

PRESTON
THORGRIMSON
SHIDLER
GATES & ELLIS

ATTORNEYS AT LAW

5000 Columbia Center
701 Fifth Avenue
Seattle, WA 98104-7078

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March 15, 1993

Ms. E. Christina Beusch
Office of the Attorney General
4407 Woodview Drive
P. O. Box 40117
Olympia, WA 98504-0117

Re: Champion International / Ballard Mill Site

Dear Christina:

Enclosed for your files is a copy of the restrictive covenant that has been recorded with King County. The covenant was recorded pursuant to the Consent Decree for the Champion International / Ballard Mill site and WAC 173-340-440(4)(a).

If you have any questions, please call.

Very truly yours,

PRESTON THORGRIMSON SHIDLER
GATES & ELLIS

Tom Backer

By
Thomas Eli Backer

cc: Peter Strong, Salmon Bay Terminals
Brian Sato, Ecology
Mike Thorp, Heller Ehrman
Ty Schreiner, Kennedy/Jenks

J:\TEBV16924-88.001\2qLOYO.DOC

AFTER RECORDING, RETURN TO:

Preston Thorgrimson Shidler
Gates & Ellis
5000 Columbia Center
701 Fifth Avenue
Seattle, WA 98104-7078

Attn: Ross Macfarlane

COPY OF
ORIGINAL FILED
MAR 3 - 1993
King County

930303-0650 09:31:00 AM KING COUNTY RECORDS 003 PN

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Restrictive Covenant

Notice is hereby given that the property legally described in Exhibit A hereto is subject to use restrictions, institutional controls, and other obligations. These restrictions and obligations are described in a Consent Decree filed with the Superior Court of the State of Washington in and for King County, Cause No. 93-2-01448-1. Copies of the Consent Decree are available from the King County Superior Court, which has jurisdiction over the decree.

9:00

These restrictions and obligations are intended to run with the land and are intended to be binding on any and all persons who acquire an interest in the property described in Exhibit A hereto.

Potential purchasers and lessees are further put on notice that, pursuant to the Consent Order, some portions of the site have been covered with an asphalt cap to contain the release or threatened release of hazardous substances. Hazardous substances remain under the capped area at the site and use of this capped area is restricted.

The capped area may not be disturbed in any manner that would reduce the integrity of the cap, or any other component of any containment system, unless the Washington Department of Ecology determines that such disturbance: (i) is necessary to the proposed use of the property and will not increase the potential hazard to human health or the environment; or (ii) is necessary to reduce a threat to human health or the environment.

DATED this 20th day of February, 1993.

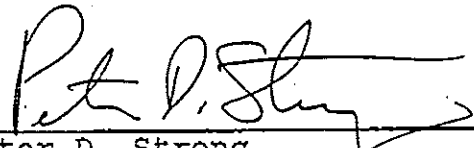

Peter D. Strong
President, Salmon Bay Terminals, Inc.
Property Owner

EXHIBIT A LEGAL DESCRIPTION

LOTS 1 AND 2 IN BLOCK 2; AND LOTS 15 THROUGH 20 IN BLOCK 3; ALL IN SEATTLE TIDE LANDS; TOGETHER WITH THAT PORTION OF VACATED 13TH AVENUE WEST ADJOINING, WHICH UPON VACATION, ATTACHED TO SAID PROPERTY BY OPERATION OF LAW;

AND THAT PORTION OF UNPLATTED RESERVE "A" IN GILMAN'S ADDITION TO THE CITY OF SEATTLE, AS PER PLAT RECORDED IN VOLUME 5 OF PLATS, PAGE 93, RECORDS OF KING COUNTY, LYING EASTERLY OF THE SOUTHERLY PRODUCTION OF THE WEST LINE OF LOT 1 IN BLOCK 2 OF SEATTLE TIDE LANDS, AND WESTERLY OF THE SOUTHERLY PRODUCTION OF THE EAST LINE OF LOT 2, IN BLOCK 2 OF SEATTLE TIDE LANDS; EXCEPT THAT PORTION THEREOF CONVEYED TO THE CITY OF SEATTLE FOR WEST EWING PLACE BY DEED RECORDED UNDER RECORDING NO. 514803; AND TOGETHER WITH THAT PORTION OF VACATED 13TH AVENUE WEST ADJOINING, WHICH UPON VACATION, ATTACHED TO SAID PROPERTY BY OPERATION OF LAW;

AND THAT PORTION OF SAID RESERVE "A" LYING BETWEEN THE WEST LINE OF 13TH AVENUE WEST, AS CONVEYED TO THE CITY OF SEATTLE; BY DEED RECORDED UNDER RECORDING NO. 514803, RECORDS OF KING COUNTY, AND THE WEST LINE OF SAID LOT 15, BLOCK 3, SEATTLE TIDE LANDS PROJECTED SOUTHERLY;

EXCEPT PORTION THEREOF FOR NORTHERN PACIFIC RAILROAD 50-FOOT RIGHT-OF-WAY; TOGETHER WITH THAT PORTION OF VACATED 13TH AVENUE WEST ADJOINING, WHICH UPON VACATION, ATTACHED TO SAID PROPERTY BY OPERATION OF LAW;

SITUATED IN THE CITY OF SEATTLE, COUNTY OF KING, STATE OF WASHINGTON