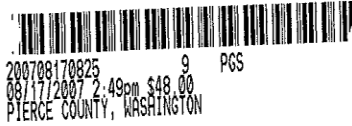


6.7 Environmental Covenant



Name & Return Address:

2101 Mildred, LLC

c/o Robinson, Noble & Saltbush, Inc.

3011 S. Huson Street, Suite A, Tacoma, WA 98409

RECEIVED

07 AUG 31 A10:15

WA STATE
DEPARTMENT OF ECOLOGY
SW REGIONAL OFFICE

Please print legibly or type information.

Document Title(s) <u>Environmental Restrictive Covenant</u>
Grantor(s) <u>2101 Mildred LLC</u> ____ Additional Names on Page ____ of Document
Grantee(s) <u>Washington State Department of Ecology</u> ____ Additional Names on Page <u>8</u> of Document
Legal Description (Abbreviated: i.e., lot, block & subdivision name or number OR section/township/range and quarter/quarter section) Complete Legal Description on Page ____ of Document
Auditor's Reference Number(s)
Assessor's Property Tax Parcel/Account Number(s) <u>0220112102, 0220112104</u>
<p>The Auditor/Recorder will rely on the information provided on this cover sheet. The Staff will not read the document to verify the accuracy or completeness of the indexing information provided herein.</p> <p>I am requesting an emergency nonstandard recording for an additional fee as provided in RCW 36.18.010. I understand that the recording processing requirements may cover up or otherwise obscure some part of the text of the original document.</p> <p>Signature of Requesting Party (Required for non-standard recordings only) Gpcovst.doc rev 4/02</p>

Page 1

Model Restrictive (Environmental) Covenant

After Recording Return to:

Department of Ecology
Southwest Regional Office
PO Box 47775
Olympia, WA 98504-7775

Environmental Covenant

Grantor: 2101 Mildred, LLC

Grantee: State of Washington, Department of Ecology

Legal: Section 11 Township 20 Range 02 Quarter 22 PARCEL A DBLR 2006-12-14-5001
DESC AS FOLL COM AT NW COR SEC 11 TH S 01 DEG 38 MIN 11 SEC W 660.31 FT
TO S LI OF NW OF NW TH S 89 DEG 07 MIN 37 SEC E 35 FT TO E MARG OF
MILDRED ST & POB TH CONT S 89 DEG 07 MIN 37 SEC E 186.09 FT TH N 01 DEG 23
MIN 18 SEC E 206.91 FT TH N 88 DEG 41 MIN 11 SEC W 184.40 FT TO E MARG
MILDRED ST TH S 06 DEG 16 MIN 09 SEC W 9.61 FT TH S 01 DEG 38 MIN 11 SEC W
198.78 FT TO POB OUT OF 2-099 & 2-100 SEG 2007-0594BL 01-22-07BL]

Section 11 Township 20 Range 02 Quarter 22 PARCEL C DBLR 2006-12-14-5001 DESC AS
FOLL COM AT NW COR SD SEC 11 TH S 89 DEG 04 MIN 24 SEC E 530.04 FT TH S 01
DEG 38 MIN 11 SEC W 229.57 FT TO POB TH N 89 DEG 04 MIN 24 SEC W 175.75 FT
TH S 0 DEG 20 MIN 58 SEC E 99.40 FT TH N 89 DEG 06 MIN 33 SEC W 86.09 FT TH S 0
DEG 17 MIN 03 SEC W 124.54 FT TH N 88 DEG 41 MIN 11 SEC W 54.40 FT TH S 01
DEG 23 MIN 18 SEC W 206.91 FT TO S LI OF NW OF NW TH S 89 DEG 07 MIN
37 SEC E 308.96 FT TH N 01 DEG 38 MIN 11 SEC E 430.25 FT TO POB OUT OF 2-070, 2-
099 & 2-100 SEG 2007-0594BL 01-22-07BL

Tax Parcel Nos.: 0220112102 and 0220112104

Cross Reference: 200611030824

Grantor, 2101 Mildred LLC, hereby binds Grantor, its successors and
assigns to the land use restrictions identified herein and grants such other rights under this
environmental covenant (hereafter "Covenant") made this 2nd day of August, 2007 in
favor of the State of Washington Department of Ecology (Ecology). Ecology shall have full
right of enforcement of the rights conveyed under this Covenant pursuant to the Model Toxics

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Control Act, RCW 70.105D.030(1)(g), and the Uniform Environmental Covenants Act, 2007 Wash. Laws ch. 104, sec. 12.

This Declaration of Covenant is made pursuant to RCW 70.105D.030(1)(f) and (g) and WAC 173-340-440 by 2101 Mildred, LLC its successors and assigns, and the State of Washington Department of Ecology, its successors and assigns (hereafter "Ecology").

A remedial action (hereafter "Remedial Action") occurred at the property that is the subject of this Covenant. The Remedial Action conducted at the property is described in the following document[s]:

- Independent Remedial Action Report, 2101 and 2011 Mildred Street West, Tacoma, Washington, September 3, 1997, Summit Envirosolutions, Inc.
- IRAP Supplemental Information Report, 2101 and 2011 Mildred Street West, Tacoma, Washington, January 6, 1997, Summit Envirosolutions, Inc.
- IRAP Supplemental Information Report, 2101 and 2011 Mildred Street West, Tacoma, Washington, July 21, 1997, Summit Envirosolutions, Inc.
- No Further Action Letter for Independent Remedial Actions, November 25, 1997, to Mr. Rufus Lund, Puget Corporation of Washington, from Ecology.
- Report Phase II Environmental Site Assessment Former Pace Industries Facility 2101 and 2011 Mildred Street West, Tacoma, Washington, November 7, 2001, GeoEngineers
- Report Supplemental Environmental Soil Investigation Former Pace Industries Facility 2101 and 2011 Mildred Street West, Tacoma, Washington, August 19 2002, GeoEngineers
- Report Groundwater Investigation Former Pace Industries Facility 2101 and 2011 Mildred Street West, Tacoma, Washington, March 6, 2003, GeoEngineers
- Report Bodine Enterprises Sunrise Center soil Remediation 2101 South Mildred, Fircrest, Washington, August 2004

These documents are on file at Ecology's Southwest Regional Office.

This restrictive covenant is required because the Remedial Action resulted in residual concentrations of petroleum hydrocarbons and Polychlorinated Biphenyls (PCB) which exceed

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the Model Toxics Control Act Methods A and B Residential Cleanup Level (s) for soil established under WAC 173-340-740. In addition, there is evidence to suspect there is heavy metal contamination remaining above MTCA standards beneath the asphalt, along the property line south and southeast of Building B, and is associated with an abandoned septic system.

The undersigned, 2101 Mildred, LLC is the fee owner of real property (hereafter "Property") in the County of Pierce, State of Washington, that is subject to this Covenant. The Property is legally described in Attachment A and is made a part of this document by reference.

2101 Mildred, LLC makes the following declaration as to limitations, restrictions, and uses to which the Property may be put and specifies that such declarations shall constitute covenants to run with the land, as provided by law and shall be binding on all parties and all persons claiming under them, including all current and future owners of any portion of or interest in the Property (hereafter "Owner").

Section 1. During the Remedial Action, heavy metals concentrations elevated significantly above MTCA soil standards were confirmed in drainline sludges associated with an abandoned septic system along the property line south and southeast of Building B. This area is currently covered by asphalt. Soil samples tested from beneath the asphalt surface did not exhibit elevated concentrations of heavy metals. However, the septic tank (s) was not specifically located during the Remedial Action. The presence of heavy metal contamination in the drainline sludges makes it reasonable to expect that additional heavy metal contamination may be present under the asphalt surface, associated with the former septic system.

The portion of the property covered by Building C, the parallel portion of Building B and the asphalt parking lot between them are known to contain an unknown volume of petroleum hydrocarbon and PCB contaminated soil beneath the asphalt and concrete foundation and footings of the facility buildings. When the asphalt parking lot was installed in place of the former building section, the accessible PCB and petroleum contaminated soil was removed along with an old underground oil collection and separation tank. Under the asphalt, the levels of PCB remain above MTCA Method A cleanup standards. Due to structural concerns for the

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facility building, soils contaminated above MTCA Method A Standards were left in place under the building footings adjacent to the tank during the Remedial Action.

As long as known or suspected contamination remains present and isolated beneath the facility building foundation, footings, or adjoining asphalt pads, the Owner shall not alter, modify, or remove the existing structures in any manner that may result in the release or exposure to the environment of the contaminated material or create a new exposure pathway without prior written approval from Ecology.

Section 2. The asphalt covering the former septic system shall be well maintained and kept in good repair to minimize stormwater infiltration in the area of suspected contamination.

Section 3. Any activity on the Property that may interfere with the integrity of the Remedial Action and continued protection of human health and the environment is prohibited.

Section 4. Any activity of the Property may result in the release or exposure to the environment of a hazardous substance that remains on the Property as part of the Remedial Action, or create a new exposure pathway, is prohibited without prior written approval from Ecology.

Section 5. The Owner of the property must give thirty (30) day advance written notice to Ecology of the Owner's intent to convey any interest in the Property. No conveyance of title, easement, lease, or other interest in the Property shall be consummated by the Owner without adequate and complete provision for continued monitoring, operation, and maintenance of the Remedial Action.

Section 6. The Owner must restrict leases to uses and activities consistent with the Covenant and notify all lessees of the restrictions on the use of the Property.

Section 7. The Owner must notify and obtain approval from Ecology prior to any use of the Property that is inconsistent with the terms of this Covenant. Ecology may approve any inconsistent use only after public notice and comment.

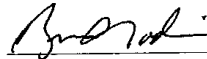
Section 8. The Owner shall allow authorized representatives of Ecology the right to enter the Property at reasonable times for the purpose of evaluating the Remedial Action; to take

Page 5

samples, to inspect remedial actions conducted at the property, to determine compliance with this Covenant, and to inspect records that are related to the Remedial Action.

Section 9. The Owner of the Property reserves the right under WAC 173-340-440 to record an instrument that provides that this Covenant shall no longer limit use of the Property or be of any further force or effect. However, such an instrument may be recorded only if Ecology, after public notice and opportunity for comment, concurs.

2101 Mildred, LLC

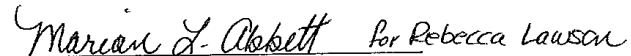


Bruce Bodine

~~Owner~~ *Manager*

Dated: 8/2/07

STATE OF WASHINGTON
DEPARTMENT OF ECOLOGY



[Name of Person Acknowledging Receipt]

~~Title~~ *Acting Section Manager*

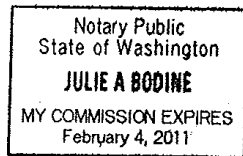
Dated: 8/15/07

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[INDIVIDUAL ACKNOWLEDGMENT]

STATE OF _____
COUNTY OF _____

On this _____ day of _____, 20____, I certify that _____
personally appeared before me, and acknowledged that he/she is the individual described
herein and who executed the within and foregoing instrument and signed the same at his/her
free and voluntary act and deed for the uses and purposes therein mentioned.

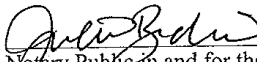


Notary Public in and for the State of
Washington, residing at _____
My appointment expires _____

[CORPORATE ACKNOWLEDGMENT]

STATE OF Washington
COUNTY OF Pierce

On this 2nd day of August, 2007, I certify that Bruce Bodine
personally appeared before me, acknowledged that he/she is the managing member 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.


Notary Public in and for the State of
Washington, residing at
Pierce Co.
My appointment
expires 2/4/11

[REPRESENTATIVE ACKNOWLEDGEMENT]

STATE OF _____
COUNTY OF _____

On this _____ day of _____, 20____, I certify that _____
_____ personally appeared before me, acknowledged that he/she signed this instrument, on
oath stated that he/she was authorized to execute this instrument, and acknowledged it as the

Page 7

_____ [type of authority] of _____ [name of
party being represented] to be the free and voluntary act and deed of such party for the uses
and purposes mentioned in the instrument.

Notary Public in and for the State of
Washington, residing at _____.
My appointment expires _____.

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Exhibit A
Legal Description

PARCEL A

THAT PORTION OF THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 11, TOWNSHIP 20 NORTH, RANGE 2 EAST OF THE WILAMETTE MERIDIAN, PIERCE COUNTY, WA. DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF SAID SECTION 11;
THENCE ALONG THE WEST LINE OF SAID NORTHWEST QUARTER SOUTH 01°38'11" WEST, 660.31 FEET TO THE SOUTH LINE OF THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER, OF THE NORTHWEST CORNER OF SAID SECTION 11;
THENCE ALONG SAID SOUTH LINE SOUTH 89°07'37" EAST, 35.00 FEET TO THE EAST MARGIN OF MILDRED STREET AND THE TRUE POINT OF BEGINNING;
THENCE CONTINUING ALONG SAID SOUTH LINE SOUTH 89°07'37" EAST, 186.09 FEET;
THENCE NORTH 01°23'18" EAST, 206.91 FEET;
THENCE NORTH 88°41'11" WEST, 184.40 FEET TO THE EAST MARGIN OF MILDRED STREET;
THENCE ALONG SAID EAST MARGIN SOUTH 06°16'09" WEST, 9.61 FEET;
THENCE CONTINUING ALONG SAID EAST MARGIN SOUTH 01°38'11" WEST 198.78 FEET TO THE TRUE POINT OF BEGINNING.

PARCEL C

THAT PORTION OF THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 11, TOWNSHIP 20 NORTH, RANGE 2 EAST OF THE WILLAMETTE MERIDIAN, PIERCE COUNTY, WA. DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF SAID SECTION 11;
THENCE ALONG THE NORTH LINE OF SAID SECTION 11 SOUTH 89°04'24"; EAST, 530.04 FEET;
THENCE SOUTH 01°38'11" WEST, 229.57 FEET TO THE TRUE POINT OF BEGINNING;
THENCE PARALLEL TO SAID NORTH LINE OF SECTION 11, NORTH 89°04'24" WEST, 175.75 FEET;
THENCE SOUTH 00°20'58" EAST, 99.40 FEET;
THENCE NORTH 89°06'33" WEST, 86.09 FEET;
THENCE SOUTH 00°17'03" WEST, 124.54 FEET;
THENCE NORTH 88°41'11" WEST, 54.40
THENCE SOUTH 01°23'18" WEST, 206.91 FEET TO THE SOUTH LINE OF THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 11;
THENCE ALONG SAID SOUTH LINE SOUTH 89°07'37" EAST, 308.96 FEET;
THENCE NORTH 01°38'11" EAST, 430.25 FEET TO THE TRUE POINT OF BEGINNING.