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AFTER RECORDING RETURN TO:
Jeffrey Miller
103 N. Township
Sedro Woolley, WA 98283

Document Title: Galbraith Mountain Recreational Use Easement
Grantor: Galbraith Tree Farm, LLC, a Washington limited liability company
Grantee: City of Bellingham, a Washington municipal Corporation

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S 2, T 37 N, R 3 EWM
S 3, T 37 N, R 3 EWM
SE ¼, S 4, T 37 N, R 3 EWM
E 1/2, S 9, T 37 N, R 3 EWM
S 10, T 37 N, R 3 EWM
S 11, T 37 N, R 3 EWM
S 15, T 37 N, R 3 EWM
East Haven Addn to Fairhaven, Blocks 1-6
Menlo Park, Blocks 1-8
Electric Motor Line Addn to Fairhaven
Donovan Avenue Addn to Fairhaven, Blocks 1-14, and 16, 17, 19 & 20
Great Northern Addn to Fairhaven, Blocks 1-28

Tax Account No.: 370302 132264 0000/179708
Tax Account No.: 370302 364013 0000/179710
Tax Account No.: 370303 056312 0000/21151
Tax Account No.: 370303 208319 0000/21152
Tax Account No.: 370303 314523 0000/21154
Tax Account No.: 370303 348401 0000/21157
Tax Account No.: 370303 379416 0000/21160
Tax Account No.: 370303 407416 0000/21165
Tax Account No.: 370303 352469 0000/21158
Tax Account No.: 370303 352527 0000/21159
Tax Account No.: 370303 394478 0000/21161
Tax Account No.: 370303 396445 0000/21162
Tax Account No.: 370303 398527 0000/21164
Tax Account No.: 370303 529365 0000/21166
Tax Account No.: 370303 531581 0000/21167
Tax Account No.: 370304 510131 0000/179702
Tax Account No.: 370310 064541 0000/26181
Tax Account No.: 370310 220528 0000/26187
Tax Account No.: 370310 235503 0000/26190
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Tax Account No.: 370310 321148 0000/179745
Tax Account No.: 370310 462444 0000/26195
Tax Account No.: 370311 051094 0000/26196
Tax Account No.: 370311 060466 0000/26197
Tax Account No.: 370311 062225 0000/26198
Tax Account No.: 370311 196395 0000/179705

GALBRAITH MOUNTAIN RECREATIONAL USE EASEMENT

This Galbraith Mountain Recreational Use Easement ("Easement") is entered into this ^{4th} ~~2nd~~ day of August, 2018, by and between Galbraith Tree Farm, LLC, a Washington limited liability company ("GTF"), and the City of Bellingham, a Washington municipal corporation ("City").

RECITALS AND PROPERTY DESCRIPTIONS

A. Capitalized terms used in this Easement shall have the meanings set forth in section 2 below or as defined elsewhere in this Easement.

B. GTF is the grantor and owner in fee of the Property.

C. GTF's predecessors-in-interest have historically conducted Commercial Forest Practices within the Property and GTF will continue to do so.

D. GTF's predecessor-in-interest made the Property available to the public for recreational purposes without charging a fee for use of the Property.

E. Whatcom Mountain Bike Coalition, a Washington non-profit corporation ("WMBC") and its predecessors in interest have constructed a trail network, which, together with logging roads on the Property, have been extensively used by the public for recreational biking, hiking, running, and other outdoor recreational activities.

F. The Parties have agreed that Commercial Forest Practices and Recreational Use of the Property are compatible and based on the terms of this Easement should continue to co-exist on the Property.

G. To ensure that public Recreational Use can continue on the Property, the City has agreed to purchase, and GTF has agreed to sell, a recreational easement that will permit the continued use of the Property for outdoor Recreational Use.

H. A significant inducement to enter into this Easement is the Parties immunity from liability under RCW 4.24.210 ("Immunity Act") as it applies to Recreational Use of the Property by the public as set forth in this Easement.

I. It is the Parties' intent that this Easement reserves or grants to each Party all of the rights necessary to qualify for immunity to the greatest extent allowed by law under the Immunity Act from claims arising from Recreational Use of the Property by the public.

J. With this Easement the Parties intend for GTF to convey to the City, without any representations or warranties whatsoever, certain circumscribed rights for Recreational Use over the Property as specifically described in this Easement, while retaining all other rights of fee simple absolute ownership.

K. The Parties agree that this Easement, together with the Supplemental Easements, serve three principal purposes: (1) to protect, preserve and promote GTF's Commercial Forest Practices within the Property; (2) to insulate GTF and the City from claims related to Recreational Uses; and (3) to allow the City to facilitate Recreational Use of the Property by the public. These objectives, listed in order of importance and priority, constitute the essence of this Easement.

L. The City will develop an annual management plan that covers administration, operation, and management of the Recreational Use associated with this Easement.

M. The Parties acknowledge there are other easements on the Property, including those for logging, pipelines, cell towers and utilities. There are also a few small third-party owned or leased parcels within the external boundaries of the Property. The Parties do not intend that any of these interests or rights will be restricted or impaired by this Easement. The Parties acknowledge this Easement is subject to these pre-existing interests and rights.

N. The City, GTF and the Whatcom Land Trust entered into the Galbraith Mountain Working Forest Conservation Easement over the Property, recorded under Whatcom County Auditor's File No. 2018-0807005.

NOW THEREFORE, This Easement and all agreements contained herein, shall run with the Property, and each part of it, and shall be binding on all Parties having or acquiring any right, title or interest in the Property, or any part thereof, and shall inure to the benefit of the Parties. Acceptance of an interest in the Property shall be deemed acceptance of the terms and provisions of this Easement and any conveyance hereafter or any portion or interest in the Property shall be subject to this Easement and all agreements contained herein.

EASEMENT

1. Recitals.

The Parties agree the Recitals are true and accurate statements of facts and are included as terms of this Easement.

2. Definitions.

The following terms shall have the meanings ascribed to each of them:

2.1. "Abandoned Trail" means a Trail that has been closed to Recreational Use and from which all structures have been removed, obstructions to prevent use have been installed, signage prohibiting use has been installed and other reasonable measures have been taken to ensure discontinuance of use of the Trail that has been closed.

2.2 “City” means City of Bellingham, and may include City Affiliates, agents and contractors where rights or responsibilities have been assigned or assumed as provided in section 9.4.

2.2 “City Affiliates” means the Trail Network Manager or Event Sponsor.

2.3 “Commercial Forest Practices” means any activity constituting forest practices under the Forest Practices Act, Chapter 76.09 RCW, as amended, or under other State of Washington statutes that may be enacted, together with preparatory work such as tree marking, surveying, road flagging and removal of incidental vegetation as necessary for forest management and harvesting.

2.4 “Compensation” means the amount of money owed by the City to GTF pursuant to section 5.7 based on: (a) the loss in stumpage value for Marketable Trees cut or handled in a way that makes the timber unmarketable as saw logs for lumber; and (b) the appraised value for trees that are marketable species, but do not meet the size requirements to be Marketable Trees, cut or handled in a way that makes them unmarketable in the future.

2.5 “Event(s)” means any organized gathering or competition of short duration organized by, sponsored by, or approved by the City involving Recreational Use of the Property and/or the Trail Network, but expressly excludes organized gatherings to (i) perform work associated with building, maintaining and removing Trails; and (ii) conducting classes subject to conditions set forth in the Plan.

2.6 “Event Day” means any day in which an Event takes place, as well as each of those additional days used to set up equipment and prepare for the Event and those days after the Event has ended necessary to return the Property and the Trail Network to their original condition, but expressly excludes organized gatherings to perform work associated with building, maintaining or removing Trails.

2.7 “Event Sponsor” means an individual or entity authorized by the City to organize, promote and conduct Events within the Property and/or Trail Network. The Event Sponsor must prior to conducting any Events satisfy the insurance requirements set forth in section 8 and the Plan. The City and the Trail Network Manager may also be Event Sponsors.

2.8 “GTF Affiliate” means any entity that either controls, or is controlled, or owns, or is owned by, or is under common control of GTF or a majority of its members.

2.9 “Guaranteed Event Day” means an Event Day reserved in advance by the City pursuant to section 5.10.2 that takes priority over GTF’s right to conduct Commercial Forest Practices within event exclusive areas defined in section 5.10.3.

2.10 “Hazard Trees” means any tree whose condition creates an unreasonable hazard to public use of the Trail Network or structures located within the Trail Network. It is the intent of

the Parties that Hazard Trees be only those trees that could pose a hazard because of their age, disease or previous damage that could make them likely to fail in a manner that could cause damage or injury.

2.11 "High Fire Hazard Days" means those days that are designated for the Property as Industrial Fire Precaution Level 4 General Shutdown as published by the Department of Natural Resources.

2.12 "Logging Contractor(s)" means independent contractors, and contractors that are GTF Affiliates, performing construction work or timber harvesting in the Property on behalf of GTF or a GTF Affiliate. Construction work and timber harvesting include road construction and repair, construction of landings, construction of work areas, harvesting of timber, transporting timber, and maintenance or construction work related to Commercial Forest Practices. Excluded from this definition of Logging Contractors are the following: silviculture related contractors, engineers, surveyors, appraisers, inspectors and consultants with commercial general liability insurance customary for their business or profession.

2.13 "Logging Road" means a road created and/or maintained for Commercial Forest Practices within the Property or Supplemental Easements, including the existing road that is subject to the Pipeline Easement recorded under Whatcom County Auditor's File No. 2017-06037008. Once GTF or its Logging Contractor(s) abandons a Logging Road in accordance with the Forest Practices Act, the abandoned Logging Road ceases to be a Logging Road unless GTF or its Logging Contractor(s) reestablishes it as a Logging Road. A Logging Road is not a Trail. Logging Roads may be used (a) for other purposes at GTF's election; (b) pursuant to rights granted to the City in this Easement, existing easements and Supplemental Easements; and (c) by third parties based on rights granted in existing easements.

2.14 "Marketable Trees" means any species of tree that is eight inches (8") or more in diameter at breast height ("DBH") and a minimum of sixteen feet (16') in length.

2.15 "Maximum Trail Length" means the maximum length of Trails authorized in section 5.2.2.

2.16 "Party" and "Parties" means GTF and the City referred to herein individually as Party and collectively as Parties.

2.17 "Plan" means the Galbraith Mountain Management Plan described in section 5.12.

2.18 "Property" means all of the real property described in Exhibit A, which by this reference is incorporated herein and the Trail Network.

2.19 "Reconveyance Lands" means the approximately 8,800 acres of forest lands around Lake Whatcom conveyed by the State of Washington Department of Natural Resources to the County by way of Quit Claim Deed recorded January 22, 2014 under Whatcom County Auditor's File No. 2140101862.

2.20 "Recreational Use" means non-motorized, outdoor recreational activities open to the public, including but not limited to walking, running, hiking, biking, horse riding, nature study, and viewing or enjoying scenery. The definition of outdoor recreation under RCW 4.24.210 is broader than the defined term "Recreational Use" as used in this Easement. For instance, motorized activities are included within the scope of outdoor recreation as used in RCW 4.24.210 but motorized activities are hereby expressly prohibited as a permitted recreational use under this Easement.

2.21 "Supplemental Easements" means those easements and agreements created to facilitate access by the City and the public to the Property and Recreational Use of the Property, and include the following:

- (a) Ridge Trail Easement and Relocation Easement Agreement recorded under Whatcom County Auditor's File Number 2017-0603707.
- (b) 1000 Road Easement Agreement recorded under Whatcom County Auditor's File Number 2017-0603709.
- (c) South 40 Trail Easement recorded under Whatcom County Auditor's File No. 2018-0803007
- (d) The Dickinson Access Easement and Tower Road Easement upon recording, subject to the terms of that certain Agreement to Convey Easements between the Parties dated _____.
- (e) The Section 15 Assignment recorded under Whatcom County Auditor's File No. 2018-0803006.

2.22 "Trail(s)" means authorized through-ways, trails or paths within the Property, similar improvements within the Supplemental Easements, and abandoned Logging Roads that have been designated as Trails. Also, "Trail" refers to and includes those structures associated with the Trails, such as bridges, kiosks, berms, banks, directional signs, warning signs, jumps, tables, ramps and similar features.

2.23 "Trail Network" means the entire collection of Trails, Logging Roads, and supporting features, facilities, and improvements on, and authorized to be built within, the Supplemental Easements and the Property pursuant to this Easement and the Supplemental Easements.

2.24 "Trail Network Manager" means the City or an entity designated as such by the City to fulfill on behalf of the City some or all of its responsibilities under this Easement and the Supplemental Easements. To be eligible as a Trail Network Manager, the entity retained by the City must at all times satisfy the insurance requirements set forth herein.

3. Consideration.

GTF and the City agree the consideration for grant of this Easement is adequate.

4. Interests Conveyed.

4.1 Grant of Easement.

Subject to the conditions, restrictions and agreements below, GTF hereby grants and conveys, without any representations or warranties whatsoever, to the City a perpetual easement in gross for Recreational Use on, over and across the Property. The City shall have the exclusive possession and control of the Property for Recreational Use. The exclusive rights granted in the preceding sentence do not restrict GTF's right to use the Property for Commercial Forest Practices, or any other use permitted by law except Recreational Use as defined by this Easement and any other outdoor recreational use. No other public use of the Property is permitted, including any use that could cause Trails to be characterized as a transportation facility. This grant and conveyance is subject to the conditions and restrictions set forth in this Easement. The rights granted include the continuing exclusive right of the City to exclude in its sole discretion the public from the Property for Recreational Use, subject only to the rights reserved by GTF under section 5.6.2. This power to exclude public use is for the purpose of satisfying one of the elements required for the City to assert immunity under the Immunity Act. As to the Supplemental Easements (Except the Dickinson Access Easement and South 40 Trail Easement), this grant and conveyance is a non-exclusive assignment of GTF's rights under the Supplemental Easements.

5. Conditions and Scope of Easement.

This Easement is subject to the following conditions, limitations and restrictions:

5.1 Permitted Uses.

Only those uses by the City and the public (a) expressly allowed under this Easement; or (b) authorized in the Substantive Element of the Plan, are permitted. All other uses by the City and the public within the Property are prohibited.

5.2 Trail Conditions and Restrictions.

5.2.1 Location of New and Existing Trails. At its sole discretion, cost, expense and risk, the City may construct and maintain new Trails throughout the Property provided (1) no Trail shall materially impair the ability of GTF to conduct Commercial Forest Practices; and (2) after the maximum length for all Trails has been reached, for every new Trail built, an existing Trail of equal length will be made and maintained as an Abandoned Trail. Existing Trails that are required to be closed, must satisfy the requirements to be an Abandoned Trail prior to opening any new Trail.

5.2.2 Maximum Trail Length. The Property shall have no more than sixty-five total miles of Trails. Existing Trails shall be approximately located on a map that will be approved by the Parties in the initial Plan.

5.2.3 Abandoned Logging Roads. Abandoned Logging Roads may be designated as Trails by the City at its sole discretion; provided such use is consistent with GTF's regulatory requirements related to the abandoned Logging Road. The City shall give notice to GTF of its intent to designate an abandoned Logging Road as a Trail. An Abandoned Logging Road that has been designated as a Trail by the City may be constructed and maintained as a Trail based on specifications under section 5.2.4(a). Abandoned Logging Roads designated by the City as Trails shall count toward the Maximum Trail Length under section 5.2.2, except for that portion of such Trails that are designated as part of the Padden/Whatcom Connector in the Plan.

5.2.4 Trail Specifications. All Trails shall satisfy the specifications as follows:

- (a) Trails of no more than twelve feet (12') in width with two foot (2') cleared shoulders on either side, for a total width of no more than sixteen feet (16') may be constructed pursuant to section 5.2.3.; and
- (b) All other Trails shall have a tread of no more than five foot (5') average width with two foot (2') cleared shoulders on either side, for a total maximum average width of no more than nine 9 feet.

5.3 Trail Network Administration.

5.3.1 Monitoring. The City is responsible for monitoring and reviewing all aspects of the public use of the Property and enforcing and ensuring compliance with all conditions, restrictions and requirements of this Easement and the Supplemental Easements. The City shall give notice to GTF and take appropriate measures to address, eradicate and abate graffiti and vandalism, abandoned property, dumping of waste and property damage and destruction related to or arising from the public Recreational Use of the Property.

5.3.2 Unauthorized Trails / Property Damage. Upon notice or knowledge of construction of unauthorized trails, paths, clearings, structures or activity causing damage to the Property, the City shall, at its sole cost and expense, timely remove the unauthorized structures and restore the area damaged by such unauthorized activity.

5.3.3 Damage to Logging Roads. Any use of Logging Roads by the City, including Recreational Use, that causes damage to Logging Roads shall be repaired at the sole expense of the City within a reasonable period of time.

5.3.4 Motorized Vehicles. Motorized vehicles operated by the City, or the public are not allowed within the Property, except as specifically authorized in section 5.5 or the Substantive Element of the Plan.

5.3.5 Fire Hazard. No access to the public shall be allowed during High Fire Hazard Days. GTF reserves the right to take necessary action to exclude all use of the Property during High Fire Hazard Days.

5.4 Restriction on Improvements.

No structures or other improvements are permitted to be constructed by the City within the Property, except as specifically authorized in this Easement, Substantive Element of the Plan or the Supplemental Easements. Structures described in the definition of Trail(s) are not subject to this prohibition.

5.5 City Use of Logging Roads

The City shall have the non-exclusive right to use Logging Roads for Recreational Use. The City shall have the non-exclusive right to use motorized vehicles or equipment on Logging Roads for the following purposes: (i) construction, repair, and maintenance of Trails and other improvements to the Trail Network; (ii) emergency access; (iii) Events; (iv) maintenance of Trails in the Reconveyance Lands; (iv) inspection and monitoring of conditions and use of the Property; and (v) uses allowed under easements over Logging Roads held by the City as of the date of the recording of this Easement.

5.6 Use and Conditions.

5.6.1 Non-interference. Except for Guaranteed Event Days, GTF has the right to use the Property for any lawful purpose consistent with this Easement without interference from the City.

5.6.2 Trail Closure. GTF shall have the right at its sole discretion, on reasonable notice to the City to temporarily close portions of the Property, including the Trail Network, to Recreational Use thereby temporarily excluding the public from Recreational Use of the portions of the Property designated by GTF for closure, to facilitate Commercial Forest Practices. The length of time and size of the closed portion of the Property must be reasonable and is not at GTF's sole discretion. The City shall be responsible for the content of notices and signage as the City deems necessary in order to temporarily close those portions of the Property to Recreational Use designated for closure by GTF. Procedures for closure notice from GTF to the City due to GTF's Commercial Forest Practices shall be established in the Plan; provided GTF shall not close any portion of the Property or exclude Recreational Use during Guaranteed Event Days if to do so

would interfere with the Event, and the closed portion of the Property shall only be closed as reasonably necessary for Commercial Forest Practices.

5.6.3 Trail Damage. GTF shall take commercially reasonable measures to limit damage to Trails. If GTF has taken commercially reasonable measures to limit damage to Trails, GTF shall have no responsibility for repair or reconstruction of damage to Trails while it engages in Commercial Forest Practices.

5.7 Timber Protection.

5.7.1 City Actions. The City shall at all times make its best efforts to protect tree species of any size, but trees may be removed if reasonably necessary for construction or maintenance of a Trail after receiving written permission from GTF, which may include Compensation as a condition for permission.

5.7.2 Hazard Trees. The City shall notify GTF of the existence of any Hazard trees. At its own expense and risk, the City may cut Hazard Trees after receiving written permission from GTF, which may include conditions for handling the Hazard Tree. Upon receiving written request from the City, GTF will respond within forty eight (48) hours. If GTF does not respond within forty eight (48) hours, approval is deemed granted to the City to cut or remove the Hazard Tree. Compensation shall only be paid by the City for cutting, removal or handling of a Hazard Tree that is also a Marketable Tree, if it ceases to be a Marketable Tree because of actions of the City or violation of conditions imposed for granting permission to remove the Hazard Tree.

5.7.3 Blowdown Trees. Trees that have fallen because of natural causes that interfere with the Trail Network, may be moved or cut by the City with no Compensation to be paid to GTF by the City; provided if any such trees are Marketable Trees, and if actions taken by the City make such trees no longer Marketable Trees, Compensation shall be required. The City may, at its discretion, notify GTF of a blowdown. If GTF does not remove the blowdown tree from the Trails that it is interfering with within forty eight (48) hours after notification, the City shall have the right to cut and remove that portion of the tree that is reasonably necessary to open the Trail without being required to pay Compensation.

5.7.4 Blowdown Clusters. If there is a storm event, the City will notify GTF if they encounter "clusters" of blown-down trees. A cluster is four or more trees in the same location. GTF in its sole discretion, may elect to either: (i) remove some or all of the trees in a blowdown cluster. If GTF does not elect to remove the trees in a blowdown cluster within a reasonable time, the City may cut or move the blowdown cluster trees for the purpose of Trail construction, repair or

maintenance without Compensation. If trees from a cluster interfere with the Trail, section 5.7.3 shall apply to those trees.

5.7.5 Metal Fasteners. No nails, screws or other fasteners or items of any kind that contain metal may be affixed to trees, including, but not limited to fasteners for signs or Trail structures. Signage attached to trees that existed as of the date of recording of this Easement is exempt from this restriction.

5.8 Forest Land.

The City acknowledges that the Property is and will remain forest land as defined in RCW 36.70A, as amended, subject to GTF's right to cause the Property to be designated for a different use based on the procedures required under RCW 36.70A as amended with the City's consent. The Parties agree that Recreational Use is compatible with Commercial Forest Practices.

5.9 GTF Logging Roads.

Logging Roads within the Property may be used, constructed, relocated, abandoned, and reopened at the sole discretion of GTF; provided those Logging Roads within the Supplemental Easements and the Pipeline Easement shall not be abandoned or relocated without the City's consent, in its sole discretion. GTF has the right to use Logging Roads for any use not prohibited or restricted by this Easement.

5.10 Events.

5.10.1 Event Sponsor. The City shall have the right, at its sole discretion, to authorize an Event Sponsor to use the Property, or portions of the Property for the purpose of organizing and administering Events, provided; the Event Sponsor complies with all of the requirements of this Easement.

5.10.2 Event Scheduling. The City, at its sole discretion, shall have the right to schedule Events on the Property subject to the following terms and conditions:

- (a) The City shall be limited to a maximum of fifty (50) Event Days per calendar year and unused Event Days cannot be carried over into subsequent years;
- (b) All, or a portion, of the fifty (50) Event Days, may be Guaranteed Event Days.
- (c) Guaranteed Event days must be reserved by written notice to GTF more than ninety (90) days prior to the first day of an Event.

- (d) There shall not be more than seven (7) Guaranteed Event Days in any thirty (30) day period.
- (e) No more than seven (7) consecutive Guaranteed Event Days may be reserved;
- (f) The City may request, subject to GTF's approval in GTF's sole discretion, other Event Days on notice of no less than ninety (90) days, subject to the following conditions: (i) The City shall notify GTF of its request for an Event Day as early as possible; and (ii) all approved Event Days shall be counted as Event Days for purposes of section 5.10.2(a).
- (g) Procedures for notices under this section 5.10.2 shall be established in the Plan.

5.10.3 Event Exclusive Area. During authorized Events GTF may not conduct Commercial Forest Practices in areas of the Property that materially interfere with the Event or access to the Event.

5.10.4 Immunity. The Event Sponsor shall make its best efforts to manage Events so as to maximize the protection of the Parties under the Immunity Act, as amended, or other applicable statutory or common law protection.

5.10.5 Fire Hazard. The Event Sponsor shall cancel Events during High Fire Hazard Days.

5.11 Prohibition on Fires and Hazardous Substances.

5.11.1 Fire. The City shall not engage in or permit within the Property any of the following: (1) fires of any kind, including, but not limited to, any campfires, camp stove fires or other fires for cooking or barbequing; provided cooking facilities as authorized in the Substantive Element of the Plan shall be permitted; or (2) any flammable or explosive materials, including, but not limited to, fireworks, kerosene, gasoline, propane or other similar substances, except for gasoline or diesel for machinery used specifically for Trail and other recreational infrastructure construction, maintenance, or repair provided, if such gasoline or diesel is brought onto the Property, the City shall remove all such gasoline or diesel immediately after its use, and in no event shall any gasoline or diesel be stored or maintained on the Property overnight unless it is not feasible to remove such items overnight when a project is ongoing or the gas or diesel is safely contained and the amount is reasonable under the circumstances and does not create a fire hazard. Specific rules for use and handling of explosives and flammable materials shall be established in the Substantive Element of the Plan.

5.11.2 Hazardous Material. The Parties shall not cause or permit any Hazardous Material to be brought upon, kept, or used or disposed of on the Property by the Parties' agents, employees, contractors or invitees, except in strict compliance with this Easement and with all applicable federal, state and local laws, regulations, codes and ordinances. If either Party breaches the obligations stated in the preceding sentence, then such Party shall indemnify, defend and hold harmless the other Party from any and all claims, judgments, damages, penalties, fines, costs, liabilities or losses. As used in this section, "Hazardous Materials" means any hazardous, dangerous, toxic or harmful substance, material or waste, including biomedical waste, which is or becomes regulated by any local governmental authority, the State of Washington or the United States government due to its potential harm to the health, safety or welfare of humans or the environment.

5.12 Plan.

5.12.1 Initial Plan. The Parties will adopt an initial Galbraith Mountain Management Plan.

5.12.2 Purpose. The Plan shall have two distinct purposes:

(1) First, to generally describe the City's plans and specifications for construction and maintenance of the Trail Network and operation and management of the Property including: (a) a program for fire and rescue; (b) the City's relationship with user groups and City Affiliates; (c) mapping and inventory of Trails, Logging Roads, and improvements within the Property; (d) the plan for Trail Network projects and anticipated timelines; (e) GTF's Commercial Forest Practices plan; (f) mechanisms for communication amongst City, City Affiliates, GTF, GTF Affiliates and Logging Contractor(s) to reduce conflicts between Commercial Forest Practices and Recreational Use of the Property; (g) notices under section 9.8; (h) any other matters that the Parties deem useful for coordinating activities; and (i) a description of any material changes in the condition of the Property. These elements of the Plan shall have no substantive effect and shall in no way modify or change the terms of this Easement ("Administrative Element"). Any change to the Administrative Element of the Plan requires both Parties' approval.

(2) Second, the following matters are set forth in the Plan, instead of this Easement, so they can be changed to adapt to future conditions by modification of the Plan: (a) insurance coverage requirements as is commercially reasonable under the conditions at the time of the adjustment; (b) risk allocation to enhance insurability of the Parties, the Trail Network Manager and Event Sponsor; (c) insurance forms, coverage amounts and endorsements; (d) the required liability insurance deductible adjusted as is commercially reasonable under the conditions at the time of the adjustment; (e) changes to accommodate modification of the City's self-insurance

program; (f) changes to comply with the Immunity Act as amended or similar statutes; (g) procedures for notices and responses under sections 5.10.2 (Events), 5.3.1 (Monitoring) and 5.7 (Timber Protection); (h) facilities for Events; (i) fuel storage pursuant to section 5.11; and (j) requirements and restrictions relating to classes. The elements described in this section 5.12.2(2) shall be referred to as "Substantive Elements". Substantive Elements may be amended by mutual agreement or through arbitration as set forth in section 5.12.

5.12.3 Plan Updates. Plan modifications may be initiated by either Party at any time to address any Substantive Element. Amendments to the Non-substantive Plan may be proposed by either Party at any time, but the City shall at least annually review the Administrative Plan and if appropriate propose changes. If no revision is made, then the last mutually adopted Administrative Plan shall remain in effect.

5.12.4 Dispute Resolution. In the event that the Parties are not able to agree on proposed changes to any of the Substantive Elements, either Party may demand arbitration. If an arbitration is commenced the arbitrator(s) shall have the power to resolve disputes concerning those matters included in the Substantive Elements. The arbitrator(s)' decision shall be final and binding. The arbitrator(s)' authority under this section 5.12.4 is limited to arbitration of disagreements between the Parties relating to proposed changes to the Substantive Elements.

5.12.5 Intent. Any change to the Substantive Plan shall be consistent with and based on the purpose and intent of the Parties as described in this Easement.

5.12.6 Procedure for Selecting Arbitrator. If the Parties cannot agree upon an arbitrator, then each Party shall appoint an arbitrator. The arbitrators appointed by the Parties shall in turn select a third arbitrator. The arbitration shall be conducted by all three arbitrators. The demand for arbitration shall be made by written notice and shall reasonably identify the nature of the dispute. Arbitration shall be conducted in Bellingham, Washington, unless agreed otherwise by the Parties.

6. Immunity.

Nothing in this Easement limits the ability of GTF or the City to independently, or as a united defense, avail themselves of the protections offered by any applicable law affording immunity, including, but not limited to the Immunity Act, as it may be amended or replaced from time to time.

7. Indemnification and Hold Harmless.

7.1 Claim Definition.

“Claim” means any and all third-party risks, claims, lawsuits, arbitration demands, judgments, causes of action, losses, damages, and reasonable costs associated with attorneys’ fees, court costs, consulting fees, and lost personnel time and any expenses whatsoever related to this Easement and the Property (including the claimant’s activities thereon) for bodily injury, sickness, disease, death, liens on either Party’s interest in the Property or injury to or destruction of property. A third party is any party or entity not a party to this Easement.

7.2 Indemnification by GTF.

For any Claim occurring after the recording date of this Easement to the fullest extent permitted by law, GTF shall defend, indemnify and hold harmless the City, its officers, employees, elected officials, agents, volunteers, successors and assigns (collectively “City Indemnitees”) from and against Claims to the extent caused by negligent or intentional acts or omissions of GTF, GTF Affiliates, Logging Contractor, subcontractor, anyone directly or indirectly employed by GTF or any one for whose acts it may be liable, regardless of whether or not such claim, damage, loss or expense is caused in part by City Indemnities.

7.3 City Indemnity.

For any Claim occurring after the recording date of this Easement to the fullest extent permitted by law, the City shall defend, indemnify and hold harmless GTF, officers, employees, agents, volunteers, successors and assigns (collectively “GTF Indemnitees”) from and against Claims to the extent caused by negligent or intentional acts or omissions of the City, anyone directly or indirectly employed by the City or any one for whose acts it may be liable, regardless of whether or not such claim, damage, loss or expense is caused in part by GTF Indemnities.

7.4 Substantive Plan Indemnity.

Section 7.2 and 7.3 create a cross indemnification from the City to GTF and from GTF to the City. The City Affiliates and Logging Contractor are not required under these provisions to indemnify the Parties or each other. Future insurance requirements may make it necessary to add a requirement for indemnification and hold harmless from or for the benefit of the City Affiliates and Logging Contractor by change in the Substantive Element of the Plan; provided in no event shall the cross indemnity between the Parties be affected by such change.

7.5 RCW 4.24.115 Does Not Apply.

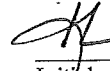
The Parties agree that RCW 4.24.115 does not apply to this Easement because this Easement is not “[a] covenant, promise, agreement, or understanding in, in connection with or collateral to, a contract or agreement relative to the construction, alteration, repair, addition to, subtraction from, improvement to, or maintenance of, any building, highway, road, railroad, excavation, or other structure, project, development, or improvement attached to real estate, including moving and demolition in connection therewith, a contract or agreement for architectural, landscape architectural, engineering, or land surveying services, or a motor carrier

transportation contract.” The consideration paid for this Easement is solely for the easements rights provided herein, and is not for any future improvements.

7.6 Waiver.

THE PARTIES WAIVE ANY IMMUNITY THEY MAY BE GRANTED UNDER THE WASHINGTON STATE INDUSTRIAL INSURANCE ACT, TITLE 51 RCW. THE INDEMNIFICATION OBLIGATION UNDER THIS EASEMENT SHALL NOT BE LIMITED IN ANY WAY BY ANY LIMITATION ON THE AMOUNT OR TYPE OF DAMAGES, COMPENSATION OR BENEFITS PAYABLE TO OR FOR ANY THIRD PARTY UNDER WORKERS' COMPENSATION ACTS, DISABILITY BENEFIT ACTS, OR OTHER EMPLOYEE BENEFIT ACTS.


Initial


Initial



8.0 Insurance.

- 8.1 Logging Contractor Insurance. GTF shall require all Logging Contractors performing work on the Property to maintain commercial general liability insurance that satisfies the minimum insurance requirements for Logging Contractors set forth as one of the Substantive Elements of the Plan to be adopted pursuant to section 5.12.
- 8.2 Event Sponsor Insurance. The City shall require all Event Sponsors to maintain commercial general liability insurance that satisfies the minimum insurance requirements for Event Sponsors set forth as one of the Substantive Elements of the Plan adopted pursuant to section 5.12.
- 8.3 Trail Network Manager Insurance. The City shall require the Trail Network Manager to maintain commercial general liability insurance that satisfies the minimum insurance requirements for Trail Network Manager set forth as one of the Substantive Elements of the Plan to be adopted pursuant to Section 5.12.
- 8.4 GTF Insurance. GTF shall maintain commercial general liability insurance that satisfies the minimum insurance requirements for GTF set forth as one of the Substantive Elements of the Plan to be adopted pursuant to section 5.12.
- 8.5 City Insurance. Pursuant to Bellingham Municipal Code 4.16, the City is self-insured for third party claims and maintains a substantial liability loss fund for that purpose. Claimants under this fund submit claim forms to the Department of Finance initially; the claims themselves are adjudicated by the Risk Manager with review and appeal through the City Council. This fund is also the source of payment for settlements/judgments in litigation by third parties who claim negligence by the City. The City shall maintain excess liability insurance in addition to its self-insurance program. The City's self-insurance/excess insurance program shall cover those claims typically covered under both commercial general

liability and employers liability policies, and shall satisfy the minimum insurance requirements for the City insurance set forth as one of the Substantive Elements of the Plan.

- 8.6 Insurance Remedies. If a Party fails to have insurance or require another to obtain insurance, as required in sections 8.1, 8.2, 8.3, 8.4 and 8.5 of this Easement, the non-defaulting Party shall have the right to acquire additional insurance at the defaulting Party's expense, and seek injunctive relief as the non-defaulting Party's sole and exclusive remedy against the defaulting Party.
- 8.7 Logging. To ensure that there is an additional layer of insurance, the work described in the definition of Logging Contractor must be performed by a third party, which may include a GTF Affiliate. The Logging Contractor must satisfy all of the insurance requirements set forth in section 8.1.

9. General Provisions.

9.1 Injunction.

The Parties acknowledge and agree that the rights and responsibilities described in this Easement are perpetual and will require the Parties to coordinate their activities to comply with the requirements of this Easement to ensure that both GTF's Commercial Forest Practices and Recreational Use can continue within the Property in perpetuity. Because of the unique nature of the Property, and the relationship of the Parties, money damages may not, in certain instances, be adequate remedies for breach because of the difficulty of ascertaining damages and potential of a continuing breach that would make it inefficient to pursue damages. Therefore, the Parties agree that the Superior Court of Snohomish County shall have the power to grant injunctive relief in those circumstances where remedies at law are not adequate. Jurisdiction for any action for injunctive relief shall be in the Superior Court of Snohomish County. The injunctive relief provided for in this section is in addition to and not a limitation on any other remedies at law or in equity otherwise available to the Parties through the dispute resolution process set forth in section 9.2.

9.2 Dispute Resolution.

Except for those matters subject to arbitration under section 5.12.4, venue for all disputes shall be in the Superior Court of Snohomish County. If Snohomish County Superior Court declines venue for any lawsuit between the Parties because it involves an interest in real property, then the dispute shall be resolved by arbitration pursuant to the same process for selection of arbitrators and procedures as set forth in sections 5.12.4 and 5.12.5.

9.3 Attorneys' Fees and Costs.

In the event of any legal action arising under the terms of this Easement or the Supplemental Easements, including any litigation, or in the event it should be necessary for either Party to employ an attorney to enforce or interpret their rights pursuant to this Easement or the Supplemental Easements, the prevailing Party, may at the discretion of the Court, be entitled to recover from the non-prevailing Party all or some of its reasonable costs and attorneys' fees.

9.4 Assignment.

9.4.1 City. The City shall not assign any rights under this Easement or the Supplemental Easements, except to Whatcom County or the State of Washington, or if agreed in writing by the Parties, to any other governmental body; provided this restriction does not prohibit the City from using contractors or agents, including City Affiliates, to fulfill its duties under this Easement.

9.4.2 City Affiliates. Notwithstanding the foregoing, the City may grant to the City Affiliates a license, franchise or enter into a lease or rental agreement with the City Affiliates for some or all of the rights in real property granted to the City in this Easement; provided (a) such license, franchise or lease is subject to this Easement; and (b) the City is not released from its responsibilities under this Easement.

9.4.3 GTF. GTF may assign its rights and responsibilities under this Easement, subject to the conditions set forth in section 9.6.

9.4.4 Successors and Assigns. All covenants, terms, conditions, restrictions and rights set forth in this Easement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns.

9.5 No Third Party Beneficiaries.

There are no third Party beneficiaries to this Easement or the Supplemental Easements except for Whatcom County and the State of Washington, regarding its assignment rights under section 9.4. Members of the public may not enforce this Easement or the Supplemental Easements.

9.6 GTF's Successors.

9.6.1 Right to Sell. The Property consists of various lots of record under the Whatcom County Subdivision Ordinance. GTF may convey legal Lots of record to GTF Affiliates and/or third parties. A third party purchaser of any portion of the Property shall be referred herein as "Purchaser". GTF Affiliates are not included in this definition.

9.6.2 Third Party Conveyance. Upon sale to a Purchaser of any portion of the Property ("Sale Parcel"), the rights and obligations of GTF contained in this Easement as they relate to the Sale Parcel conveyed to a Purchaser shall become the obligation of and may be enforced by the Purchaser. Unless GTF has assigned all of its rights and

obligations related to the Property, the following rights and responsibilities shall not pass to the Purchaser, but shall remain exclusively as rights and responsibilities of GTF: (i) enforcement of Trail development restrictions set forth in section 5.2; (ii) Trail length restriction requirements; (iii) section 5.2 Trail specifications; (iv) rights and responsibilities under section 5.3; (v) section 5.10; and (vi) section 5.12. If GTF conveys all of its interest in the Property then all of its rights and obligations under this Easement shall be assigned to the Purchaser of the last Sale Parcel conveyed, unless these rights and obligations have previously been assigned.

9.6.3 Insurance. Any Purchaser acquiring a Sale Parcel shall be required to satisfy as to their portion of the Property the insurance requirements set forth in section 8. all of which shall be in addition to the duty of GTF to maintain such insurance if GTF retains title to any of the Property.

9.6.4 Assignment/Assumption. GTF, at its sole discretion, may assign to a Purchaser all rights and responsibilities of GTF under this Easement provided: (a) the Purchaser owns a Sale Parcel and agrees to assume responsibility for all obligations of GTF; (b) the assignment and assumption of GTF's interest in this Easement is recorded with the Whatcom County Auditor; and (c) written notice of assignment and assumption is given to the City.

9.7 Permits / Cooperation. The Parties will require governmental approvals for some of their respective activities within the Property. The Parties agree to cooperate with one another by sharing information, responding to inquiries from governmental agencies with jurisdiction over use of the Property, signing consents and approvals as required for use and otherwise cooperating with one another to facilitate Recreational Use and Commercial Forest Practices in the Property consistent with the specific requirements of this Easement and the Supplemental Easements. If the Property is annexed by the City, this section shall not affect the City's legislative power or duties to enforce its ordinances.

9.8 Notices. Any notice, demand, request, consent, approval or communication that either Party wishes or is required to give to the other shall be in writing and shall be served as provided in the Plan.

9.9 Miscellaneous.

9.9.1 Grantor and Grantee. The terms City and GTF, wherever used in this Easement, shall include their successors and assigns, except section 9.6.2 shall continue to apply to GTF if GTF sells less than all of the Property to a third party.

9.9.2 Entire Agreement. This Easement sets forth the entire agreement of the Parties with respect to the matters set forth herein and supersedes all prior discussion, negotiations, understandings and agreements relating to the Easement, all of which are merged herein.

9.9.3 Modification. No alteration or variation of this instrument shall be valid or binding unless contained in an amendment signed by both Parties.

9.9.4 Counterparts. The Parties may execute this Easement in two or more counterparts, which shall, in the aggregate, be signed by both 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 recorded counterpart shall be controlling.

9.9.5 Prior Encumbrances. This Recreational Use Easement is subject to those encumbrances of record for access and utilities on the date of recording of this Easement. Any mortgage or lien arising or recorded before the date of this Recreational Use Easement shall be subordinate to the terms of this Easement.

9.9.6 Non-Waiver of Breach. Failure of either Party at any time to require performance of any provision of this Easement or the Supplemental Easements shall not limit such Party's right to enforce such provision, nor shall any waiver of any breach of any provision of this Easement constitute a waiver of any succeeding breach of such provision or a waiver of such provision itself.

9.9.7 Severability. In case any one or more of the provisions contained in this Easement or the Supplemental Easements shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this Easement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

9.9.8 Interpretation. This Easement and the Supplemental Easements shall be interpreted and construed to best fulfill the principal purposes of this Easement. Ambiguous terms shall neither be construed in favor of nor against either Party. The description of specific rights reserved or held by GTF shall not be construed as limiting GTF's rights to make any lawful use of the Property that is not a violation of this Easement. The Parties acknowledge that this Easement is subject to the implied covenant of good faith and fair dealings. Where permission, approval or agreement is required under this Easement, the Parties shall act reasonably, unless such act is expressly within the sole discretion of GTF or the City.

9.9.9 Communication. All information relating to the Property published or communicated in any medium shall be consistent with the terms of this Easement and the Plan.

IN WITNESS WHEREOF, the Parties hereunto enter this Easement the day and year first above written.

GRANTOR:

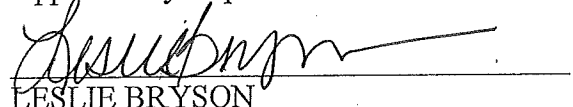
GALBRAITH TREE FARM, LLC

By 
ROBERT JANICKI, Manager

THE CITY OF BELLINGHAM

By  8/21/18
KELLEY J. LINVILLE, Mayor

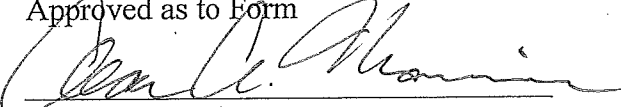
Approved by Department Head:


LESLIE BRYSON
Bellingham Parks and Recreation Director

Attest:


Brian Henshaw, Finance Director

Approved as to Form


Office of the City Attorney

STATE OF WASHINGTON)
 : ss.
COUNTY OF WHATCOM)

On this 24 day of August, 2018, before me personally appeared ROBERT JANICKI, to me known to be the Manager of the limited liability company that executed the within and foregoing instrument to be the free and voluntary act and deed of said limited liability company for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year first above written.

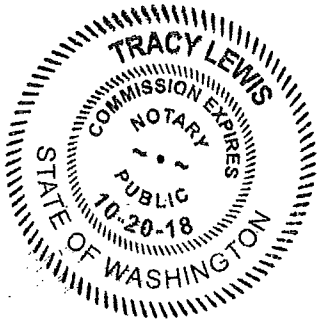


Chester T Lackey
PRINTED NAME: CHESTER T LACKEY
Notary Public in and for the State of Washington,
residing at Bellingham.
My Commission Expires: 2/10/22

STATE OF WASHINGTON)
)ss.
COUNTY OF WHATCOM)

I certify that I know or have satisfactory evidence that Kelli J. Linville is the person who appeared before me and said person acknowledged that she signed this instrument, on oath and stated that she was authorized to execute the instrument and acknowledged it as the City of Bellingham Mayor to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: 8/21/18



Tracy Lewis
Notary Public in and for the State of Washington,
residing at Bellingham
My Commission Expires: 10/20/18

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EXHIBIT "A"
LEGAL DESCRIPTION

PARCEL A:

THE SOUTHEAST QUARTER, EXCEPT PART PLATTED AS "EAST HAVEN ADDITION TO FAIRHAVEN," WHATCOM COUNTY, WASHINGTON, RECORDED IN BOOK 2 OF PLATS, PAGE 82, IN THE AUDITOR'S OFFICE OF SAID COUNTY AND STATE;

TOGETHER WITH BLOCKS 1, 2, 3, 4, 5 AND 6, "EAST HAVEN ADDITION TO FAIRHAVEN," WHATCOM COUNTY, WASHINGTON, RECORDED IN BOOK 2 OF PLATS, PAGE 82, IN THE AUDITOR'S OFFICE OF SAID COUNTY AND STATE;

ALSO TOGETHER WITH GOVERNMENT LOTS 3 AND 4;

ALSO TOGETHER WITH THE SOUTH HALF OF THE NORTHWEST QUARTER AND THE SOUTHWEST QUARTER; ALL IN SECTION 2, TOWNSHIP 37 NORTH, RANGE 3 EAST OF W.M. SITUATE IN WHATCOM COUNTY, WASHINGTON.

SITUATE IN WHATCOM COUNTY, WASHINGTON

PARCEL B:

ALL OF BLOCKS 1, 2, 3, 4, MENLO PARK, AN ADDITION TO SEHOME AND FAIRHAVEN, AS RECORDED IN VOLUME 2 OF PLATS, PAGE 68, RECORDS OF WHATCOM COUNTY, WASHINGTON.

SITUATE IN WHATCOM COUNTY, WASHINGTON.

PARCEL C:

GOVERNMENT LOT 4 (ALSO DESCRIBED AS THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER), SECTION 11, TOWNSHIP 37 NORTH, RANGE 3 EAST OF W.M., SITUATE IN WHATCOM COUNTY, WASHINGTON. ALSO THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER, AND THE WEST HALF OF THE NORTHEAST QUARTER, OF SECTION 11, TOWNSHIP 37 NORTH, RANGE 3 EAST OF W.M. SITUATE IN WHATCOM COUNTY, WASHINGTON.

PARCEL D:

THE EAST HALF OF THE NORTHWEST QUARTER; THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 11, TOWNSHIP 37 NORTH, RANGE 3 EAST OF W.M.

SITUATE IN WHATCOM COUNTY, WASHINGTON.

PARCEL E:

THE ENTIRE PLAT OF ELECTRIC MOTOR LINE ADDITION TO FAIRHAVEN, (BLOCKS 1 TO 20, INCLUSIVE), BEING THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 10, TOWNSHIP 37 NORTH, RANGE 3 EAST OF W.M.;

ALL OF BLOCKS 1 THROUGH 9, INCLUSIVE; LOTS 1 THROUGH 9, 11 through 14, AND 16 THROUGH 22, BLOCK 10; LOTS 1 THROUGH 22, BLOCK 16, LOTS 1 THROUGH 11, BLOCK 17 AND ALL OF BLOCKS 11 THROUGH 14 AND 19 AND 20; DONOVAN AVENUE ADDITION TO FAIRHAVEN, ACCORDING TO THE MAP THEREOF, RECORDED IN VOLUME 2 OF PLATS, PAGE 83, RECORDS OF WHATCOM COUNTY, WASHINGTON;

PARCEL F:

THOSE PORTIONS OF THE SOUTHEAST QUARTER OF SECTION 4 THAT LIE EAST OF THE WEST LINE OF A PIPELINE EASEMENT RECORDED UNDER AUDITOR'S FILE NUMBERS 779595 AND 789170, SECTION 4, TOWNSHIP 37 NORTH, RANGE 3 EAST OF W.M.

EXCEPT ROADS.

SITUATE IN WHATCOM COUNTY, WASHINGTON.

PARCEL G:

THE NORTH HALF OF THE SOUTH HALF OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER, AND THE EAST HALF OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER, OF SECTION 3, TOWNSHIP 37 NORTH, RANGE 3 EAST OF W.M.;

ALSO ALL OF GOVERNMENT LOTS 1 AND 2; GOVERNMENT LOT 4; THE NORTH HALF OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER; GOVERNMENT LOT 3; THE SOUTH HALF OF THE SOUTH HALF OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER; THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER; THE ENTIRE SOUTHWEST QUARTER; THE ENTIRE SOUTHEAST QUARTER OF SECTION 3, TOWNSHIP 37 NORTH, RANGE 3 EAST OF W.M.;

ALL OF BLOCKS 1 THROUGH 5, LOTS 1 THROUGH 22, BLOCK 6; LOTS 1 THROUGH 22, BLOCK 7; LOTS 1 THROUGH 22, BLOCK 8; ALL OF BLOCKS 9 AND 10; LOTS 1 THROUGH 22, BLOCK 11; ALL OF BLOCKS 12 THROUGH 15; LOTS 22, 23, AND 24, BLOCK 16; ALL OF BLOCKS 17 THROUGH 25; LOTS 1 AND 2 THROUGH 24, BLOCK 26; LOTS 1 THROUGH 24, BLOCK 27; AND ALL OF BLOCK 28, PLAT OF GREAT NORTHERN ADDITION TO FAIRHAVEN, ACCORDING TO THE MAP THEREOF, RECORDED IN VOLUME 3 OF PLATS, PAGE 23, RECORDS OF WHATCOM COUNTY, WASHINGTON;

PARCEL H:

A PORTION OF SECTIONS 9, 10, 11 AND 15, TOWNSHIP 37 NORTH, RANGE 3 EAST, WILLAMETTE MERIDIAN DESCRIBED AS FOLLOWS:

THOSE PORTIONS OF THE EAST HALF OF SECTION 9 THAT LIE EAST OF THE WEST LINE OF A TRANS-MOUNTAIN OIL PIPELINE EASEMENT RECORDED UNDER AUDITOR'S FILE NUMBER 789621, RECORDS OF WHATCOM COUNTY, WASHINGTON.

ALSO THE FOLLOWING PORTIONS OF SECTION 10;

ALL OF THE SOUTHEAST QUARTER; AND THOSE PORTIONS OF THE NORTH TWO-THIRDS OF THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER THAT LIE EAST OF THE WEST LINE OF A TRANS-MOUNTAIN OIL PIPELINE EASEMENT RECORDED UNDER AUDITOR'S FILE NUMBER 789620, RECORDS OF WHATCOM COUNTY, WASHINGTON; AND THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER; AND THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER; AND THE SOUTH HALF OF THE NORTHWEST QUARTER; AND THE WEST HALF OF THE NORTHEAST QUARTER; AND ALL OF BLOCKS 5 THRU 8 OF MENLO PARK, RECORDED IN VOLUME 2 PAGE 68 OF PLATS, RECORDS OF WHATCOM COUNTY, WASHINGTON.

EXCEPT THE SOUTH ONE-THIRD OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER; AND THE NORTH TWO-THIRDS OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 10, TOWNSHIP 37 NORTH, RANGE 3 EAST OF W.M.

ALSO THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 11.

ALSO THE FOLLOWING PORTIONS OF SECTION 15:

THE NORTH HALF OF THE NORTHEAST QUARTER;

SITUATE IN WHATCOM COUNTY, WASHINGTON.

TOGETHER WITH THE FOLLOWING SUPPLEMENTAL EASEMENTS

- (a) Ridge Trail Easement and Relocation Easement Agreement recorded under Whatcom County Auditor's File Number 2017-0603707.
- (b) 1000 Road Easement Agreement recorded under Whatcom County Auditor's File Number 2017-0603709.
- (c) Pipeline Easement Agreement recorded under Whatcom County Auditor's File Number 2017-06037008.