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WHEN RECORDED RETURN TO:

Name: Capitol Land Trust
Address: 209 4th Avenue East – Suite 205
City, State, Zip: Olympia, WA 98501

Thurston County Treasurer

Real Estate Excise Tax paid

By

Deputy

18,423.00

McNeil

GRANT DEED OF CONSERVATION EASEMENT

THURSTON COUNTY TITLE CO.

(37) 1272384
I.O.P.

Grantor(s): Ralph Munro and Karen Munro, husband and wife

Grantee(s): Capitol Land Trust, A Washington Nonprofit corporation

Assessor's Tax Parcel Number(s): 13812440200, 12807330201, 12807330300, 12807330200 (comprising the North Deed from Irene W. Osborn to Ralph and Karen Munro, from which the rental property (12807330200) and 150 feet along the northern boundary between the East property line and the beach are excluded from the Conservation Easement); 13813110000, 12818220100 (comprising the South Deed from G.W. and Carol Burns to Ralph and Karen Munro); 13813120100, 92077400000, 92078200000 (the Underwater Deed from Gordon B. Willie to Ralph and Karen Munro).

Additional legal description is contained in Exhibit A: Property Subject to Conservation Easement ("Property")

Exhibit B: Site Map of Property Subject to Conservation Easement

Exhibit C: Photos of Reserved Views

Abstr legal: Pd 1 - lot 1 LLS-0429; Pd 2 - Pd 3 of BLA-1136

THIS GRANT DEED OF CONSERVATION EASEMENT is made this 8 day of August 2006, by Ralph and Karen Munro, husband and wife, having an address at 5041 Houston Road NW, Olympia, WA 98502 (collectively "Grantor"), in favor of Capitol Land Trust, a Washington nonprofit corporation qualified to do business in Washington, having an address at 209 4th Avenue East, Suite 205, Olympia, WA 98501 ("Grantee.")

I. RECITALS

A. Grantor is the owner in fee simple of that certain real property in Thurston County, Washington, more particularly described in Exhibit "A" (legal

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description) and shown on Exhibit "B" (site plan), which are attached to this instrument and incorporated here by this reference.

- B. The Property possesses natural, scenic, open space, habitat, marine and freshwater shoreline, historic, archaeological, educational, and recreational values which are specifically described in these Recitals (collectively "Conservation Values") of great importance to Grantor, the people of Thurston County, the people of the State of Washington and the members of the Squaxin Island Tribe.
- C. The Property protects a highly-functional marine nearshore, estuarine, and saltmarsh wetland complex, providing critical habitat for existing wild salmonid populations including chum, coho, sea-run cutthroat and steelhead salmon. Specifically, this habitat supports critical adult and juvenile life stages by providing an undisturbed site for resting, protection from predators, salinity transition, and feeding, and contains perennial streams that improve fish access to off-channel rearing habitat.
- D. The Property provides critical habitat for a variety of other important mammal, fish, bird and amphibian species including (but not limited to) great blue heron, green heron, bald eagle, pileated woodpecker, swallows, owls, winter wren (and other resident songbirds), black-throated gray warbler, yellow warbler, Swainson's thrush, other neo-tropical migrant birds, ruffed grouse, hairy woodpecker, spotted sandpiper and other shorebirds, red-tail hawk, northern red-legged frog, salamanders, raccoon, deer, mink, muskrat, ermine, weasel, fox, coyote, black bear and cougar.
- E. The Property contains an archaeological site of national historic significance. The Property continues to produce artifacts and evidence of historic use by indigenous peoples, including a Native American village and fishing grounds of great importance to tribal peoples, archaeologists and historians nationwide. An agreement between Grantor and the Squaxin Island Tribe allows for artifacts to be removed from the site by the Tribe. Artifacts recovered from the Property form a substantial portion of the core collection of the Squaxin Island Tribal Museum.
- F. The conservation purposes of this Deed are consistent with and recognized in An Assessment of Salmon Habitat for Protection and Restoration Efforts in the McLane Creek Watershed, Identification of Salmon Habitat Refugia for Protection in WRIA 13, Salmon Habitat Limiting Factors Final Report - Water Resource Inventory Area 13, Eld Inlet Watershed Action Plan, and the Capitol Land Trust Strategic Plan.
- G. The Property provides habitat for the Bald Eagle, an endangered species protected under the Endangered Species Act. Congress has found that encouraging conservation programs "...is a key to meeting the Nation's international commitments and to better safeguarding, for the benefit of all citizens, the Nation's heritage of fish, wildlife, and plans."



- H. The Property is in, and contains significant marine shorelines within, the Eld Inlet watershed, a part of Puget Sound. The Washington State legislature in RCW 90.70.001 recognized "that Puget Sound and related inland marine waterways of Washington State represent a unique and unparalleled resource. A rich and varied range of marine organisms, composing an interdependent, sensitive communal ecosystem resides in these sheltered waters." The legislature has further recognized that residents of this region enjoy a way of life centered around the waters of Puget Sound which depends upon a clean and healthy marine resource. Restrictions on the uses of the Property would benefit Eld Inlet and Puget Sound by protecting one of the largest undeveloped and intact shoreline properties in lower Puget Sound and by sustaining essential estuarine and shoreline habitat.
- I. The Property includes extensive tidelands and approximately 3.6 miles of lower Eld Inlet marine shoreline, *a shoreline of State wide significance*, which has been identified as a *conservancy* shoreline environment under the Washington Shoreline Management Act, chapter 90.58 RCW. The state legislature has recognized that "...the shorelines of the state are among the most valuable and fragile of its natural resources and that there is great concern throughout the state relating to their utilization, protection, restoration, and preservation." The legislature has also recognized that unrestricted construction on privately owned shorelines of the state is not in the best interest of the public. Restrictions on the uses of the Property would benefit the shoreline environment by sustaining its natural habitat function, ensuring continued recruitment of large woody debris (LWD), preventing erosion, preventing introduction of contaminants associated with development (septic systems, impervious surfaces, lawn chemicals, etc.),
- J. The legislatively declared policies of the State of Washington in the Washington State Open Space Tax Act, Chapter 84.34 RCW, provide "...that it is in the best interest of the state to maintain, preserve, conserve, and otherwise continue in existence adequate open space lands for the production of food, fiber and forest crop, and to assure the use and enjoyment of natural resources and scenic beauty for the economic and social well being of the state and its citizens." Under the Open Space Act, lands eligible for preferential real property tax treatment include lands such as the subject Property where the preservation in its present use would conserve and enhance natural resources and promote conservation of marine shorelines, threatened wildlife habitat, productive agricultural lands, view sheds and open spaces. Pursuant to this legislative directive, Thurston County has adopted an Open Space Tax Program that recognizes the importance of and provides preferential tax treatment for landowners who preserve critical wildlife habitat, open spaces and agricultural lands consistent with the County's Open Space tax program.
- K. Protection of the Property is consistent with RCW 90.70.00, in which the Washington State Legislature has recognized "that Puget Sound and related inland marine waterways of Washington State represent a unique and unparalleled resource. A rich and varied range of marine organisms, composing an



interdependent, sensitive communal ecosystem reside in these sheltered waters.”

- L. Protection of the Property is consistent with Thurston County Comprehensive Plan Chapter 9, Goal 1, Objective B: *Critical Areas* in which the Thurston County Board of County Commissioners has recognized “the county should continue to protect areas containing wildlife habitats which are important to the long-term viability of important species of Thurston County, habitats which are unique or rare, or which contain important species from those State Priority Species which are known to occur in Thurston County, as provided in the Critical Areas Ordinance”
- M. The Protected Property is visible from Washington State Highway 101 and from the navigable waterways of Eld Inlet, providing scenic values to the people of Washington and the residents of Thurston County that use these public roads and waterways.
- N. The Property has provided and will continue to provide opportunities of regional significance for academic study so that its availability for educational programs has and will continue to greatly benefit students and faculty ranging from elementary to post-graduate levels of study.
- O. The Property would be extremely desirable property for residential development because of its location and orientation. In the absence of a Grant Deed of Conservation Easement, the Property could be developed in a manner that would destroy the open-space and habitat values of the Property.
- P. More specific conservation values of the Property are documented in an inventory of relevant features of the Property, dated July 31, 2006, on file at the offices of Grantee and incorporated herein by this reference (“Baseline Documentation”), which consists of reports, maps, photographs, flora and fauna surveys, academic studies, post-graduate research papers, archaeological reports and other documentation that provide, collectively, an accurate representation of the Property at the time of this grant and which is intended to serve as an objective information baseline for monitoring compliance with the terms of this Easement.
- Q. Grantor intends that the Conservation Values of the Property be preserved and maintained by the continuation of land uses on the Property that do not significantly impair or interfere with those Conservation Values. These current uses include the limited residential, agricultural, timber management, recreational (including equestrian), aquaculture and educational uses consistent with this Easement.
- R. Grantor, owner in fee of the Property, has the right to identify, protect, and preserve in perpetuity the Conservation Values of the Property, and desires to transfer such rights to Grantee. This grant, however, shall not be interpreted to deprive Grantor of the ability to also identify, protect, and preserve such Conservation Values.

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- S. Grantee is a publicly supported, tax-exempt nonprofit organization, qualified under Sections 501(c)(3) and 170(h) of the Internal Revenue Code of 1986, as amended ("Code"), and the regulations promulgated thereunder, and also qualified as a nonprofit nature conservancy corporation under RCW 64.04.130 and 84.34.250, whose primary purpose is the conservation, appreciation and stewardship of the diverse open spaces and unique natural habitats of the southern Puget Sound region.
- T. Grantee agrees by accepting this grant to honor the intentions of Grantor stated herein and to preserve and protect in perpetuity the Conservation Values of the Property for the benefit of this generation and the generations to come.
- U. In the event of any conflict between the documents referenced in these Recitals and the Conservation Values generally described in the Recitals without reference to such documents, the Conservation Values shall prevail.

II. CONVEYANCE AND CONSIDERATION

- A. For the reasons stated above, and in consideration of the mutual covenants, terms, conditions, and restrictions contained herein, Grantor hereby voluntarily grants, conveys, and warrants to Grantee a conservation easement in perpetuity over the Property, consisting of the rights in the Property, hereinafter enumerated, subject only to the restrictions set forth herein ("Easement").
- B. This conveyance is a conveyance of an interest in real property under the provisions of RCW 64.04.130 and 84.34.210.
- C. The terms "Grantor" and "Grantee," wherever used in this instrument, and any pronouns used in the place thereof, shall be held to mean and include, respectively the above-named Grantor, and its personal representatives, heirs, successors, and assigns, and the above-named Grantee, its successors and assigns.
- D. The covenants, terms, conditions, and restrictions of this Easement shall be binding upon, and inure to the benefit of, the Grantor and Grantee and their respective personal representatives, heirs, successors, and assigns, and shall continue as a servitude running with and binding in perpetuity the Property.

III. PURPOSE

The purpose of this Easement is to maintain the Property's Conservation Values and to prevent any use of the Property significantly impairing or interfering with the Conservation Values of the Property. This Easement will confine the use of the Property to activities consistent with these purposes, subject to Section VI.

This Easement is being acquired, in part, with funding provided by a National Coastal Wetlands Conservation Grant, pursuant to an agreement between the United States Fish and Wildlife Service (USFWS) and the Washington State Department of Ecology (DOE)

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titled *Eld Inlet Tidelands and Freshwater Wetlands Easement*. The primary purpose of the agreement between USFWS and DOE is to ensure conservation and protection of the Property's marine nearshore, tideland, freshwater wetland and adjacent upland habitats, in perpetuity.

In consideration of the funding provided through the National Coastal Wetlands Conservation Grant, Grantee hereby agrees to abide by the terms and conditions of the Grant Agreement, including without limitation the obligation to: (1) ensure the long-term conservation of the Property; and (2) to obtain the consent of the U.S. Fish and Wildlife Service prior to the conveyance of any interest in the Property granted as part of this Easement.

IV. RIGHTS CONVEYED TO GRANTEE. Grantor conveys the following rights to Grantee, subject to Section VI:

- A. **Identification and Protection.** To identify, protect, and preserve in perpetuity and to enhance by mutual agreement between Grantor and Grantee the Conservation Values of the Property.
- B. **Access**
 - i. To enter upon the Property annually, at a mutually agreeable time and upon prior written notice to the Grantor, for the purpose of making a general inspection to assure compliance with this Easement.
 - ii. To enter the Protected Property at such other times as are necessary if Grantee has a reasonable belief that a violation of the Easement is occurring or has occurred, for the purpose of mitigating or terminating the violation and otherwise enforcing the provisions of this Easement. Grantee shall make a good-faith effort to provide Grantor with reasonable, prior notice of such entry (which need not be written notice.)
- C. **Markers.** To place and replace, during the inspections authorized above, small markers to identify boundaries, corners, and other reference points on the Property.
- D. **Scientific/Educational Use.** For the benefit of the public, to allow persons or groups to enter upon the Property for educational, scientific, and biological purposes to observe and study on the Property; *provided* any such persons or groups first are approved by the Grantor, make prior arrangements with the Grantor, agree to provide the Grantor with copies of any data or reports resulting from such research, and agree to abide by any restrictions on access and behavior set forth by the Grantor.
- E. **Injunction and Restoration.** To prevent any use of, or activity on, the Property that is inconsistent with this Easement, including trespass by members of the public, and undertake or cause to be undertaken the restoration of such areas or

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features of the Property as may be damaged by activities contrary to the provisions hereof, all in accordance with Section IX below.

- F. **Enforcement.** To enforce the terms of this Easement, in accordance with Section IX below.
- G. **Assignment.** To assign, convey, or otherwise transfer Grantee's interest in the Property in accordance with Section XIII below.
- H. **Development Rights.** All development rights now or hereafter allocated to, implied, reserved, or inherent in the Property, except as reserved in Section VI of this Easement. All development rights now or hereafter allocated to, implied, reserved or inherent in the Property, except as reserved in Section VI are terminated and extinguished.

V. **PROHIBITED USE.** Any use of, or activity on, the Property inconsistent with the purposes of the Easement is prohibited, and Grantor acknowledges and agrees that it will not conduct, engage in, or permit any such use or activity. It is the specific intent of this Easement to sustain the Conservation Values of the Property and to prevent threats to such Conservation Values resulting from parcel subdivision and development of infrastructure associated with human use. Without limiting the generality of the foregoing, the following uses of, or activities on, the Property, although not an exhaustive list of inconsistent uses or activities, are inconsistent with the purposes of this Easement and shall be prohibited, *except* as expressly provided in Section VI below:

- A. **Future Development.** The legal or "de facto" subdivision of the Property, which shall include, but not be limited to, any subdivision, short subdivision, platting, binding site plan, testamentary division, or other process by which the Property is divided into lots. This prohibition shall not be interpreted to preclude any lot line adjustment that does not create a number of lots that is greater than the number of lots in existence on the effective date of this Easement.
- B. **Water Rights.** This easement also prohibits the transfer of any water right appurtenant to the Property to any other property outside the Property and the use of such water rights for the purpose of calculating the permissible lot yield of any other property.
- C. **Construction.** The placement or construction of any buildings, structures, or other improvements of any kind including the placement or construction of any fences, roads, parking lots, docks, non-impervious boat ramps and launching sites, bulkheads or other shoreline armoring.
- D. **Utilities.** The installation of new utility systems or extensions of existing utility systems, including, without limitation, water, sewer, power, fuel, and communication lines and related facilities.



- E. **Agricultural Use.** The operation of any agricultural facility or activity including crop production, greenhouse operation, irrigation, waste disposal and raising of livestock that threatens the health of the Eld Inlet watershed and the water quality of the Property's wetland and stream areas.
- F. **Harvesting, Removal or Cutting of Trees and Other Vegetation.** The pruning, cutting down, or other destruction or removal of live and dead trees and other non-invasive vegetation on the Property.
- G. **Commercial Aquaculture.** The maintenance or operation of commercial shellfish production facilities in the Property's tidelands or uplands.
- H. **Introduced Vegetation.** The introduction of non-native wetland plants and nonnative invasive species on the Property.
- I. **Wildlife Disruption and Hunting.** The disruption of wildlife breeding and nesting activities, hunting or trapping, *except* to the extent determined necessary by Grantee to preserve or protect the Conservation Values of the Property. Feral domestic mammals and individuals from the family Muridae of the order Rodentia (old world rats and mice) may be killed without approval of Grantee if done in a manner so as not to adversely impact the native plants and animals.
- J. **Feedlots.** The establishment and maintenance of a feedlot. For the purposes of this Easement, a feedlot is a confined area or facility within which more than twelve (12) animals of any one species or a combination of species are routinely fed.
- K. **Alteration of Land.** The non-natural alteration of the surface of the land, including, without limitation, the excavation or removal of soil, sand, gravel, rock, peat, or sod.
- L. **Erosion or Water Pollution.** Any non-natural use or activity that causes or is likely to cause soil degradation or erosion or pollution of any surface or subsurface waters.
- M. **Alteration of Water Courses.** The draining, filling, dredging, ditching, or diking of wetland areas, the alteration or manipulation of ponds and water courses, or the creation of new wetlands, water impoundments, or water courses.
- N. **Waste Disposal.** The disposal, storage, or Release (as defined in Section X(C)(3) below) of Hazardous Substances (as defined in Section X(C)(3) below), rubbish, garbage, debris, unregistered vehicles, abandoned equipment, parts thereof, or other unsightly or offensive waste or material on the Property.
- O. **Signs.** The placement of commercial signs, billboards, or other advertising material on the Property.



- P. **Mining.** The exploration for, or development and extraction of, oil, gas, coal, limestone, fossils, metals, sand, gravel, or rock of any type on or below the surface of the Property.
- Q. **Domestic Animals.** The operation of any commercial facility that breeds, boards or otherwise keeps animals on the property for any reason other than private ownership and enjoyment. Domestic animals shall not be allowed to disrupt the wildlife or interfere with the Conservation Values of the Property.
- R. **Off-Road Vehicles and Excessive Noise.** The operation of motorcycles, dune buggies, snowmobiles, or other types of off-road motorized recreational vehicles or the operation of other sources of continuous noise pollution.

VI. GRANTOR'S RESERVED RIGHTS. Grantor reserves any use of, or activity on, the Property that is not inconsistent with the purposes of the Easement and that is not prohibited herein. Without limiting the generality of the foregoing, Grantor specifically reserves the following uses of, and activities on, the Property:

- A. **Existing Use.** To maintain, renovate, expand, or replace the existing buildings, structures, and improvements in substantially their present location as shown on Exhibit B subject to the following limitations:
- i. The renovation, expansion or replacement of any residential dwelling must comply with all applicable zoning and building regulations and be a legally allowed use of the Property.
 - ii. For the purposes of providing greater protection for the Property's conservation values, Grantor reserves the right to relocate the existing residential dwelling and outbuildings to a location not within the Shoreline Buffer Area as defined in Section VI(B)(ii) below and shown in the Baseline Documentation.
 - iii. Grantor shall provide Grantee with written notice of Grantor's intent to relocate the existing residential dwelling on the Property. Grantee will approve or disapprove the request in accordance with the procedures contained in Section VII of this agreement.
- B. **Future Development.** To construct and maintain, renovate, expand, or replace one (1) additional single-family residential dwelling and one (1) garage/shop/barn structure associated with the additional single-family residential dwelling on the Property subject to the following requirements:
- i. No residential dwelling shall be located anywhere on the Property more than two hundred (200) feet westerly of the current residential dwelling as shown in Exhibit B: Site Map of Property Subject to Conservation Easement.



- ii. No future residential dwelling or associated garage/shop/barn structure shall be located closer than 200 feet to the line of Ordinary High Tide (OHT) of any marine shoreline. For the purposes of this Easement, the area of the Property located within 200 feet of the OHT is designated as the "Shoreline Buffer Area".
- iii. The construction of any new residential dwelling or garage/shop/barn structure must comply with all applicable zoning and building regulations and be a legally allowed use of the Property.
- iv. Grantor must provide Grantee with written notice of Grantor's intent to construct the single-family residential dwelling and/or garage/shop/barn structure allowed in this Section VIB in accordance with the procedures contained in Section VII of this agreement. Grantee will approve or disapprove the request in accordance with the procedures contained in Section VII of this agreement.
- v. Alteration of land is allowed to the extent necessary to construct the residential dwelling and garage/shop/barn structure allowed in this section VI(B).

C. **Agricultural Use.** To maintain non-industrial agricultural activities such as harvesting hay and grazing livestock on the Property *provided* that such activities are carried out in a manner that does not impact the health and integrity of the Eld Inlet watershed and the water quality of the Property's wetland and stream areas. No livestock shall be permitted within the *Shoreline Buffer Area*. The foregoing shall not be interpreted to preclude the grazing of livestock within existing agricultural areas as shown on Exhibit B: Site Map of Property Subject to Conservation Easement, provided livestock are adequately contained within these agricultural areas. The breeding and keeping of a total of twelve (12) animals of any one species or a combination of species constitutes an acceptable private or limited commercial agricultural use.

Within one (1) year of the effective date of this Easement, Grantor shall submit to Grantee, an updated Farm Plan for the Property. The Farm Plan will address crop rotation, grazing practices, fertilizer use, noxious weed control, erosion control measures, and impacts of management activities on the conservation values of the Property, most specifically the Property's *Shoreline Buffer Areas*. The primary purpose of the Farm Plan shall be to ensure all activities associated with farm management are consistent with the purposes of this Easement and with accepted management practices. Grantor shall update the Farm Plan periodically, at least every ten (10) years to reflect the condition of the Property as it changes over time and as management activities are implemented.

D. **Harvesting, Removal or Cutting of Trees and other Vegetation.** Harvesting, removal or cutting of native trees and vegetation within the *Shoreline Buffer Area*



or within 200 feet of any stream is allowed to the extent it is necessary for Grantor to exercise its rights under this Section VI or to improve the ecological health of the Property. Maintaining diverse and healthy native shoreline vegetation is a primary goal of this Easement, however Grantor may limit new vegetation growth in the *Shoreline Buffer Area* to the extent necessary to maintain existing views as identified in Exhibit C: Photos of Reserved Views and to provide for continued light source to residential dwellings allowed in this section VI. To the greatest extent possible, downed and fallen trees within the *Shoreline Buffer Area* must be left in substantially the same location where they fall. No tree identified as historic by a plate located on the tree shall be harvested or removed from the Property. Grantor may remove non-historic, non-native trees and shrubs for non-commercial purposes within the *Shoreline Buffer Area* provided this activity does not harm or threaten to harm the Conservation Values of the Property.

Within one year of the effective date of this Easement, Grantor shall submit to Grantee, an updated Forest Stewardship Plan for the Property. The Forest Stewardship Plan may be combined with the Farm Plan into a single document. The Forest Stewardship Plan shall address timber management, including silviculture, harvest methods; erosion control measures, reforestation and impacts of management activities on the conservation values of the Property, most specifically the Property's *Shoreline Buffer Areas*. The primary purpose of the Forest Stewardship Plan shall be to ensure all activities associated with forest management are consistent with the purposes of this Easement and with accepted management practices. Grantor shall update the Forest Stewardship Plan periodically, at least every ten (10) years to reflect the condition of the Property as it changes over time and as management activities are implemented.

- E. **Recreational Use.** To conduct recreational activities such as *hiking, wildlife viewing, bird watching, cross country skiing, fishing, kayaking, equestrian riding and property tours* on the Property, *provided* that such activities are conducted in a manner and intensity that do not adversely impact the Conservation Values or purpose of this Easement.
- F. **Dock.** To maintain or replace the existing boat dock and the swimming float in substantially their present locations as shown on Exhibit B: Site Map of Property Subject to Conservation Easement, or to relocate either of them to any other part of the Property, provided that such relocation does not violate the terms of this Easement.
- G. **Archaeological Excavation.** To search for and remove artifacts of historical significance from the Property, subject to the following requirements:
 - i. All excavation of archaeological sites must be conducted in accordance with an agreement between Grantor, the Squaxin Island Tribe and South Puget Sound Community College, in effect on the date of the granting of this Easement, and contained within the Baseline Documentation on file at



the offices of the Grantee.

- ii. In the event that the existing agreement referenced in Section VI.G.i is terminated or no longer applies, all archaeological excavation will cease until such time as Grantor, Grantee and the Squaxin Island Tribe agree on a new arrangement for ensuring the ethical treatment of recovered artifacts and the continued protection of the Property's Conservation Values.
- iii. Grantor must provide Grantee with written notice of intent to undertake archaeological activities in areas other than those identified on Exhibit B in accordance with the procedures contained in Section VII of this agreement.
- iv. All archaeological work must be overseen by an accredited archaeologist or expert with comparable expertise and certification.

- H. **Road, Trail and Fence (including Corral) Construction and Maintenance.** To maintain, renovate, or replace roads, trails, fences and corrals in existence on the effective date of this Easement in substantially their present location, and to create new roads, trails and fences to the extent it is necessary for Grantors to exercise their rights under this Section VI.
- I. **Commercial Activities.** To conduct legally-permitted commercial activities within the Property's allowed residential dwellings or other legally-permitted commercial activities outside the residential dwellings so long as any commercial activity is consistent with the purposes of this Easement and does not adversely affect the Property's Conservation Values.
- J. **Utilities.** To maintain, replace or extend existing utility systems or to install new utility systems, including water, sewer, power, fuel, and communication lines and related facilities to the extent necessary to serve residential dwellings and structures allowed in this Section VI. Permanent (non-portable) sewer facilities will be limited to serving the residential dwellings allowed under this Section VI and to a maximum of one additional structure.
- K. **Wildlife Ponds.** To construct two wildlife ponds in addition to those in existence on the effective date of this Easement as shown in Exhibit B. All ponds must be maintained primarily as wildlife habitat, not for human recreational use.
- L. **Graveyard.** To utilize and maintain the graveyard in its existing location as of the effective date of this Easement.
- M. **Aquaculture.** To introduce and maintain, for non-commercial purposes, shellfish beds provided activities associated with the introduction and maintenance of shellfish do not harm or threaten to harm the freshwater and marine salmon habitat (including forage fish, shoreline vegetation and water quality) for which this Easement has been specifically created to protect.

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- N. **Composting and Storage of Waste.** To compost and use organic and vegetative waste resulting from permitted uses and activities on the Property, and to store other wastes generated by permitted uses and activities on the Property, provided that such other wastes are stored temporarily in appropriate containment for removal at reasonable intervals and in compliance with applicable federal, state, and local laws. Grantor may possess, as personal property, old tractors and historic automobiles so long as these items are not abandoned (not maintained, cleaned or cared for) and the existence of these items does not interfere with the Conservation Values of the Property.
- O. **Signs.** To place signs on the Property to advertise for sale or rent, to identify the conservancy status of the Property, to mark specific locations of historic and archaeological significance and to identify routes and directions provided such signs do not materially and adversely interfere with the Conservation Values of the Property.
- P. **Emergencies.** To undertake other activities necessary to protect public health or safety, or which are actively required by and subject to compulsion of any governmental agency with authority to require such activity ("Emergency Action"), provided that any such activity shall be conducted so that interference with the Conservation Values of the Property is avoided to the greatest extent practicable.

VII. NOTICE AND APPROVAL

- A. **Notice.** Grantor shall notify Grantee and receive Grantee's written approval prior to undertaking the activities specified in sections VI(A)(ii), VI(B), and VI(G)(iii). The purpose of requiring Grantor to notify Grantee prior to undertaking certain permitted uses and activities is to afford Grantee an opportunity to ensure that the use or activity in question is designed and carried out in a manner consistent with the purposes of this Easement. Whenever notice is required and other than for an Emergency Action, Grantor shall notify Grantee in writing not less than forty five (45) days prior to the date Grantor intends to undertake the use or activity in question. The notice shall describe the nature, scope, design, location, timetable, and any other material aspect of the proposed activity in sufficient detail to permit Grantee to make an informed judgment as to its consistency with the purpose of this Easement.
- B. **Approval.** Where Grantee's approval is required and other than for an emergency action, Grantee shall grant or withhold its approval in writing within thirty (30) days of receipt of Grantor's written request for approval. Grantee's approval may be withheld only upon a reasonable determination by Grantee that the action as proposed would be inconsistent with the purposes of this Easement. Grantee's approval may include reasonable conditions that must be satisfied in undertaking the proposed use or activity. If Grantor must undertake an Emergency Action, Grantor may proceed with such action without Grantee's



approval only if Grantor notifies Grantee prior to taking such action promptly after the emergency and Grantee cannot provide its approval, with or without conditions, within such time as is reasonable under the circumstances.

- C. **Grantee's Failure to Approve within the Required Time.** When Grantee's approval is required, and when Grantee does not grant or withhold its approval in the time period and manner set forth herein, Grantor may conclusively assume Grantee's approval of the permitted use or activity in question.
- D. **Addresses for Notices.** Any notice, demand, request, consent, approval, or communication that Grantor or Grantee desires or is required to give to the other party shall be in writing either served personally or sent by first class mail, postage prepaid, addressed as follows:

To Grantors: Ralph and Karen Munro
 5041 Houston Road NW
 Olympia, Washington 98502

To Grantee: Capitol Land Trust
 209 4th Ave East
 Suite 205
 Olympia, Washington 98501

or to such other address as Grantor or Grantee from time to time shall designate by written notices to the other party.

VIII. DISPUTE RESOLUTION

In the event a dispute arises between Grantee and the Grantor relating to this Easement, a meeting regarding the dispute shall be held by the parties, to be attended by representatives with decision-making authority, to attempt in good faith to negotiate a mutually acceptable resolution of the dispute. If the dispute cannot be resolved within a reasonable time not to exceed sixty (60) days, which time may be extended by mutual consent of the parties, then the dispute shall be determined by binding arbitration. Any arbitration pursuant to this Easement shall be conducted before one arbitrator agreed upon by the parties and in accordance with the Rules for the Real Estate Industry of the American Arbitration Association ("AAA") or as such rules are modified by agreement of the parties. If the parties fail to agree on an arbitrator within thirty (30) days from the date a demand to arbitrate is made by a party, the AAA shall make the appointment of the arbitrator, who shall be an attorney. Should the arbitrator appointed become unable to act before a decision is given, the vacancy shall be filled by the method set forth in the original appointment. The arbitration shall be held in Olympia, Washington, applying the substantive law applicable to this Easement. The use of any alternative dispute resolution procedure will not be construed under the doctrine of laches, waiver, or estoppel, to adversely affect the rights of either party. Further, judgment on the arbitration award may be entered in such courts. Finally, the prevailing party shall be entitled to recover its reasonable attorney's fees or other costs relating to the arbitration, permitted interim relief or enforcement of the judgment on the

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arbitration award. Nothing in this section will prevent either party from resorting to a judicial proceeding before the courts to whom the parties have submitted exclusive jurisdiction and venue in accordance with section IX(D) of this Agreement.

IX. REMEDIES

- A. **Notice of Failure.** If Grantee or Grantor determines that the other party is in violation of the terms of this Easement or that a violation is threatened, Grantee or Grantor shall give written notice to the other party of such violation and demand corrective action sufficient to cure the violation and, where the violation involves injury to the Property resulting from any use or activity inconsistent with the purpose of this Easement, to restore the portion of the Property so injured to its prior condition.
- B. **Failure to Respond.** Grantee or Grantor may take action provided under the Disputes Resolution Section or section IX(D) of this Agreement if the other party:
- i. Fails to cure the violation within thirty (30) days after receipt of notice thereof;
 - ii. Under circumstances where the violation cannot reasonably be cured within the thirty (30) day period, fails to begin curing such violation within the thirty (30) day period; or
 - iii. Fails to continue diligently to cure such violation until finally cured.
- C. **Legal Action.** Grantee or Grantor may bring an action at law or in equity in a court of competent jurisdiction or under section VIII to enforce the terms of this Easement, to enjoin the violation, *ex parte* as necessary and as allowed under the applicable civil rules, by temporary or permanent injunction, to recover any damages to which it may be entitled for violation of the terms of this Easement or injury to any of the Conservation Values protected by this Easement, including damages for the loss of the Conservation Values; and to require the restoration of the Property to the condition that existed prior to any such injury. Without limiting a party's liability therefore, the other party, in its sole and absolute discretion, may apply any damages recovered to the cost of undertaking any corrective action on the Property. All such actions for injunctive relief may be taken without Grantee or Grantor being required to post bond or provide other security.
- D. **Immediate Action Required.** If Grantor or Grantee, each in its sole and absolute discretion, determines that circumstances require immediate action to prevent or mitigate significant damage to the Conservation Values of the Property, Grantor or Grantee may pursue its remedies under this Section IX in Thurston County Superior Court without prior notice to the other party or without waiting for the period provided for cure to expire and without utilizing the dispute resolution provisions in Section VIII of this Agreement. However, upon entry of

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an order restraining the conduct in question in a manner sufficient to prevent or mitigate significant damage to the Conservation Values of the Property, the court shall refer the matter to an arbitrator in accordance with the provisions of Section VIII.

- E. **Nature of Remedy.** Grantee's or Grantor's rights under this Section IX apply equally in the event of either actual or threatened violations of the terms of this Easement. Grantor and Grantee agree that their remedies at law for any violation of the terms of this Easement are inadequate and that each party shall be entitled to the injunctive relief described in this Section IX both prohibitive and mandatory, in addition to such other relief to which each party may be entitled, including specific performance of the terms of this Easement, without the necessity of proving either actual damages or the inadequacy of otherwise available legal remedies. The remedies described in this Section IX shall be cumulative and shall be in addition to all remedies now or hereafter existing at law or in equity. The provisions of Section IX(F) below shall not be interpreted to preclude Grantee from obtaining injunctive relief.
- F. **Liquidated Damages.** Inasmuch as the actual damages to the Conservation Values of the Property which could result from a breach of this Easement by Grantor would be impractical or extremely difficult to measure, the Parties agree that the money damages Grantee is entitled to recover shall be the following:
- i. With respect to the construction of any improvement prohibited by this Easement, which is not subsequently removed and the Property restored to its previous condition within a reasonable amount of time specified by Grantee, then damages shall be an amount equal to the greater of (a) the actual cost of such improvement, or (b) the increase in the fair market value of the Property or of any other real property owned by Grantor attributable to such improvement; and
 - ii. With respect to any use or activity prohibited by this Easement, whether or not involving the construction or maintenance of an improvement, an amount equal to any economic gain realized by the Grantor and/or any other party, commencing from the date of breach; provided, however, that if timber is harvested or logs are removed in violation of the terms of this Easement, the cost of reforestation and other reasonable remediation measures shall be added to such economic gain as money damages; and
 - iii. The parties agree that a mutually agreed licensed real estate appraiser shall make any fair market value determinations required by this section.
- G. **Costs of Enforcement.** In the event Grantor or Grantee finds it necessary to bring an action at law or other proceeding against the other party to enforce or interpret any of the terms, covenants, or conditions of this Easement, the prevailing party in any such action or proceeding shall be paid all costs and



reasonable attorneys' and consultants' fees by the other party and all such costs and attorneys' and consultants' fees shall be included in any judgment secured by such prevailing party.

- H. **Grantee's Discretion.** Enforcement of the terms of this Easement shall be at the discretion of the Grantor or Grantee, and any forbearance by such party to exercise its rights under this Easement in the event of any breach of any terms of this Easement shall not be deemed or construed to be a waiver of such term or of any of Grantee's or Grantor's rights under this Easement. No delay or omission by Grantor or Grantee in the exercise of any right or remedy under this Easement shall impair such right or remedy or be construed as a waiver.
- I. **Waiver of Certain Defenses.** Grantor and Grantee acknowledge that they have carefully reviewed this Easement and have consulted with and been advised by counsel of its terms and requirements, and neither shall not assert the rule of construction that ambiguities are to be construed against the drafting party. In full knowledge of the provisions of this Easement, Grantor hereby waives any claim or defense it may have against Grantee or its successors in interest under or pertaining to this Easement based upon adverse possession or prescription relating to the Property or this Easement.
- J. **Acts Beyond Grantor's Control.** Nothing contained in this Easement shall be construed to entitle Grantee to bring any action against Grantor to abate, correct, or restore any condition on the Property or to recover damages for any injury to or change in the Property resulting from causes beyond Grantor's control, including, without limitation, fire, flood, storm, and earth movement, from any prudent action taken by Grantor under emergency conditions to prevent, abate, or mitigate significant injury to the Property resulting from such causes, or from acts of trespassers. In the event the terms of this Easement are violated by acts of trespassers, Grantor agrees, at Grantee's option and expense, to join in any suit, to assign its right of action regarding damage to the Easement to Grantee, or to appoint Grantee its attorney-in-fact, for the purpose of pursuing enforcement action for damage to the Easement against the responsible parties. It shall be Grantor's burden to demonstrate that a violation was caused by a trespasser.
- K. **Compliance Certificates.** Upon request by Grantor, Grantee shall within thirty (30) days execute and deliver to Grantor any document, including an estoppel certificate, which certifies, to the best of Grantee's knowledge, Grantor's compliance or lack thereof with any obligation of Grantor contained in this Easement and otherwise evidences the status of this Easement as requested by Grantor. Such certification shall be limited to the condition of the Property as of Grantee's most recent inspection. If Grantor requests more current documentation, Grantee shall conduct an inspection, at Grantor's expense, within thirty (30) days of receipt of Grantor's written request and payment therefore.



X. ACCESS BY PUBLIC

No right of access by the general public to any portion of the Property is conveyed by this Easement.

XI. COSTS, LIABILITIES, TAXES, AND ENVIRONMENTAL COMPLIANCE

- A. **Liabilities and Insurance.** Grantor retains all responsibilities and shall bear all costs and liabilities of any kind related to the ownership, operation, upkeep, and maintenance of the Property, including the maintenance of adequate comprehensive general liability insurance coverage. Such insurance shall include Grantee's interest and name Grantee as an additional insured and provide for at least thirty (30) days notice to Grantee before cancellation and that the act or omission of one insured will not invalidate the policy as to the other insured party. Grantor remains solely responsible for obtaining any applicable governmental permits and approvals for any construction or other activity or use permitted by this Easement, and all such construction or other activity or use shall be undertaken in accordance with all applicable federal, state, and local laws, regulations, and requirements. Grantor shall keep the Property free of any liens arising out of any work performed for, material furnished to, or obligations incurred by Grantor.
- B. **Taxes.** Grantor shall pay, before delinquency, all taxes, assessments, fees, charges of whatever description levied on or assessed against the Property by competent authority (collectively "taxes"), including any taxes imposed upon, or incurred as a result of, this Easement, and shall furnish Grantee with satisfactory evidence of payment upon request. Grantee is authorized, but in no event obligated, to make or advance any payment of taxes, upon three (3) days prior written notice to Grantor, in accordance with any bill, statement, or estimate procured from the appropriate authority, without inquiry into the validity of the taxes or the accuracy of the bill, statement, or estimate, and the obligation created by such payment shall bear interest until paid by the Grantor at the maximum rate allowed by law for judgments.
- C. **Environmental Representations and Warranties.** Grantor represents and warrants that as of the effective date of this Easement and after reasonable investigation and to the best of Grantor's knowledge:
- i. There are no apparent or latent defects in or on the Property;
 - ii. Grantor and the Property are in compliance with all federal, state, and local laws, regulations, and requirements applicable to the Property and its use, including without limitation all federal, state, and local environmental laws, regulations, and requirements;
 - iii. There has been no release, generation, treatment, disposal, storage, dumping, burying or abandonment ("Release") on the Property of any

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substances, materials, or wastes that are hazardous, toxic, dangerous, harmful or are designated as, or contain components that [are, or] are designated as, hazardous, toxic, dangerous, or harmful and/or which are subject to regulation as hazardous, toxic, dangerous, or harmful or as a pollutant by the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended ("CERCLA") and the Model Toxics Control Act, as amended ("MTCA") or any federal, state, or local law, regulation, statute, or ordinance, including, but not limited to, petroleum or any petroleum product ("Hazardous Substances");

- iv. There are not now any underground storage tanks located on the Property, whether presently in service or closed, abandoned, or decommissioned, and no underground storage tanks have been removed from the Property in a manner not in compliance with applicable federal, state, and local laws, regulations, and requirements;
- v. Neither Grantor nor Grantor's predecessors in interest have Released any Hazardous Substances off-site, nor have they Released any substance at a site designated or proposed to be designated as a federal or state Superfund sites;
- vi. There is no pending or threatened litigation affecting, involving, or relating to the Property or any portion thereof; and
- vii. No civil or criminal proceedings or investigations have been instigated are now pending, and no notices, claims, demands, or orders have been received, arising out of any violation or alleged violation of, or failure to comply with, any federal, state, or local law, regulation, or requirement applicable to the Property or its use, nor do there exist any facts or circumstances that Grantor might reasonably expect to form the basis for any such proceedings, investigations, notices, claims, demands, or orders.

D. **Remediation.** If, at any time, there occurs, or has occurred, a Release in, on, or about the Property of a Hazardous Substance, Grantor agrees to take all reasonable steps necessary to assure its containment and remediation, including any cleanup that may be required, unless the release was caused by Grantee, in which case Grantee shall be responsible remediation.

E. **Control.** Nothing in this Easement shall be construed as giving rise, in the absence of a judicial decree, to any right or ability in Grantee to exercise physical or managerial control over the day-to-day operations of the Property, or any of Grantor's activities on the Property, or otherwise to become an operator with respect to the Property within the meaning of CERCLA or MTCA.

F. **Grantor's Indemnification.** Grantor shall hold harmless, indemnify, and defend Grantee and its members, directors, officers, employees, agents, and contractors and the heirs, personal representatives, successors, and assigns of each of them

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(collectively "Indemnified Parties") from and against all liabilities, penalties, costs, losses, damages, expenses, causes of action, claims, demands, or judgments caused by Grantor or persons under Grantor's control or by Grantor's employees, agents and contractors, including, without limitation, reasonable attorneys' and consultants' fees, arising from or in any way connected with injury to or the death of any person, or physical damage to any property, resulting from any act, omission, condition, or other matter related to or occurring on or about the Property that is not a consequence of any activity of any of the Indemnified Parties;

- i. Violations or alleged violations of, or other failure to comply with, any federal, state, or local environmental law or regulation relating to pollutants or Hazardous Substances, including, without limitation CERCLA and MTCA, in any way affecting, involving, or relating to the Property, unless such violations or alleged violations are due to the acts or omissions of any of the Indemnified Parties;
- ii. The presence or Release in, on, from, or about the Property, at any time, of any Hazardous Substance or other substance that is in any way harmful or threatening to human health or the environment, unless caused solely by any of the Indemnified Parties; or
- iii. The obligations, covenants, representations, and warranties specified in this Easement.

G. Grantee's Indemnification. Grantee shall hold harmless, indemnify, and defend Grantor and Grantor's heirs, personal representatives, successors, and assigns (collectively "Indemnified Parties") from and against all liabilities, penalties, costs, losses, damages, expenses, causes of action, claims, demands, or judgments, including, without limitation, reasonable attorneys' and consultants' fees, arising from or in any way connected with injury to or the death of any person, or physical damage to any property, resulting from any act, omission, condition, or other matter related to or occurring on or about the Property that is a consequence of Grantee's actions or omissions or the actions or omissions of Grantee's members, directors, officers, employees, agents, or contractors on or about the Property.

XII. SUBSEQUENT TRANSFER OR EXTINGUISHMENT

A. Extinguishment. If circumstances arise in the future that render the purpose of this Easement impossible to accomplish, this Easement can only be terminated or extinguished, whether in whole or in part, by judicial proceedings in a court of competent jurisdiction, and the amount of the proceeds to which Grantee shall be entitled, after the satisfaction of prior claims, from any sale, exchange, or involuntary conversion of all or any portion of the Property subsequent to such termination or extinguishment, shall be determined, unless otherwise provided by



Washington law at the time, in accordance with Section XII(B) below. Grantee shall use all such proceeds in a manner consistent with the purpose of this Easement.

- B. **Valuation.** This Easement constitutes a real property interest immediately vested in Grantee, which, for the purpose of Section XII(A) above, the Parties stipulate to have a fair market value determined by multiplying (1) the fair market value of the Property unencumbered by the Easement (minus any increase in the value after the date of this grant attributable to improvements) by (2) the ratio of the value of the Easement at the time of this grant to the value of the Property, without deduction for the value of the Easement, at the time of this grant. The values at the time of this grant shall be those values used to calculate the deduction for federal income tax purposes allowable by reasons of this grant, pursuant to Section 170(h) of the Code. The values used shall be determined pursuant to the valuation requirements of Section 170(h) of the Code and the Treasury Regulations thereunder. For the purposes of this Section XI(B), the ratio of the value of the Easement to the value of the Property (minus any increase in the value after the date of this grant attributable to improvements) unencumbered by the Easement shall remain constant.
- C. **Condemnation.** If the Easement is taken, in the whole or in the part, by the exercise of the power of eminent domain, Grantee shall be entitled to compensation in accordance with applicable law.
- D. **Subsequent Transfers.** Grantor agrees (1) to incorporate by express reference the terms of this Easement in any deed or other legal instrument by which it divests itself of any interest in all or a portion of the Property, including without limitation, a leasehold interest, and (2) to describe this Easement in and append it to, any executory contract for the transfer of any interest in the Property. Grantor further agrees to give written notice to the Grantee of the transfer of any interest at least thirty (30) days prior to the date of such transfer. Such notice to Grantee shall include the name, address, and telephone number of the prospective transferee or such transferee's representative. The failure of the Grantor to perform any act required by this Section XI(D) shall not impair the validity of this Easement or limit its enforceability in any way.

XIII. AMENDMENT

If circumstances arise under which an amendment to or modification of this Easement would be appropriate, Grantor and Grantee are free to jointly amend this Easement; provided that no amendment shall be allowed that shall affect the qualification of this Easement or the status of Grantee under any applicable laws, including RCW 64.04.130, Chapter 84.34 RCW, or Section 170(h) of the Code, and any amendment shall be consistent with the purpose of this Easement, and shall not affect its perpetual duration. Any such amendment shall be recorded in the official records of Thurston County, Washington, and any other jurisdiction in which such recording is required.

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XIV. ASSIGNMENT

- A. **Assignment.** Upon prior written approval from the Washington Department of Ecology, this Easement is transferable, but Grantee may only assign its rights and obligations under this Easement to an organization that is a qualified organization at the time of transfer under Section 170(h) of the Code (or any successor provision then applicable), and the applicable regulations promulgated thereunder, and authorized to acquire and hold conservation easements under RCW 64.04.130 or RCW 84.34.250 (or any successor provision then applicable). As a condition of such transfer, Grantee shall require that the purpose of this Easement continues to be carried out by the transferee. Grantee shall notify Grantor in writing, at Grantor's last known address, in advance of such assignment. The failure of Grantee to give such notice shall not affect the validity of such assignment nor shall it impair the validity of this Easement or limit its enforceability in any way.
- B. **Succession.** If at any time: it becomes impossible for Grantee to ensure compliance with the covenants contained herein, the Grantee shall cease to exist, or if a Court of Competent Jurisdiction determines the Grantee is not enforcing the terms of the easement, then the rights and duties hereunder shall become vested and fall upon some other non-governmental entity selected by the Washington Department of Ecology (WDOE). Upon prior written approval from WDOE, Grantee may choose such other entity, with purposes similar to the Grantee, constituting a "qualified organization" within the meaning of the Code (or corresponding provision of any future statute). If WDOE determines that irreparable harm to the Conservation Values of the Property is occurring and Grantee is not taking appropriate action, it shall have the right to seek an injunction or other appropriate relief against such harm in such Court of Competent Jurisdiction, and to seek protection against liability to the Federal Government for any grant funds being spent on this Easement. As WDOE is a third party funding source for this Easement, Grantee shall provide WDOE with an annual report (during the Grantee's regular monitoring schedule) indicating the conservation condition of the property. If such vesting in the entities named above is deemed to be void under the Rule Against Perpetuities, the rights and obligations under this Easement shall vest in such organization as a court of competent jurisdiction shall direct, pursuant to the applicable Washington law and the Code (or corresponding provision of any future statute) and with due regard to the purposes of this Easement.

XV. RECORDATION

Grantee shall record this instrument in a timely fashion in the official records of Thurston County, Washington, and in any other appropriate jurisdictions, and may re-record it at any time as may be required to preserve its rights in this Easement.



XVI. GENERAL PROVISIONS

- A. **Effective Date.** The effective date of this Easement shall be the date on which the Grantor executed this Easement.
- B. **Controlling Law.** The interpretation and performance of this Easement shall be governed by the laws of the State of Washington.
- C. **Liberal Construction.** Any general rule of construction to the contrary notwithstanding, this Easement shall be liberally construed in favor of the grant to affect the purpose of this Easement and the policy and purpose of RCW 64.04.130 and Chapter 84.34 RCW. If any provision in this instrument is found to be ambiguous, an interpretation consistent with the purpose of this Easement that would render the provision valid shall be favored over any interpretation that would render it invalid.
- D. **Severability.** If any provision of this Easement, or the application thereof to any person or circumstance, is found to be invalid, the remainder of the provisions of this Easement, or the application of such provision to persons or circumstances other than those as to which it is found to be invalid, as the case may be, shall not be affected thereby.
- E. **Entire Agreement.** This instrument sets forth the entire agreement of the Grantor and Grantee with respect to the Easement and supersedes all prior discussions, negotiations, understandings, or agreements relating to the Easement, all of which are merged herein. No alteration or variation of this instrument shall be valid or binding unless contained in an amendment that complies with Section XIII above.
- F. **No Forfeiture.** Nothing contained herein will result in a forfeiture or reversion of Grantor's title in any respect.
- G. **Termination of Rights and Obligations.** Grantor's rights and obligations under this Easement terminate upon transfer of Grantor's interest in the Property, except that liability for acts or omissions occurring prior to transfer shall survive transfer. Grantee's rights and obligations under this Easement terminate upon transfer of Grantee's interest in the Easement, except that liability for acts or omissions occurring prior to transfer shall survive transfer.
- H. **Captions.** The captions in this instrument have been inserted solely for convenience and ease of reference and are not a part of this instrument and shall have no effect upon construction or interpretation.
- I. **Counterparts.** Grantor and Grantee may execute this instrument in two or more counterparts, which shall, in the aggregate, be signed by all parties; each counterpart shall be deemed an original instrument as against any party who has signed it. In the event of any disparity between the counterparts produced, the

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recorded counterpart shall be controlling.

J. **Authority.** The individuals signing below, if signing on behalf of any entity, represent and warrant that they have the requisite authority to bind the entity on whose behalf they are signing.

K. **Recitals.** Each recital set forth above is fully incorporated into this Easement.

XVII. SCHEDULE OF EXHIBITS

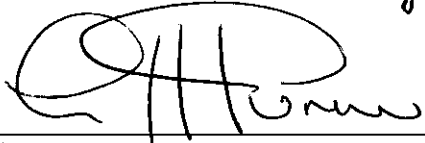
Exhibit A. Legal Description of Property Subject to Easement.

Exhibit B. Site Map of Property Subject to Conservation Easement


Exhibit C. Photos of Reserved Views

TO HAVE AND TO HOLD unto Grantee and its successors and assigns forever.

IN WITNESS WHEREOF, the undersigned Grantor, husband and wife, have executed this instrument this 31st day of July 2006.




Ralph Munro



Karen Munro

THE Capitol Land Trust does hereby accept the above Grant Deed of Conservation Easement.

Dated: 8 Aug. 2006



Grantee
By: Pene Speaks
Its President

STATE OF WASHINGTON)
) ss.
COUNTY OF THURSTON)

On this 31st day of July 2006, before me, the undersigned, a notary public in and for the State of Washington, duly commissioned and sworn, personally appeared RALPH MUNRO, known to me to be the individuals described in and who executed the foregoing instrument, and acknowledged to me that he signed the said instrument as his free and voluntary act and deed for the uses and purposes therein mentioned.

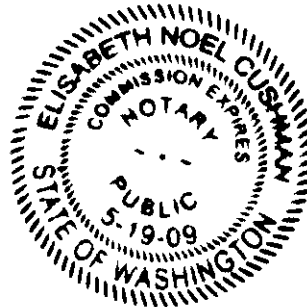
Conservation Easement 24 July 31, 2006



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WITNESS my hand and official seal hereto affixed the day and year in this certificate above written.

Elisabeth Noel Cushman
NOTARY PUBLIC in and for the State of
Washington, residing at Olympia
Print Name: Elisabeth Noel Cushman
My commission expires 5/19/09



STATE OF WASHINGTON)
) ss.
COUNTY OF THURSTON)

On this 31st day of July 2006, before me, the undersigned, a notary public in and for the State of Washington, duly commissioned and sworn, personally appeared KAREN MUNRO, known to me to be the individuals described in and who executed the foregoing instrument, and acknowledged to me that she signed the said instrument as her free and voluntary act and deed for the uses and purposes therein mentioned.

WITNESS my hand and official seal hereto affixed the day and year in this certificate above written.

Elisabeth Noel Cushman
NOTARY PUBLIC in and for the State of
Washington, residing at Olympia
Print Name: Elisabeth Noel Cushman
My commission expires 5/19/09

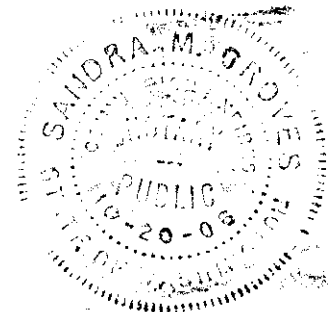


STATE OF WASHINGTON)
) ss.
COUNTY OF Thurston)

I certify that I know or have satisfactory evidence that PENE SPEAKS is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the President of Capitol Land Trust, a Washington Nonprofit Corporation, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

WITNESS my hand and official seal hereto affixed the day and year in this certificate above written.

Sandra M. Groves
NOTARY PUBLIC in and for the State of
Washington, residing at Olympia
Print Name: Sandra M. Groves
My commission expires 10-20-06



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Commitment No. 127238E

SECOND REPORT

Exhibit A – Legal Description of Munro Conservation Easement

PARCEL 1

Lot 1 of Large Lot Subdivision No. LLS-0429, as recorded August 2, 1990, under Auditor's File No. 9008020041. EXCEPT that portion conveyed to Thurston County by Deed recorded August 2, 1990, under Auditor's File No. 9008070105.

AND EXCEPT that portion lying North of the South line extended Easterly of Lot 2 of Large Lot Subdivision No. LL-0429.

ALSO EXCEPTING therefrom that portion lying North of a line described as beginning at a point on the centerline of that certain Northeasterly-running creek as described in said Lot 1 description 150 feet Southerly, when measured at right angles to the Westerly extension of the South line of Lot 2 of said Large Lot Subdivision No. LL-0429; running thence Easterly, parallel to said South line, to the East line of said Lot 1 and to the terminus of said line.

PARCEL 2

Parcel B of Boundary Line Adjustment No. BLA-1136, as recorded October 31, 1991, under File No. 9110310031.

PARCEL 3

An easement for ingress and egress as reserved by deed dated December 12, 1944, and recorded under File No. 445319, and also by deed dated November 9, 1990, recorded under File No. 9012050005, over a "lane" as it existed on December 12, 1944, and as shown on Boundary Line Adjustment No. B LA-1016, as recorded November 6, 1990, under file No. 9011060183, running through the South 10 acres of the Southeast quarter of the Southwest quarter of Section 7, Township 18 North, Range 2 West, W.M., being 80 rods East and West and 20 rods North and South, except a strip 30 feet wide off the East side thereof for county road.

PARCEL 4

Tidelands of the second class extending to extreme low tide lying in front of Government Lots 3, 4, 5 and 6 in Section 12, Township 18 North, Range 3 West, W.M. EXCEPTING THEREFROM any portion of said premises lying above the line of ordinary high tide of Eld Inlet.

ALSO, all that land in the Northeast quarter of Section 13, Township 18 North, Range 3 West, W.M. over which the tide ebbs and flows, lying Southwesterly of the centerline of the creek channel of Eld Inlet. EXCEPT THEREFROM that portion lying Westerly of a line which runs South from a point on the North line of said Section 13, which is 50 feet West of the intersection of said North line with the centerline of the creek channel of Eld Inlet.

ALSO EXCEPTING that portion lying within a 50 foot wide strip which compromises the Easterly boundary of Parcel 1 of Short Subdivision No. SS-1446.

In Thurston County, Washington.

Excepting from the entire, above-referenced property description, any portion of Thurston County tax assessor's parcel number 12807330200.



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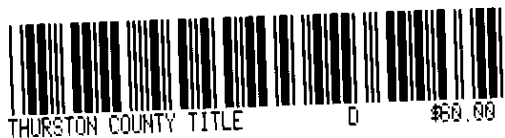
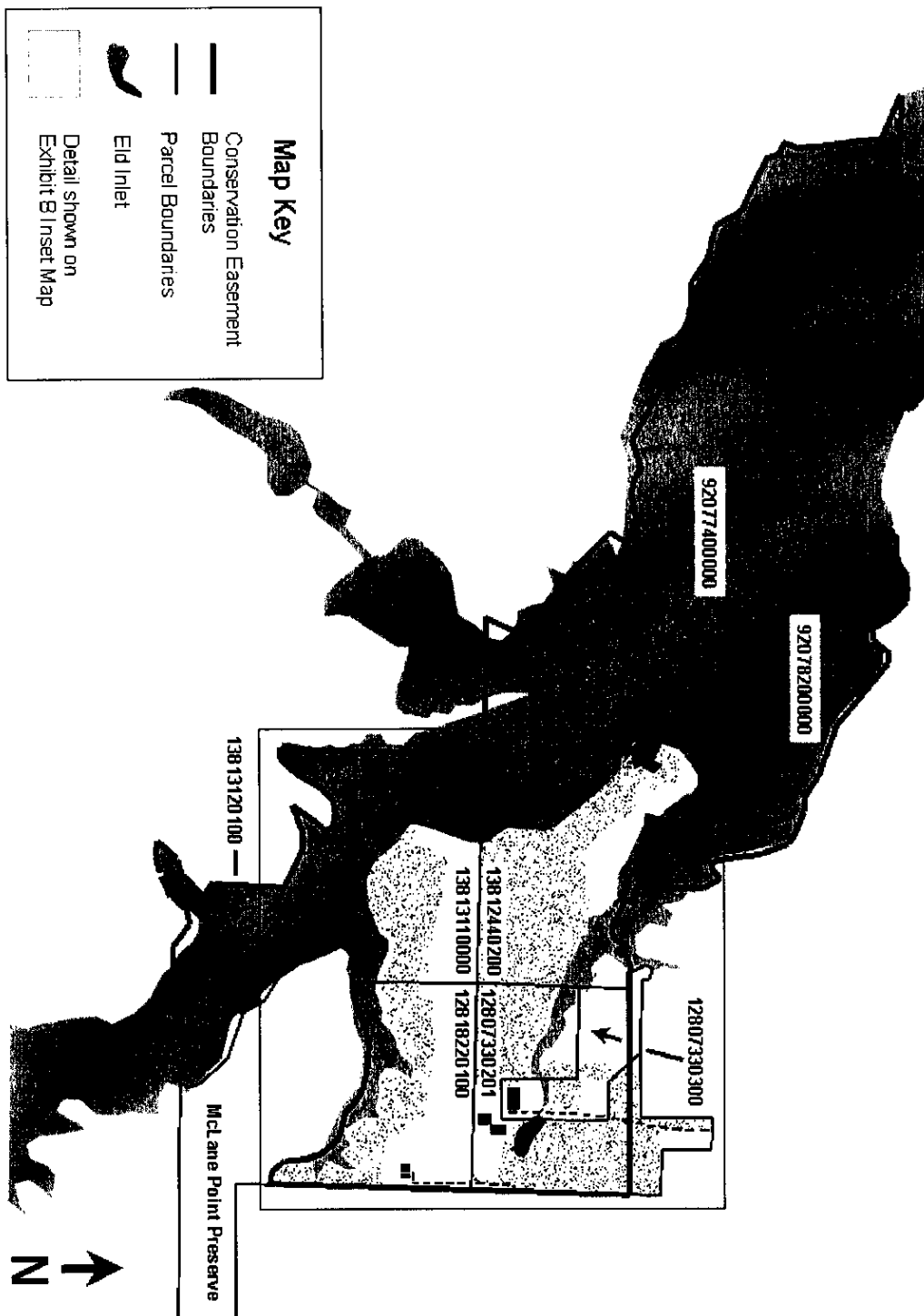
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Thurston Co, WA

Munro Property - Exhibit B: Site Map of Property Subject to Conservation Easement



THURSTON COUNTY TITLE

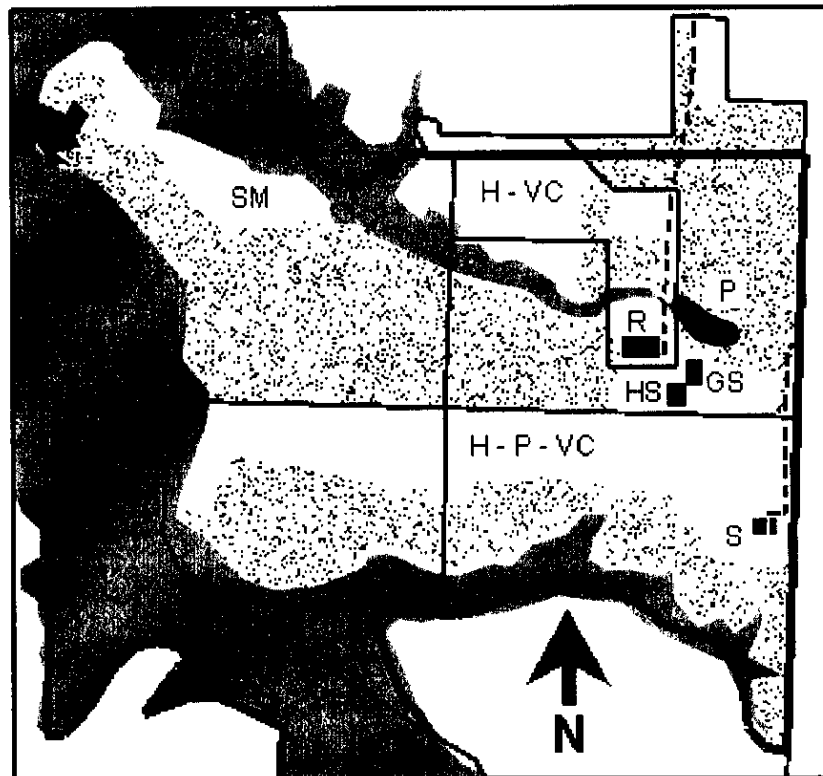
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\$60.00

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Munro Property

Exhibit B (Inset) - Site Map of Property Subject to Conservation Easement



Map Legend

	Cons. Easement Boundary	HVC	Hayfield-View Corridor
	Parcel Boundary	P	Pond
	Roads	R	Residence
AS	Archaeological Site	SM	Saltmarsh
GS	Garage-Shop	S	Storage Sheds
HPVC	Hayfield-Pasture View Corridor		Forested Area
HS	Horse Stables		Eld Inlet



THURSTON COUNTY TITLE

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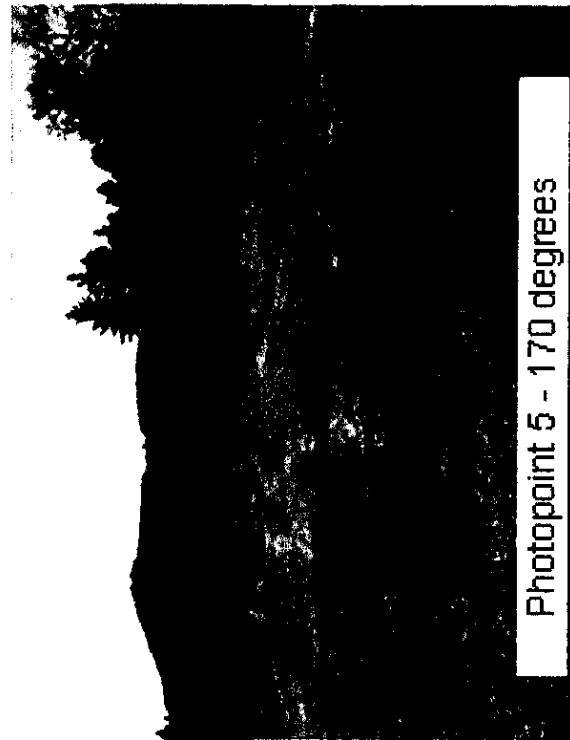
Munro Property - Exhibit C: Photographs of Reserved Views



Photopoint 11 - 280 degrees



Photopoint 20 - 80 degrees



Photopoint 5 - 170 degrees



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