

INTERLOCAL COOPERATIVE AGREEMENT
FOR FACILITIES USE BETWEEN
UNIVERSITY PLACE PARK DISTRICT AND
UNIVERSITY PLACE SCHOOL DISTRICT NO. 83

This Facilities Use Agreement is made and entered into this 18th day of April, 1994, by and between University Place School District No. 83, a municipal corporation (the "School District"), and the University Place Park District, a special purpose district (the "Park District").

I. RECITALS

A. The School District is the owner of certain real property situated in Pierce County, Washington and more particularly described in Exhibit A attached hereto and incorporated herein by this reference ("the School District's property").

B. The Park District is the owner of certain real property situated in Pierce County, Washington and more particularly described in Exhibit B attached hereto and incorporated herein by this reference.

C. The Park District desires to use a portion of the School District's property for community purposes for athletic fields, recreational facilities, and other Park District needs.

D. The School District desires to use a portion of the Park District's property to serve school facility needs and to serve school need for athletic fields and recreational facilities.

E. The School District is willing to allow the Park District to use the School District's property to accommodate school and community needs during those periods when the School District does not need the property for school purposes.

F. The Park District is willing to allow the School District to use the Park District's property to accommodate school facility needs and recreational needs.

G. The School District and the Park District are further authorized to enter into a cooperative arrangement in accordance with the terms and conditions set forth herein pursuant to RCW ch. 39.34, the Interlocal Cooperation Act.

II. AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and benefits herein, the parties agree as follows:

1. Property Leased. The School District hereby leases to the Park District under the terms and conditions set forth herein certain real property situated in Pierce County and more particularly described on Exhibit A. The Park District hereby leases to the School District under the terms and conditions set forth herein that certain real property described on Exhibit B. The real properties described under Exhibit A and Exhibit B hereinafter are collectively "the Property" and are shown on Exhibit C for illustrative purposes only.

2. Use of Property. The Property is to be used solely for the purpose of serving the capital facility needs of the School District and providing recreational fields and facilities to the students of the School District and the community of University Place. The Park District and the School District understand and agree that their use of the Property is not exclusive and the Park District and the School District shall use the Property in accordance with this Agreement and the schedule set forth under Paragraph 10 below.

3. Term.

3.1 Initial Term. The term of this Agreement shall be for twenty-five (25) years, commencing May 1, 1994, and ending April 30, 2019; provided, however, the School District or the Park District may earlier terminate this Agreement as provided under paragraph 14 below.

3.2 Option to Renew. Upon the expiration of the initial term, if this Agreement shall be in full force and effect and the Park District and the School District shall have fully performed their respective obligations hereunder, the Park District and the School District shall have the option to extend the term of this Agreement for an additional twenty-five (25) year period by providing written notice to the other party of its intent to do so at least ninety (90) days before the expiration of the term of this Agreement in accordance with paragraph 23 below; provided, however, this option shall be effective only in the event both the School District and the Park District elect to renew this Agreement. If either party fails to exercise its right to renew, this option to renew shall be null and void.

4. Consideration. Consideration for this Agreement shall be the mutual benefits and conditions described in this Agreement.

5. Improvements to and Development of the Property.

5.1 The Park District and the School District shall cooperate in the development of the Property for recreational fields and facilities and School District administrative offices.

5.2 The School District shall have complete discretion to determine the plans and specification for and construction of an administrative office and recreational facilities. Title to any such improvements made by the School District shall vest in the School District, subject to Paragraph 14 below.

5.3 The Park District shall obtain the consent of the School District prior to construction of any improvements on the School District Property.

6. Maintenance and Repairs.

6.1 The School District, at its sole expense and cost, shall keep the fields and any School District improvements to the Property in good maintenance and repair subject to Paragraph 6.2 below.

6.2 The Park District, at its sole expense and cost, shall make any repairs to the Property arising from or relating to the Park District's use of the Property. In the event, the Park District makes any improvements to the Property, the Park District shall be solely responsible for the maintenance and repair of such improvements unless otherwise agreed upon between the parties.

7. Utilities. The School District shall pay any charges for heat, light, water, sewer, telephone and all other public utilities which may be used in or charged against the Property by the District during the term of the Agreement; provided, however, in the event the Park District makes any improvements to the Property, the Park District shall pay any charges for heat, light, water, sewer, telephone and all other public utilities which may be used by or charged against the Property for the benefit of the Park District.

8. Compliance with Applicable Laws, Regulations and Rules. The Park District and the School District shall not knowingly commit or willfully permit to be committed on the Property any act or thing contrary to the law, rules or regulations of any federal, state or local governmental authority, including rules, regulations and policies adopted by each party to this Agreement.

9. Supervision of the Property. Each party shall assume all supervisory duties for each parties activities on or use of the Property.

10. Scheduling of Use of the Property. Except for any administrative offices constructed by the School District on the Park District property in which the District shall have exclusive control over the use of such improvement. The parties agree to prepare and submit to each other a quarterly schedule for use of the Property for recreational purposes by August 1, November 1, February 1 and May 1. The parties agree that the School District shall priority in the scheduling of the Property for recreational purposes.

11. Surrender at End of Term. The Park District shall surrender the School District's property at the expiration of the term or extension thereof, in good order, condition and repair, reasonable wear and tear excepted. The School District shall surrender the Park District's property at the expiration of the term or extension thereof, in its then existing condition.

12. No Representations as to Condition of Property.

12.1 Neither the School District nor its agents have made any representations whatsoever with respect to the condition of the School District's property or any improvements thereto. No rights, easements or licenses are acquired by the Park District by implication unless expressly set forth in the provisions of this Agreement. The use of the School District's property by the Park District shall be conclusive evidence that the Park District accepts the Property "AS IS," and "IN ITS PRESENT CONDITION," and "WITHOUT ANY WARRANTIES WHATSOEVER."

12.2 Neither the Park District nor its agents have made any representations whatsoever with respect to the condition of the Park District's property or any improvements thereto. No rights, easements or licenses are acquired by the School District by implication unless expressly set forth in the provisions of this Agreement. The use of the Park District's property by the School District shall be conclusive evidence that the School District accepts the Property "AS IS," and "IN ITS PRESENT CONDITION," and "WITHOUT ANY WARRANTIES WHATSOEVER."

13. Assignment and Subletting. The Park District and the School District may not assign this Agreement or sublet all or any part of the Property without the prior written consent of the other party; provided, however, the School District consents to occasional use of the Property for recreational purposes without its prior written consent provided it is not in conflict with the intent of Paragraph 10. Such occasional use shall not relieve the Park District of its obligations under this Agreement. If either the Park District or the School District, as the case may be, at any time in consents to the assignment of this Agreement or to the subletting of the whole or any part of the Property such assignment

or sublease shall be in writing and shall be subject to the following conditions:

13.1 Neither such assignment nor sublease nor the acceptance of rent by the School District or the Park District from such assignee or sublessee shall relieve, release or in any manner affect the liability of the other party for the performance of all terms, covenants and conditions of this Agreement.

13.2 The said assignee or sublessee by an instrument in writing and in recordable form shall assume and agree to observe and perform all of the agreements, conditions, covenants and terms of this Agreement on the part of the Park District or the School District, as the case may be, to be kept, observed and performed.

13.3 A duplicate original of such instrument of assignment or sublease and assumption shall be delivered to the School District or the Park District, as the case may be, as soon as such assignment or sublease and assumption shall have been executed and delivered.

13.4 Any sublessee of a portion only of the Property shall agree to assume the same obligations as the Park District or the School District, as the case may be, has under this Agreement.

13.5 No further or additional assignment or sublease shall be made, except upon compliance with and subject to all of the provisions of this paragraph.

13.6 Request to assign or sublet all or a portion of the Property shall be sent to the School District or the Park District, as the case may be, as provided under paragraph 23 below.

14. Termination.

14.1 Termination by the School District.

14.1.1 The School District may terminate this Agreement at any time for any reason with or without cause by giving twelve (12) months advance written notice to the Park District; provided, however, if the School District exercises this option, the recapture provision under paragraph 14.1.2 below shall apply.

14.1.2 In the event the School District exercises the termination option provided above, the School District shall pay a sum to the Park District equivalent to 100% of the total cost of permanent improvements made by the Park District on the Property reduced, pro rata, for each year of occupancy of the Property by the Park District during the initial term of the Agreement. The phrase "total cost of improvements" shall mean the sum of all

expenses, costs, fees and disbursements expended by the Park District to construct any permanent facilities or improvements on the Property as approved by the School District.

14.1.3 In the event the Park District's property is structurally unsound, destroyed or damaged by fire, earthquake, act of God or other casualty to such an extent that the School District cannot use the Property in a safe and efficient manner for its purposes, it shall be optional with the School District to terminate this Agreement by giving thirty (30) days advance written notice to the Park District.

14.2 Termination by the Park District.

14.2.1 The Park District may terminate this Agreement at any time for any reason with or without cause by giving twelve (12) months advance written notice to the School District.

14.2.2 In the event the Park District exercises the termination option provided above and in the further event the School District does not remove from the Property any improvements made by the District, the Park District shall pay a sum to the School District equivalent to the then fair market value of such improvement constructed by the School District on the Park District Property.

15. Insurance.

15.1 Insurance by the Park District. At all times during the term of this Agreement or any extension thereto, the Park District shall, at its sole cost and expense and as additional consideration, maintain in full force and effect the following insurance:

15.1.1 Public liability insurance with a minimum coverage of \$1 million payable to any one person for personal injury or death arising out of any one event, \$1 million for all such personal injuries or death resulting out of one occurrence arising from use of the Property or the Park District's performance of its obligations under this Agreement, and \$500,000 for property damage arising out of any one occurrence arising from use of the Property or the Park District's performance of its obligations under this Agreement.

15.1.2 Fire and extended coverage insurance covering all structures and all improvements made by the Park District to the Property and all personal property of the Park District in the amount of the full replacement value thereof.

15.1.3 All insurance required to be maintained by the Park District under this Agreement shall be effected with insurers authorized to transact business in the State of Washington and with a company acceptable to the School District. On the effective date of this Agreement, and thereafter not less than fifteen (15) days prior to the expiration dates of the existing policies furnished pursuant to this paragraph, certificates evidencing the required insurance shall be delivered by the Park District to the School District. Within fifteen (15) days after the premium on each such policy shall become due and payable, evidence shall be supplied to the School District of such payment.

15.1.4 All insurance required to be maintained by the Park District shall include a ten (10) day cancellation notice to the School District.

15.2 Insurance by the School District. At all times during the School District's use of the Property under this Agreement or any extension thereto, the School District shall, at its sole cost and expense and as additional consideration, maintain in full force and effect the following insurance:

15.2.1 Public liability insurance with a minimum coverage of \$ 1 million payable to any one person for personal injury or death arising out of any one event, \$1 million for all such personal injuries or death resulting out of one occurrence arising from use of the Property of by the School District under this Agreement, and \$500,000 for property damage arising out of any one occurrence arising from use of the Property by the School District.

15.2.2 Fire and extended coverage insurance covering all structures and all improvements made by the School District to the Property and all personal property of the Park District in the amount of the full replacement value thereof.

15.2.3 All insurance required to be maintained by the School District under this Agreement shall be effected with the School District's Risk Management Pool or insurers authorized to transact business in the State of Washington and with a company acceptable to the School District. On the effective date of this Agreement, and thereafter not less than fifteen (15) days prior to the expiration dates of the existing policies furnished pursuant to this paragraph, certificates evidencing the required insurance shall be delivered by the School District to the Park District. Within fifteen (15) days after the renewal period on each such policy, evidence shall be supplied to the Park District of such payment.

15.2.4 All insurance required to be maintained by the School District shall include a ten (10) day cancellation notice to the Park District.

16. Indemnification/Hold Harmless.

16.1 The Park District shall indemnify, defend, and hold harmless the School District, its employees, officials and agents against any and all claims, demands and lawsuits, and shall pay all costs and attorney's fees incurred in the defense thereof, for any injury to persons or property damage, including claims of the Park District's employees, contractors, subcontractors, and agents allegedly resulting from any act, incident, or accident arising from or relating to the Park District's use of the Property or the Park District's performance of or failure to perform its obligations under this Agreement. The Park District shall not, by this provision, be required to indemnify, defend or hold harmless the School District for any loss or damage, or cost incurred in defense, which arises out of the sole negligence of the School District. The Park District's obligation to indemnify the School District shall not be relieved by its obligation to provide insurance coverage set forth under paragraph 15 above.

16.2 The School District shall indemnify, defend, and hold harmless the Park District, its employees, officials and agents against any and all claims, demands and lawsuits, and shall pay all costs and attorney's fees incurred in the defense thereof, for any injury to persons or property damage, including claims of the School District's employees, contractors, subcontractors, and agents allegedly resulting from any act, incident, or accident arising from or relating to the School District's use of the Property under this Agreement. The School District shall not, by this provision, be required to indemnify, defend or hold harmless the Park District for any loss or damage, or cost incurred in defense, which arises out of the sole negligence of the Park District. The School District's obligation to indemnify the Park District shall not be relieved by its obligation to provide insurance coverage set forth under paragraph 15 above.

16.3 In any claim, demand or lawsuit allegedly arising out of or relating to the concurrent negligence of the Park District and the School District, whether or not also concurring with the negligence of any third parties, the Park District and the School District each agree to indemnify, defend and hold harmless the other only to the extent of the Park District's and the School District's own negligence.

17. Inspection.

17.1 The School District shall have the right of inspection of the School District's property from time to time for

the purpose of determining the Park District's compliance with provisions of this Agreement.

17.2 The Park District shall have the right of inspection of the Park District property from time to time for the purpose of determining the School District's compliance with provisions of this Agreement.

18. Default.

18.1 Default by the Park District. The following events are deemed to be events of default by the Park District under this Agreement:

18.1.1 If the Park District shall be in default of the performance of any obligations of this Agreement, and if such default is not cured within twenty (20) days after written notice thereof is given by the School District; or if such default should be of such a nature that it cannot be cured completely within such twenty (20) day period, if the Park District shall not have promptly commenced within such twenty (20) day period or shall not thereafter proceed with reasonable diligence and in good faith to remedy such default;

18.1.2 If the Park District shall be adjudged a bankruptcy, make a general assignment for the benefit of creditors, or take the benefit of any insolvency act, or if a receiver or trustee in bankruptcy shall be appointed for the Park District and such appointment is not vacated within thirty (30) days;

18.1.3 If the Property becomes abandoned or deserted by the Park District for a period of ninety (90) days;

18.1.4 If this Agreement shall be assigned or the Property sublet other than in accordance with the terms of this Agreement and such default is not cured with twenty (20) days after written notice to the Park District;

18.1.5 If any of the above events of default are not cured within the period stated above, then the School District may immediately or at any time thereafter and without further notice or demand enter onto and upon the School District's property or any part thereof and take absolute possession of the same, fully and absolutely without such reentry working a forfeiture of the covenant or covenants to be performed by the Park District for the full term of this Agreement.

18.1.6 The Park District agrees to pay as additional consideration any and all sums which may become due by reason of the failure of the Park District to comply with all the covenants of this Agreement and any and all damages, costs and

expenses which the School District may suffer or incur by reason of any default of the Park District, or failure on the Park District's part to comply with all the covenants of this Agreement and each of them, and also any and all damages to the School District's property caused by any act or neglect of the Park District.

18.1.7 Without in any way limiting the above remedies in the event of default, if the Park District shall default in the performance of any covenant or condition under this Agreement required to be performed by the Park District, the School District may, at its option and upon twenty (20) days written notice to the Park District, or without notice if in the School District's opinion an emergency exists, perform such covenant or condition for the account and at the expense of the Park District. If the School District shall incur any such expense to remedy a default, the Park District shall reimburse the School District for all sums paid to effect such cure, together with interest at the rate applicable to judgments and reasonable attorneys' fees.

18.1.8 The statement of specific remedies as set forth above is not exclusive, and the School District shall, at its option, have available any and all other remedies for default available to it under the laws of the State of Washington.

18.2 Default by the School District. The following events are deemed to be events of default by the School District under this Agreement.

18.2.1 If the School District shall be in default of the performance of any obligations of this Agreement, and if such default is not cured within twenty (20) days after written notice thereof is given by the School District; or if such default should be of such a nature that it cannot be cured completely within such twenty (20) day period, if the School District shall not have promptly commenced within such twenty (20) day period or shall not thereafter proceed with reasonable diligence and in good faith to remedy such default;

18.2.2 If the School District shall be adjudged a bankruptcy, make a general assignment for the benefit of creditors, or take the benefit of any insolvency act, or if a receiver or trustee in bankruptcy shall be appointed for the School District and such appointment is not vacated within thirty (30) days;

18.2.3 If this Agreement shall be assigned or the Property sublet other than in accordance with the terms of this Agreement and such default is not cured with twenty (20) days after written notice to the School District.

18.2.4 If any of the above events of default are not cured within the period stated above, then the Park District

may immediately or at any time thereafter and without further notice or demand enter onto and upon the Park District's property or any part thereof and take absolute possession of the same, fully and absolutely without such reentry working a forfeiture of the covenant or covenants to be performed by the School District for the full term of this Agreement.

18.2.5 The School District agrees to pay as additional consideration any and all sums which may become due by reason of the failure of the School District to comply with all the covenants of this Agreement and any and all damages, costs and expenses which the Park District may suffer or incur by reason of any default of the School District, or failure on the School District's part to comply with all the covenants of this Agreement and each of them, and also any and all damages to the Park District's property caused by any act or neglect of the School District.

18.2.6 Without in any way limiting the above remedies in the event of default, if the School District shall default in the performance of any covenant or condition under this Agreement required to be performed by the School District, the Park District may, at its option and upon twenty (20) days written notice to the School District, or without notice if in the Park District's opinion an emergency exists, perform such covenant or condition for the account and at the expense of the School District. If the Park District shall incur any such expense to remedy a default, the School District shall reimburse the School District for all sums paid to effect such cure, together with interest at the rate applicable to judgments and reasonable attorneys' fees.

18.2.7 The statement of specific remedies as set forth above is not exclusive, and the Park District shall, at its option, have available any and all other remedies for default available to it under the laws of the State of Washington.

19. Destruction of the Property.

19.1 In the event that any improvements to the Property constructed at the expense of the Park District are destroyed or injured by fire, flood, earthquake, or other casualty, then the Park District, at the Park District's option and at the Park District's expense, may proceed to rebuild and restore improvements to the said Property, or such part thereof as may be injured as aforesaid; provided, that within fifteen (15) days after such destruction or injury, the Park District shall in writing notify the School District of the Park District's intention so to do, and during the period of such rebuilding and restoration, which shall be diligently pursued and completed within a reasonable period of

time. The destruction of any improvements constructed by the Park District shall not be cause for termination of this Agreement.

19.2 In the event that any improvements to the Property constructed at the expense of the School District are destroyed or injured by fire, flood, earthquake, or other casualty, then the School District, at the School District's option and at the School District's expense, may proceed to rebuild and restore improvements to the said Property, or such part thereof as may be injured as aforesaid; provided, that within fifteen (15) days after such destruction or injury, the School District shall in writing notify the Park District of the School District's intention so to do, and during the period of such rebuilding and restoration, which shall be diligently pursued and completed within a reasonable period of time. If the School District shall elect not to rebuild and restore the Property, and so notify the Park District, then this Agreement may be terminated at the School District's option.

20. Quiet Enjoyment. The School District and the Park District warrant title and quiet enjoyment of the other party's property. As long as each party is in compliance with the provisions hereof, each party shall defend the other party against any hindrance, interruption, or objection by any person claiming title or rights in the Property.

21. ADA Compliance. The School District and the Park District each represent that any improvements constructed on the Property shall be in compliance with the American with Disabilities Act. The party making any such improvements shall be responsible for and liable for compliance with the American with Disabilities Act.

22. Hazardous Waste.

22.1 The Park District's Obligations. The Park District will not cause nor permit any activities on the Property which directly or indirectly could result in the Property or any other property becoming contaminated with hazardous or toxic waste or substances. For purposes of this Agreement, the term "hazardous or toxic waste or substances" means any substance or material defined or designated as hazardous or toxic wastes, hazardous or toxic material, a hazardous, toxic or radioactive substance or other similar term by any applicable federal, state or local statute, regulation or ordinance now or hereafter in effect.

The Park District acknowledges that it will be responsible for all costs and expenses relating to the clean-up of hazardous or toxic waste or substances from the Property or from any other properties which become contaminated with hazardous or toxic waste or substances as a result of any contamination of or activities by the Park District on the Property.

22.2 The School District's Obligations. The School District will not cause nor permit any activities on the Property which directly or indirectly could result in the Property or any other property becoming contaminated with hazardous or toxic waste or substances. For purposes of this Agreement, the term "hazardous or toxic waste or substances" means any substance or material defined or designated as hazardous or toxic wastes, hazardous or toxic material, a hazardous, toxic or radioactive substance or other similar term by any applicable federal, state or local statute, regulation or ordinance now or hereafter in effect.

The School District acknowledges that it will be responsible for all costs and expenses relating to the clean-up of hazardous or toxic waste or substances from the Property or from any other properties which become contaminated with hazardous or toxic waste or substances as a result of any contamination of or activities by the School District on the Property.

23. Notice. Any notice required to be given by either party to the other pursuant to the provisions of this Agreement or any law, present or future, shall be in writing and shall be deemed to have been duly given or sent if either delivered personally or deposited in the United States mail, postage prepaid, registered or certified, return receipt requested, addressed as follows or to such other address as either party may designate to the other in writing from time to time:

Park District: University Place Park District

Attention: _____

School District: University Place School
District No. 83
8805 - 40th St. W.
Tacoma, WA 98466
Attention: Superintendent

24. Liens. Each party shall keep the Property free from any liens arising out of any work performed, materials furnished or obligations incurred by a party to this Agreement.

25. Attorneys' Fees. In any action in any forum (including any appeals) brought to enforce any provisions of this Agreement, the prevailing party shall be entitled to recover from the other party all reasonable costs and reasonable attorneys' fees incurred by the prevailing party.

26. Construction. This Agreement shall not be construed more favorably to one party over another, notwithstanding the fact one

party, or its attorney, may have been more responsible for the preparation of the document.

27. Nonwaiver of Breach. The failure of either party to insist upon strict performance of any of the covenants and agreements of this Agreement or to exercise any option herein contained in any one or more instances shall not be construed to be a waiver or relinquishment of any such, or any other, covenant or agreements; but the same shall be and remain in full force and effect.

28. Successors. The terms, covenants and conditions herein contained shall accrue to the benefit of successors and assigns of the parties hereto.

29. Supersedes other Agreements. This Agreement shall supersede and replace in all respects any agreements executed between the parties relating to joint use of the Property.

30. Governing Law. This Agreement is made pursuant to and shall be construed in accordance with the laws of the State of Washington.

31. Complete Agreement. This Agreement fully integrates the understanding of the parties. It supersedes and cancels all prior negotiations, correspondence and communication between the parties with respect to the Property. No oral modification of or amendment to this Agreement shall be effective; however, this Agreement may be modified or amended by written agreement signed by all the parties to the Agreement.

32. Paragraph Headings, Gender and Number. Paragraph headings are not to be construed as binding provisions of this Agreement; they are for the convenience of the parties only. The masculine, feminine, singular and plural of any word or words shall be deemed to include and refer to the gender appropriate in the context.

33. Time of Essence. Time is of the essence of this Agreement and of every provision hereof.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date opposite their respective signatures.

UNIVERSITY PLACE SCHOOL
SCHOOL DISTRICT NO. 83

By: Donald A. Krag

Its: Superintendent

UNIVERSITY PLACE PARK DISTRICT

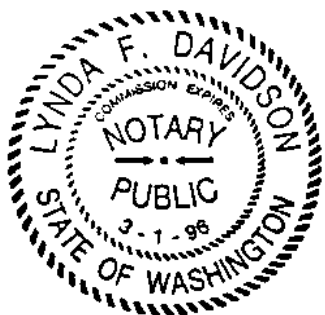
By: Jan. Busca

Its: _____

STATE OF WASHINGTON)
) ss.
COUNTY OF PIERCE)

On this day personally appeared before me Donald A. Krag,
to me known to be the Superintendent of University Place School
District No. 83, the municipal corporation described in and that
executed the within and foregoing instrument, and acknowledged said
instrument to be the free and voluntary act and deed of said
municipal corporation, for the uses and purposes therein mentioned,
and on oath stated that he was authorized to execute said
instrument on behalf of said municipal corporation.

GIVEN under my hand and official seal this 28th day of
April, 1994.



Lynda F. Davidson
Lynda F. Davidson

[printed name of notary]
NOTARY PUBLIC in and for the State
of Washington, residing at Pierce County
My Commission Expires: 3-1-96

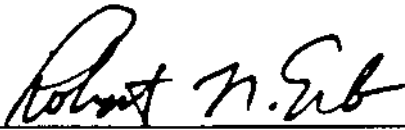
JOINT USE AGREEMENT PARCEL
(U.P. SCHOOL DISTRICT #83 TO U.P. PARKS AND RECREATION)

A PARCEL OF LAND CONVEYED TO THE UNIVERSITY PLACE SCHOOL DISTRICT NO. 83 BY STATUTORY WARRANTY DEED RECORDED UNDER AUDITOR'S FEE NUMBER 2381401.

TOGETHER WITH:

THAT PORTION OF A PARCEL OF LAND CONVEYED TO THE UNIVERSITY PLACE SCHOOL DISTRICT NO. 83 BY STATUTORY WARRANTY DEED RECORDED UNDER AUDITOR'S FEE NUMBER 1827905 LYING NORTHERLY OF THE FOLLOWING DESCRIBED LINE:

BEGINNING AT THE SOUTHEAST CORNER OF A PARCEL OF LAND CONVEYED TO UNIVERSITY PLACE PARKS AND RECREATION; THENCE EASTERLY ALONG THE SOUTH LINE OF SAID PARCEL EXTENDED EASTERLY TO THE EAST LINE OF THE NORTHEAST QUARTER OF SECTION 16, TOWNSHIP 20 NORTH, RANGE 2 EAST OF THE WILLAMETTE MERIDIAN AND THE END OF SAID DESCRIBED LINE.



ROBERT N. ERB P.L.S.
WASHINGTON STATE REGISTRATION NUMBER 18082

PROJECT #7367
APRIL 26, 1994

SITTS & HILL ENGINEERS, INC.
2901 SOUTH 40TH STREET
TACOMA, WASHINGTON 98409
TELEPHONE: (206) 474-9449
FAX: (206) 474-0153

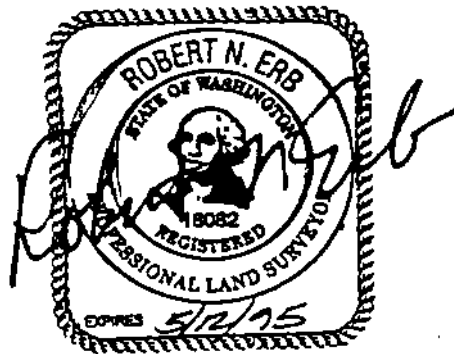


EXHIBIT B TO LEASE AGREEMENT

Colgate Park
Situate in Pierce County, Washington

Commencing at the Northwest corner of the Southeast Quarter of the Northeast Quarter of Section 16, Township 20 North, Range 2 East, W.M.; thence on the North line of said subdivision, East 57 feet to the true point of beginning; thence continuing on said North line East 299.90 feet, more or less, to the West line of the East 50 feet of Lot 6, Block 2, Third Grandview Crest Addition, according to the plat thereof filed in the records of the Pierce County Auditor; thence North, along said West line of the East 50 feet of said Lot 6, to the North line of said Block 2; thence Easterly, along said North line, to a point 153.30 feet West of the Northeast corner of said Block 2; thence South $67^{\circ}07'30''$ East 166.59 feet to the East line of said Block 2; thence South to the Southeast corner of said Block 2; thence East, along the North line of the said Southeast Quarter of the Northeast Quarter of said Section 16, 284.5 feet, more or less, to a point 844.4 feet East of the true point of beginning; thence Southerly parallel with the West line of said subdivision, 435.36 feet; thence Westerly parallel with the North line of said subdivision, 844.4 feet; thence Northerly parallel with the West line of said Subdivision, to a point 100 feet Southerly of the North line of said subdivision; thence West parallel with the North line of said subdivision, to the East right-of-way line of Bridgeway Blvd. (formerly Grandview Rd.); thence Northeasterly, along said right-of-way line, to a point West of the true point of beginning; thence East to the true point of beginning.

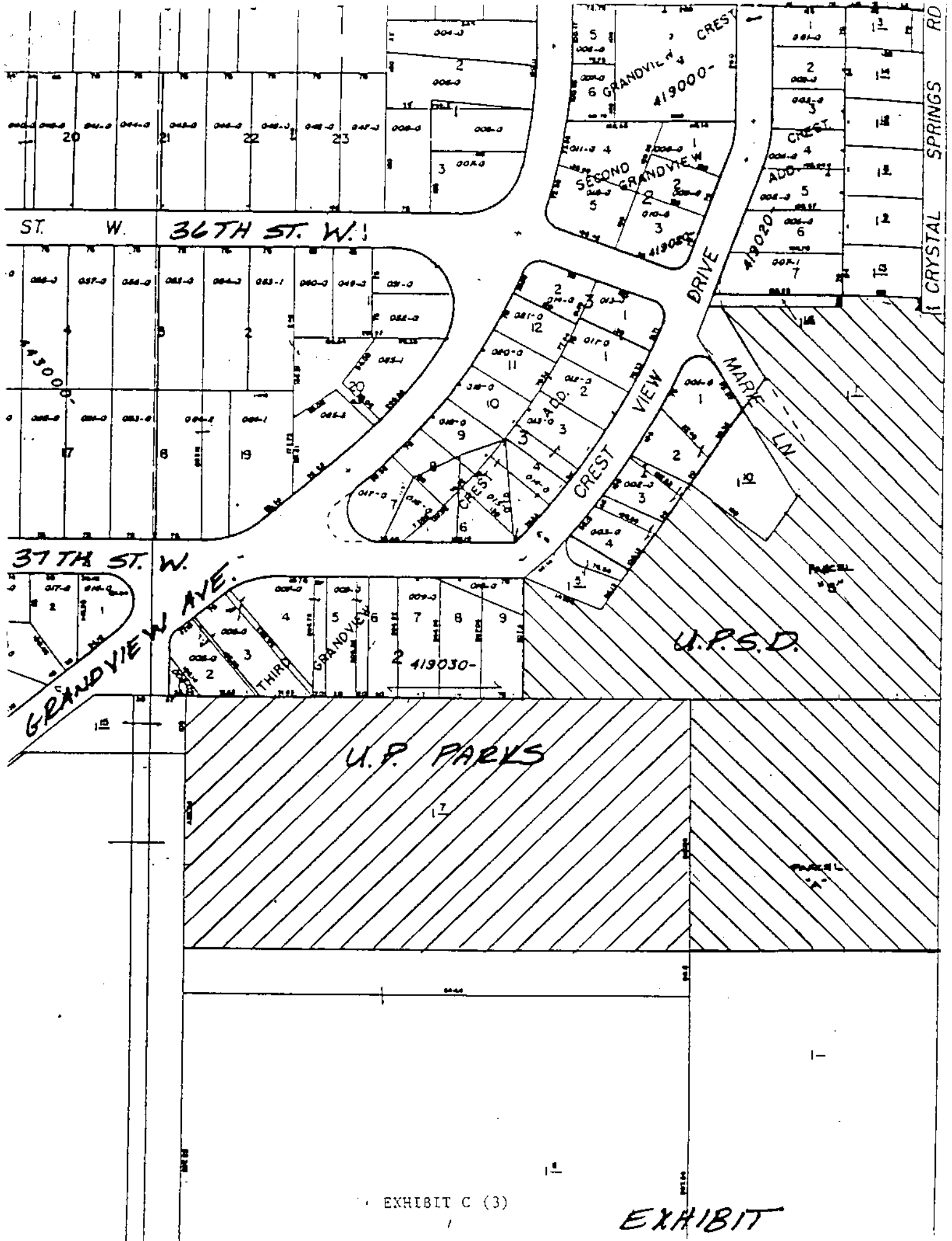


EXHIBIT C (3)

EXHIBIT