the residual soil contamination include: (i) containment of residual contaminated soils beneath a cap consisting of the garage floor slab; and (ii) groundwater monitoring to occur at the time of the 5-year periodic review of the Covenant (anticipated in June 2022).

d. It is the purpose of this Covenant to restrict certain activities and uses of the Property to protect human health and the environment and the integrity of remedial action conducted at the Site. Records describing the extent of residual contamination and remedial action conducted are available through Ecology. This includes the following documents:

- *Remedial Action Report*, dated June 13, 2014 by The Riley Group, Inc. (RGI).
- *Supplemental Remedial Investigation Work Plan* dated August 22, 2016 by RGI.
- *Supplemental Remedial Investigation Report* dated January 18, 2017 by RGI.
- *Focused Feasibility Study and Disproportionate Cost Analysis* dated January 18, 2017 by RGI.
- *Technical Memorandum, Results of May 4, 2017 Groundwater Monitoring Event* dated May 12, 2017 by RGI.

e. This Covenant grants Ecology certain rights under UECA and as specified in this Covenant. As a Holder of this Covenant under UECA, Ecology has an interest in real property, however, this is not an ownership interest which equates to liability under MTCRA or the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. § 9601 *et seq.* The rights of Ecology as an “agency” under UECA, other than its’ right as a holder, are not an interest in real property.

COVENANT

Alamo Manhattan Bellevue, LLC, as Grantor and owner of the Property, hereby grants to the Washington State Department of Ecology, and its successors and assignees, the following covenants. Furthermore, it is the intent of the Grantor that such covenants shall supersede any prior interests the Grantor has in the Property, and shall run with the land and be binding on all current and future owners of any portion of, or interest in, the Property.

Section 1. General Restrictions and Requirements.

The following general restrictions and requirements shall apply to the Property:

a. **Interference with Remedial Action.** The Grantor shall not engage in any activity on the Property that may impact or interfere with the remedial action and any operation, maintenance, inspection or monitoring of remedial action without prior written approval from Ecology.

b. Protection of Human Health and the Environment. The Grantor shall not engage in any activity on the Property that may threaten continued protection of human health or the environment without prior written approval from Ecology. This prohibition includes, but is not limited to, any activity that results in the release of residual contamination that was contained as a part of the remedial action or that exacerbates or creates a new exposure to residual contamination remaining on the Property.

c. Continued Compliance Required. Grantor shall not convey any interest in any portion of the Property without providing for the continued adequate and complete operation, maintenance and monitoring of the remedial action and continued compliance with this Covenant.

d. Leases. Grantor shall restrict any lease for any portion of the Property to uses and activities consistent with this Covenant, and shall notify all lessees of the restrictions on the use of the Property.

e. Preservation of Reference Monuments. Grantor shall make a good faith effort to preserve any reference monuments and boundary markers used to define the areal extent of coverage of this Covenant. Should a monument or marker be damaged or destroyed, Grantor shall have it replaced by a licensed professional surveyor within 30 days of discovery of the damage or destruction.

Section 2. Specific Prohibitions and Requirements.

In addition to the general restrictions in Section 1 of this Covenant, the following additional specific restrictions and requirements shall apply to the Property.

a. Containment of Soil. The remedial action for the Property is based on containing contaminated soil under an existing cap consisting of a concrete garage floor slab situated at the ground level of the underground parking garage associated with the Main Street Apartments building located on the Property. The floor slab is situated at approximately elevation 78 feet above mean sea level (AMSL). Contaminated soil locations are situated only on the southwestern portion of the Property and these locations are illustrated in Exhibit C as Area 1 and Area 2. Area 1 consists of diesel-range total petroleum hydrocarbon (TPH) impacted soil extending from approximately elevation 74 feet AMSL to 62 feet AMSL. Area 2 consists of diesel-range TPH and PCE contaminated soil extending from approximately elevation 62 feet AMSL to 59 feet AMSL. The floor slab minimizes the potential for contact with contaminated soil. As such, the following restrictions apply within the areas illustrated on Exhibit C.

The Grantor shall not alter or remove the existing structures on the Property in any manner that would expose contaminated soil, result in a release of contaminants to the environment, or create a new exposure pathway, unless Ecology gives the Grantor prior written approval. Should the Grantor propose to remove all or a portion of the existing structures overlying the areas displayed in Exhibit C so that access to the contaminated soil is feasible, Ecology may require treatment or removal of the contaminated soil.

The Grantor covenants and agrees that it shall annually inspect the floor slab in the building parking garage (which caps the two areas of contaminated soil) and report to Ecology within thirty (30) days of the inspection. At any time, including observations or reports made outside of the annual inspection, if Grantor discovers any damage to the floor slab in areas above the two areas of contaminated soil that would indicate that the integrity or performance of the floor slab has been

compromised, then Grantor shall provide a report to Ecology within three (3) business days of the discovery of the damage.

Three groundwater monitoring wells (RW1, RW2, and MW6) are located in the bottom level of the building parking garage on the Property to monitor the performance of the remedial action. The Grantor shall inspect the monitoring wells annually, and shall maintain clear access to these monitoring wells and protect them from damage. At any time, including observations or reports made outside of the annual inspection, if Grantor discovers any damage to a monitoring well that would indicate that the integrity or performance of the monitoring well has been compromised, then Grantor shall provide a report to Ecology within three (3) business days of the discovery of the damage.

Unless Ecology approves of an alternative plan in writing, the Grantor shall promptly repair any damage to the floor slab or to a monitoring well, and shall submit a report documenting this work to Ecology within thirty (30) days of completing the repairs.

An Operation, Maintenance, Inspection, and Contingency Plan is attached as Exhibit E to this Environmental Covenant.

b. Monitoring. The Grantor agrees to conduct the following groundwater monitoring activities in order to demonstrate protectiveness of the remedial action:

- i.** One groundwater monitoring event at the time of the 5-year Periodic Review of the Covenant (anticipated in June 2022). Groundwater shall be evaluated for compliance with Method B cleanup levels for TPH, to include:
 - a. Measurement of groundwater levels at RW1, RW2, and MW6.
 - b. Collection of groundwater samples from RW1 and RW2.
 - c. Analysis of groundwater samples for TPH-Dx (no silica gel), EPH, and VPH.
 - d. Evaluation of Method B compliance using the Ecology Method B worksheet.
 - e. Reporting of results to Ecology.

- ii.** If Method B TPH concentrations in both samples are in compliance with Method B cleanup levels (both calculated from the Ecology Method B worksheet), Grantor may request that Ecology remove the groundwater monitoring requirement from this Covenant.

- iii.** If either sample contains Method B TPH concentrations that are not in compliance with Method B cleanup levels, Grantor shall work with Ecology to determine appropriate next steps for the Site.

A Groundwater Monitoring Plan is included as Exhibit F to this Environmental Covenant.

Section 3. Access.

- a. The Grantor shall maintain clear access to all remedial action components necessary to construct, operate, inspect, monitor and maintain the remedial action.
- b. The Grantor freely and voluntarily grants Ecology and its authorized representatives, upon reasonable prior notice, the right to enter the Property at reasonable times to evaluate the effectiveness of this Covenant and the remedial action, and enforce compliance with this Covenant and those actions, including the right to take samples, inspect any remedial action conducted on the Property, and to inspect related records. Prior notice is not required in the event of an emergency or suspected threat to human health or the environment.
- c. No right of access or use by a third party to any portion of the Property is conveyed by this instrument.

Section 4. Notice Requirements.

- a. **Conveyance of Any Interest.** The Grantor, when conveying any interest within the area of the Property described and illustrated in Exhibit C, including but not limited to title, easement, leases, and security or other interests must:
 - i. Provide written notice to Ecology of the intended conveyance of title or ownership of the Property at least thirty (30) days in advance of the conveyance.
 - ii. Include in a conveying document or lease document a notice in substantially the following form, as well as a complete copy of this Covenant:

NOTICE: THIS PROPERTY IS SUBJECT TO AN ENVIRONMENTAL COVENANT GRANTED TO THE WASHINGTON STATE DEPARTMENT OF ECOLOGY ON [_____] AND RECORDED WITH THE KING COUNTY AUDITOR UNDER RECORDING NUMBER [_____]. USES AND ACTIVITIES ON THIS PROPERTY MUST COMPLY WITH THAT COVENANT, A COMPLETE COPY OF WHICH IS ATTACHED TO THIS DOCUMENT.
 - iii. Unless otherwise agreed to in writing by Ecology, provide Ecology with a complete copy of the executed document conveying title or ownership of the Property within thirty (30) days of the date of execution.
- b. **Reporting Violations.** Should the Grantor become aware of any violation of this Covenant, Grantor shall promptly report such violation in writing to Ecology.
- c. **Emergencies.** For any emergency or significant change in Site conditions due to Acts of Nature (for example, flood or fire) resulting in a violation of this Covenant, the Grantor is authorized to respond to such an event in accordance with state and federal law. The Grantor must notify Ecology in writing of the event and response actions planned or taken as soon as practical but no later than within three (3) business days of the discovery of the event.
- d. **Notification procedure.** Any required written notice, approval, reporting or other communication shall be delivered: (a) personally, (b) by United States registered or certified mail, postage prepaid, (c) by Federal Express or other reputable courier service regularly providing evidence of delivery (with charges paid by the party sending the notice), (d) by same day messenger service, or (e) by electronic mail, provided that such electronic mail shall be followed

within one (1) business day by separate delivery of such notice pursuant to clause (a), (b), (c) or (d) above. Any such notice to a party shall be addressed to the address(es) set forth below (subject to the right of a party to designate a different address for itself by notice similarly given):

<p>Alamo Manhattan Bellevue, LLC Mr. Matt Segrest 3012 Fairmount Street, Suite 100 Dallas, Texas 75201 (469) 941-4510 Matt.segrest@alamomanhattan.com</p> <p>and</p> <p>AIG Global Real Estate Investment Corp. Attention: Tim Barry 171 17th Street, Suite 1650 Atlanta, Georgia 30363 (404) 965-5961 tim.barry@aig.com</p> <p>and</p> <p>AIG Global Real Estate Investment Corp. Attention: President and General Counsel 80 Pine Street, 4th Floor New York, New York 10005 (646) 857-2300 john.mallinson@aig.com</p>	<p>Environmental Covenants Coordinator Washington State Department of Ecology Toxics Cleanup Program P.O. Box 47600 Olympia, WA 98504 7600 (360) 407-6000 ToxicsCleanupProgramHQ@ecv.wa.gov</p>
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Section 5. Modification or Termination.

a. Grantor must provide written notice and obtain approval from Ecology at least sixty (60) days in advance of any proposed activity or use of the Property that is inconsistent with this Covenant. For any proposal that is inconsistent with this Covenant and permanently modifies an activity or use restriction at the Property:

- i.** Ecology must issue a public notice and provide an opportunity for the public to comment on the proposal; and
- ii.** If Ecology approves of the proposal, the Covenant must be amended to reflect the change before the activity or use can proceed.

b. If the conditions at the Site requiring a Covenant have changed or no longer exist, then the Grantor may submit a request to Ecology that this Covenant be amended or terminated. Any amendment or termination of this Covenant must follow the procedures in MTCA and UECA and any rules promulgated under these chapters.

c. By signing this agreement, per RCW 64.70.100, the original signatories to this agreement, other than Ecology, in the event the Grantor no longer has a property interest in the Property, agrees to waive all rights to sign amendments and termination of this Covenant.

Section 6. Enforcement and Construction.

a. This Covenant is being freely and voluntarily granted by the Grantor.

b. Within ten (10) days of execution of this Covenant, Grantor shall provide Ecology with an original signed Covenant and proof of recording and a copy of the Covenant and proof of recording to others required by RCW 64.70.070.

c. Ecology shall be entitled to enforce the terms of this Covenant by resort to specific performance or legal process. All remedies available in this Covenant shall be in addition to any and all remedies at law or in equity, including MTCA and UECA. Enforcement of the terms of this Covenant shall be at the discretion of Ecology, and any forbearance, delay or omission to exercise its rights under this Covenant in the event of a breach of any term of this Covenant is not a waiver by Ecology of that term or of any subsequent breach of that term, or any other term in this Covenant, or of any rights of Ecology under this Covenant.

d. The Grantor shall be responsible for all costs associated with implementation of this Covenant. Furthermore, the Grantor, upon request by Ecology, shall be obligated to pay for Ecology's costs to process a request for any modification or termination of this Covenant and any approval required by this Covenant.

e. This Covenant shall be liberally construed to meet the intent of MTCA and UECA.

f. The provisions of this Covenant shall be severable. If any provision in this Covenant or its application to any person or circumstance is held invalid, the remainder of this Covenant or its application to any person or circumstance is not affected and shall continue in full force and effect as though such void provision had not been contained herein. As used in this Covenant, a "business day" means a day (excluding Saturday, Sunday and federal and state holidays) on which banks in Washington State are open for business.

g. A heading used at the beginning of any section or paragraph or exhibit of this Covenant may be used to aid in the interpretation of that section or paragraph or exhibit but does not override the specific requirements in that section or paragraph.

The undersigned Grantor warrants he/she holds the title to the Property and has authority to execute this Covenant.

Exhibit D

SUBORDINATION AGREEMENT

KNOW ALL PERSONS, That J.P. Morgan Chase Bank, N.A. ("Lender"), the beneficiary and holder of that certain Construction Loan and Security Agreement dated the 1st day of July, 2013 ("Instrument"), executed by Brian Fox, Vice-President-Underwriting Manager, and recorded in the office of the County Auditor of King County, State of Washington, on July 1, 2013, under Auditor's File Number 20130701001425, does hereby agree that said Instrument shall be subordinate to the interest of the State of Washington, Department of Ecology, under the environmental (restrictive) covenant dated June 27, 2017 (the "Covenant"), as demonstrated by the execution and recording of this Subordination Agreement the office of the County Auditor of King County, State of Washington. For the avoidance of doubt, this Subordination Agreement is not intended to and does not limit the Lender's rights to foreclose or avail itself of any other remedy under the Instrument; however, the requirements and rights of this Covenant shall survive any such foreclosure of exercise of Lender's rights and remedies.

Brian Fox

By: Brian Fox

Title: Authorized officer

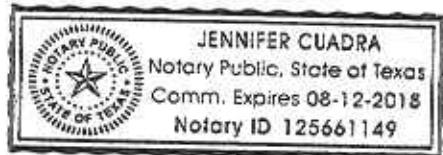
Dated: 6/21/17

CORPORATE ACKNOWLEDGMENT

STATE OF Texas

COUNTY OF Dallas

On this 21 day of June, 2017, I certify that Brian Fox personally appeared before me, acknowledged that he/she is the Authorized Officer of the corporation that executed the within and foregoing instrument, and signed said instrument by free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he/she was authorized to execute said instrument for said corporation.



Jennifer Cuadra
Notary Public in and for the State of Texas¹⁶
Residing at 2200 Ross Ave, Dallas, TX 75201
My appointment expires 08/12/18

EXECUTED this 21st day of June, 2017.

[Signature] (signature)

By: Matt Segrest (printed)

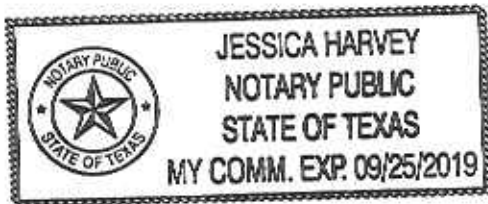
Title: Manager

CORPORATE ACKNOWLEDGMENT

STATE OF TEXAS

COUNTY OF DALLAS

On this 21st day of JUNE, 2017, I certify that MATT SEGREST personally appeared before me, acknowledged that he/she is the MANAGER of the corporation that executed the within and foregoing instrument, and signed said instrument by free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he/she was authorized to execute said instrument for said corporation.



[Signature]
Notary Public in and for the State of Texas
Residing at 3012 FAIRMOUNT ST. #100 DALLAS, TX 75201
My appointment expires 09/25/2019

The Department of Ecology, hereby accepts the status as GRANTEE and HOLDER of the above Environmental Covenant pertaining to the Alamo Manhattan Main Street property, 10505 Main Street, Bellevue, Washington, Facility No. 5245.

STATE OF WASHINGTON
DEPARTMENT OF ECOLOGY

 (signature)

By: ROBERT W WARRICK (printed)

Title: SECTION 21 MANAGER

Dated: 6-23-17

Exhibit A

LEGAL DESCRIPTION

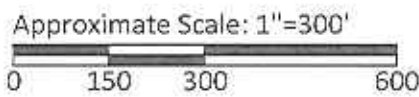
Parcel A, City of Bellevue Boundary Line Adjustments No. 13-109430 LW, recorded under recording no. 20130607900002, in King County, Washington;

Except that portion thereof conveyed to the City of Bellevue by deed of dedication recorded under recording no. 20131004001718.

Exhibit B
Property Maps



GIS, 2016, Bellevue, Washington

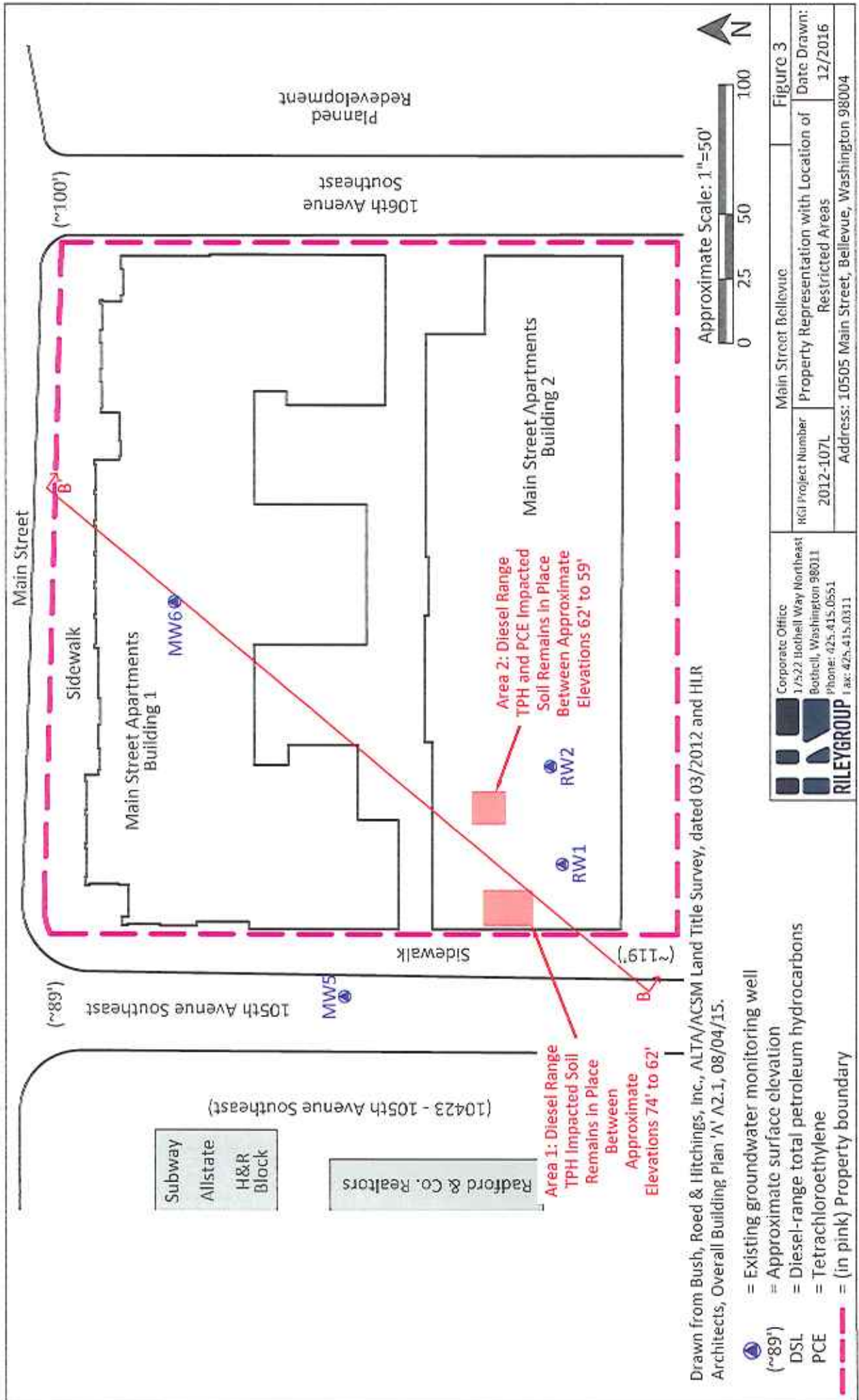


Corporate Office
17522 Sothell Way Northeast
Bothell, Washington 98011
Phone: 425.415.0551
Fax: 425.415.0311

Main Street Bellevue		Figure 1
RGI Project Number 2012-107L	Property Vicinity Map	Date Drawn: 12/2016
Address: 10505 Main Street, Bellevue, Washington 98004		

Exhibit C

Maps Illustrating Location of Restrictions



Drawn from Bush, Roed & Hitchings, Inc., ALTA/ACSM Land Title Survey, dated 03/2012 and HIR Architects, Overall Building Plan 'A' A2.1, 08/04/15.

- ⊙ = Existing groundwater monitoring well
- (~89') = Approximate surface elevation
- DSL = Diesel-range total petroleum hydrocarbons
- PCE = Tetrachloroethylene
- (in pink) = Property boundary

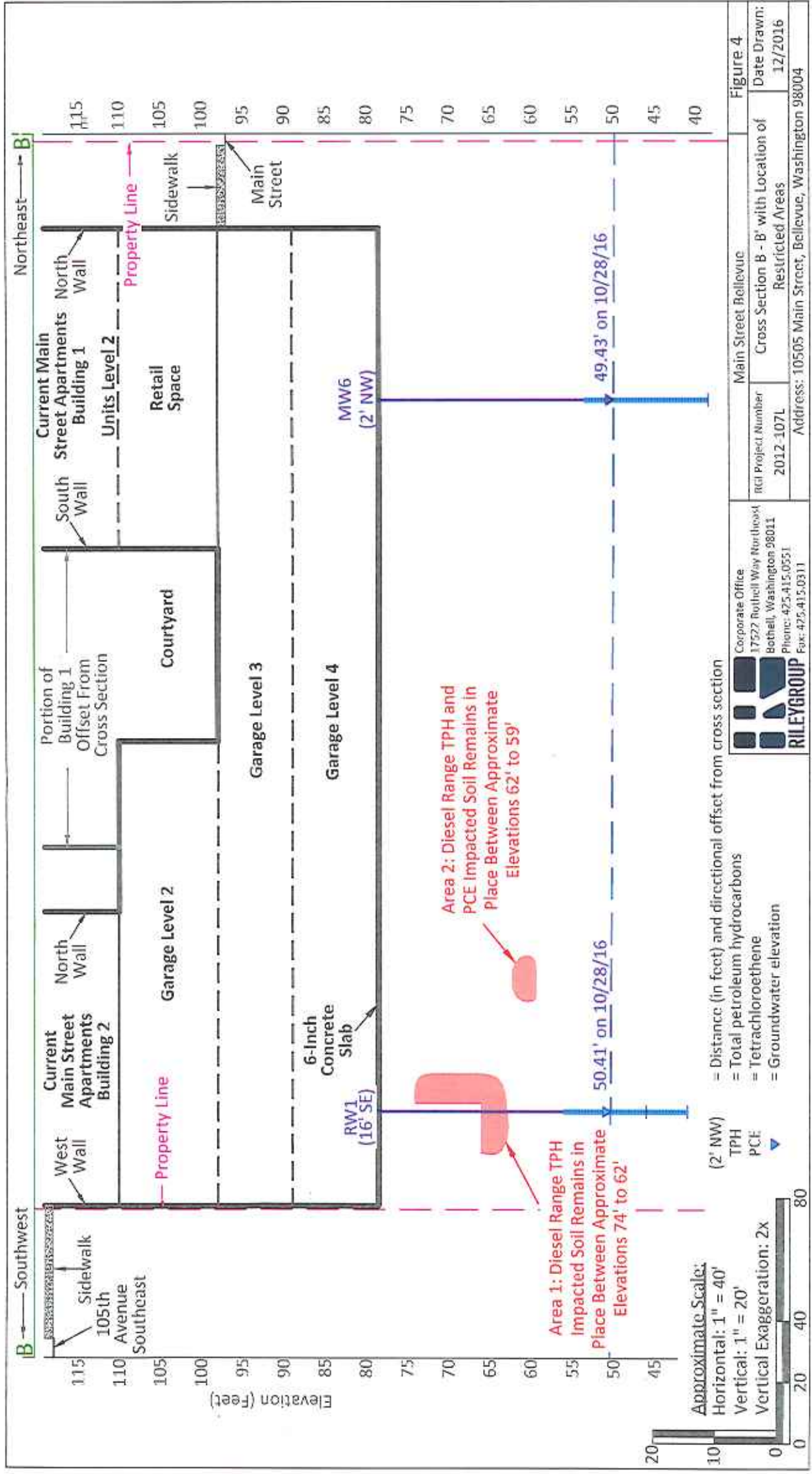
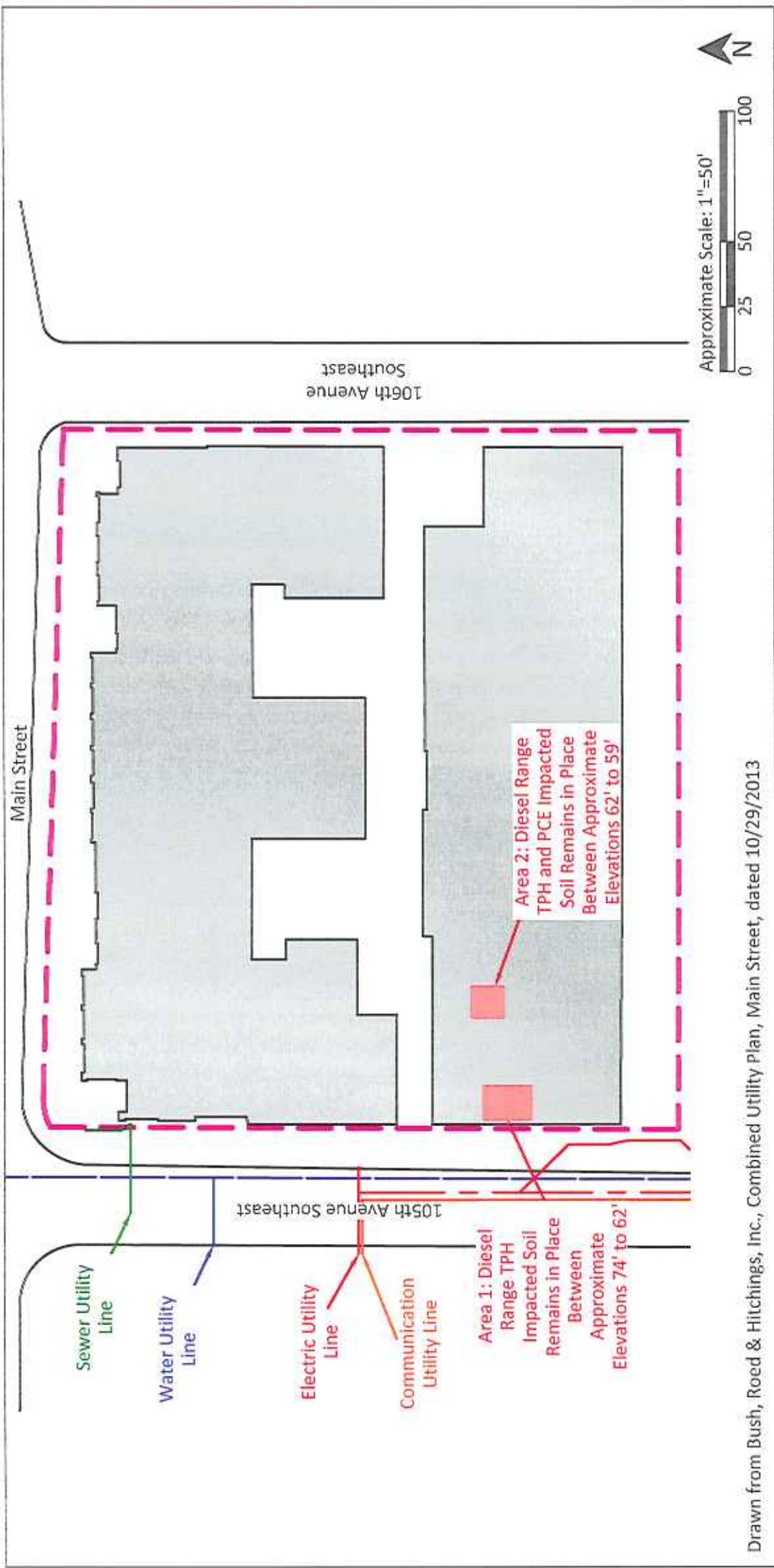


Figure 4



Drawn from Bush, Roed & Hitchings, Inc., Combined Utility Plan, Main Street, dated 10/29/2013

- = Location of contaminated soil
- = (in pink) Property boundary

 <p>RILEYGROUP Corporate Office 1/522 Bothell Way Northeast Bothell, Washington 98011 Phone: 425.415.0551 Fax: 425.415.0311</p>	<p>RGJ Project Number 2012-107L</p>	<p>Main Street Bellevue Property Representation Map with Utility Locations</p>	<p>Figure 2 Date Drawn: 12/2016</p>
	<p>Address: 10505 Main Street, Bellevue, Washington 98004</p>		

Exhibit E

OPERATION, MAINTENANCE, INSPECTION, AND CONTINGENCY PLAN

The garage floor slab and three groundwater monitoring wells are situated at the lower level of the parking garage (RW1, RW2, and MW6) at the Main Street Apartments Building located on the Property. The garage floor slab and the monitoring wells shall be inspected on an annual basis in order to determine if any damage has occurred that could jeopardize the integrity or performance of the floor slab and/or the monitoring wells.

The annual inspection shall consist of qualified personnel walking through the garage and closely inspecting the monitoring wells and the areas of the floor slab situated above the two areas of residual contaminated soils. The results of the inspection will be documented in a field report, and photographs of the monitoring wells and floor slab shall be obtained during each inspection and will be maintained in the project file.

If Grantor discovers any damage that would indicate that the integrity or performance of the monitoring wells or the areas of the garage floor slab above the two areas of residual contaminated soils have been jeopardized, then the Grantor shall report these findings to Ecology within three (3) business days of discovery of the damage.

Unless Ecology approves of an alternative plan in writing, the Grantor shall promptly repair any damage by retaining the appropriate contractor (i.e., general contractor, driller, etc.) to perform the work required to restore the integrity and performance of the concrete slab and/or the monitoring wells. The Grantor will also prepare a report documenting any such work, which will be submitted to Ecology within thirty (30) days of completing the repairs.

Exhibit F

GROUNDWATER MONITORING PLAN

The Groundwater Monitoring Plan includes the following elements:

- Monitoring Locations: RW1, RW2, and MW6.
- Monitoring Parameters: Water levels for all wells; sampling for TPH-Dx, VPH, EPH, in wells RW1 and RW2.
- Monitoring Frequency: Refer to Section 2(b) of the Environmental Covenant.
- Sampling Procedures.
- Analytical Laboratory Methods.
- Management and Proper Disposal of Purge Water.
- Data Validation.
- Method B Calculations.
- Data Reporting.
- Data Upload to EIM.
- Contingency Plan.

The methodology to be used to perform all of the aforementioned tasks (with the exception of Data Upload to EIM, Data Validation, and Contingency Plan) are described in detail in Section 2(b) of the Environmental Covenant and the Supplemental Remedial Investigation Work Plan (SRI Work Plan) dated August 22, 2016 by The Riley Group, Inc. Well logs describing well construction details for wells RW1, RW2 and MW6 are also included in the SRI Work Plan. Tasks not included in Section 2(b) of the Environmental Covenant and the SRI Work Plan are discussed below.

- Data Upload to EIM - At the completion of all groundwater monitoring activities, groundwater analytical data obtained from the laboratory will be uploaded into Ecology's Electronic Information Management (EIM) database. EIM data submittal will be considered complete after the Ecology EIM Coordinator indicates that the data has been successfully uploaded into the EIM database and reviewed by the Ecology Site Manager.
- Data Validation – The quality control data from the laboratory will be evaluated to determine if any of the sample results require qualification.
- Contingency Plan - If either sample from RW1 or RW2 contains Method B concentrations that are not in compliance with Method B cleanup levels (both calculated from the Ecology Method B worksheet), Grantor shall notify Ecology and work with Ecology to determine appropriate next steps for the Site.