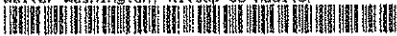


Environmental Covenant

After Recording Return to:

Department of Ecology
Northwest Regional Office
3190 160th Ave., SE
Bellevue, WA 98008-5452

NORDIC PROPERTIES 201307030382
Covenants Rec Fee: \$ 79.00
07/03/2013 02:29 PM Page: 1 of 8
Walter Washington, Kitsap Co Auditor



Environmental Covenant

Grantor: Nordic Properties
Grantee: State of Washington, Department of Ecology
Legal: Located at the SW1/4 of the SW1/4 of Section 26, Township 24, Range 1E
Tax Parcel Nos.: 4623-000-005-0004
Cross Reference:

Grantor, Nordic Properties, 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 day of 3rd July, 200¹³ 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 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 **Nordic Properties**, 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 documents:

1. **Feasibility Study and Disproportionate Cost Analysis by SoundEarth Strategies and dated April 17, 2012**

2. **Addendum – Closure Report – Former Port Orchard Bulk Plant and Cardlock – 134 Bay Street West – Port Orchard, Washington by SoundEarth Strategies and dated May 3, 2011**
3. **Closure Report by Sound Environmental Strategies and dated October 4, 2010**
4. **Cleanup Action Status Report – Port Orchard Bulk Plant and Cardlock – 134 Bay Street West – Port Orchard, Washington by Farallon Consulting and dated February 22, 2006**

These documents are on file at Ecology's Northwest Regional Office 3190 160th Ave., SE Bellevue, WA 98008-5452.

This Covenant is required because the Remedial Action resulted in residual concentrations of **gasoline, diesel, benzene, toluene, and xylenes** which exceed the Model Toxics Control Act Method A Cleanup Levels for soil established under WAC 173-340-900.

The undersigned, **Nordic Properties**, is the fee owner of real property (hereafter "Property") in the County of **Kitsap**, State of Washington, that is subject to this Covenant. The Property is legally described IN ATTACHMENT A OF THIS COVENANT AND MADE A PART HEREOF BY REFERENCE.

Nordic Properties 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.

A portion of the Property contains gasoline, diesel, benzene, toluene, and xylene contaminated soil located in the former right-of-way under and around the City of Port Orchard water line, sewer line, and storm sewer line. The Owner shall not alter, modify, expose, or remove the existing pipelines in any manner that may result in the release or exposure to the environment of that contaminated soil or create a new exposure pathway

without prior written approval from Ecology. Some examples of activities that are prohibited include: drilling, digging, placement of any objects or use of any equipment which deforms or stresses the pipeline(s) beyond its load bearing capability, piercing the surface with a rod, spike or similar item, bulldozing or earthwork.

Section 2. 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 3. Any activity on the Property that 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 4. 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.

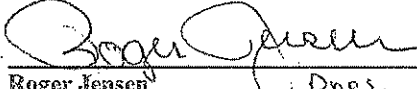
Section 5. The Owner must restrict leases to uses and activities consistent with the Covenant and notify all lessees of the restrictions on the use of the Property.

Section 6. 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 7. 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 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 8. 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.


Nordic Properties



Roger Jensen Pres.
owner

Dated: 6/25/13

STATE OF WASHINGTON
DEPARTMENT OF ECOLOGY

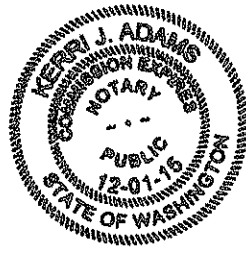


Barry Rogowski
Section Manager

Dated: 7/1/13

STATE OF WA
COUNTY OF Kitsap

On this 25th day of JUNE, 2013 I certify that Robert Jensen
personally appeared before me, acknowledged that he/she is the President/owner
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.



Kerri J. Adams
Notary Public in and for the State of
Washington, residing at Kerri J. Adams
Kitsap.
My appointment
expires 12-1-15.

Exhibit A
Legal Description

the west 50 feet of lot 5, together with all tidelands fronting and abutting thereon; and also the east 30 feet of lot 6 all in port orchard bay waterfront tracts, according to the recorded plat thereof; and also: tract 6, port orchard bay waterfront tracts, except the east 30 feet thereof; lying between state highway and county road, and except portion of tract 6 lying north of state highway; and except portion thereof taken for state highway; except roads; as per volume 4, of plats on page 75, records of kitsap county, also tract 7, and the west 100 feet of the north 30 feet of tract 11, port orchard bay water front tracts, as per plat recorded in volume 4 of plats on page 75, records of kitsap county, except the following described property: that portion of lot 6, port orchard bay waterfront tracts, according to plat recorded in volume 4 of plats, page 75, records of kitsap county, washington, described as follows: beginning at the southwest corner of said lot 6; thence north $0^{\circ}24'06$ east along the west line thereof 8.83 feet; thence south $89^{\circ}35'54$ east 11.03 feet to the centerpoint of an existing 3-inch diameter well; thence north $89^{\circ}35'54$ west 2.50 feet to the true point of beginning; thence south $0^{\circ}24'06$ west 2.50 feet; thence south $89^{\circ}35'54$ east 5.00 feet; thence north $0^{\circ}24'06$ east 5.00 feet; thence north $89^{\circ}35'54$ west 5.00 feet; thence south $0^{\circ}24'06$ west 2.50 feet to the true point of beginning;

subject to easements, covenants and conditions of record; together with an access and utility easement over, under and across the following described tract: beginning at the southwest corner of the heretofore described tract; thence south $89^{\circ}35'54$ east 5.00 feet;

thence south $0^{\circ}24'06''$ west to the north margin of wilkins drive; thence westerly along said margin to a point south $0^{\circ}24'06''$ west of the point of beginning; thence north $0^{\circ}24'06''$ east to the point of beginning. except that portion of lot 6, described as follows: beginning at the northwest corner of plat of port orchard bay waterfront tracts as recorded in volume 4 of plats, page 75, records of the auditor of kitsap county, washington; thence south $0^{\circ}24'32''$ west along the west line thereof 182.96 feet to the true point of beginning; thence north $0^{\circ}24'32''$ east along said west line 54.68 feet to a point on the southerly right of way margin of state highway no. 14; thence south $69^{\circ}12'28''$ east along said southerly right of way margin of state highway no. 14; thence south $69^{\circ}12'28''$ east along said southerly right of way margin 21.00 feet; thence south $22^{\circ}58'28''$ west 51.30 feet to the true point of beginning. together with that portion of government lot 1, section 26, township 24 north, range 1 east, w.m., in kitsap county, washington, described as follows: beginning at the northwest corner of the plat of port orchard bay water front tracts as recorded in volume 4 of plats, page 75, records of the auditor of kitsap county, washington; thence south $0^{\circ}24'32''$ west along the west line thereof 237.64 feet, more or less, to the north margin of county road (also known as wilkins drive sw) and being the true point of beginning; thence north $69^{\circ}12'28''$ west along said north

margin 21.00 feet; thence north $22^{\circ}58'28''$ east 51.80 feet to a point on the west line of the
aforementioned plat of port orchard bay tracts; thence south $0^{\circ}24'32''$ west along said
west line 54.68 feet to the true point of beginning.>>together with that portion of vacated
sw wilkins dr as recorded under auditor's file no. 200707260008