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TRANSACTION TI AMDCN 15.00
PAGE 001 OF 008
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KING COUNTY, WA

Foster Pepper & Shefelman PLLC
Attention: Gary N. Ackerman
1111 Third Avenue, Suite 3400
Seattle, Washington 98101-3299

AMENDMENT NO. 1 TO CONDOMINIUM DECLARATION
AND SURVEY MAP AND PLANS FOR
QUEEN ANNE SQUARE, A CONDOMINIUM

870366 (S) Grantor/Declarant: QAS RESIDENTIAL L.L.C., a Washington limited liability company, ^{8/15} and QUEEN ANNE SQUARE LLC, a Washington limited liability company
Additional names on pg. N/A

Grantee: QUEEN ANNE SQUARE, A CONDOMINIUM
Additional names on pg. N/A

Legal Description: QUEEN ANNE SQUARE, A CONDOMINIUM, CREATED UNDER CONDOMINIUM DECLARATION RECORDED UNDER KING COUNTY RECORDER'S NO. 19990930002421
Official legal description SAME

Assessor's Tax Parcel ID#: 179253-0010 thru 179253-0750; 701535-0020-03

Reference # (if applicable): 19990930002420; 19990930002421
Additional numbers on pg. N/A

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FILED FOR RECORD AT THE REQUEST OF
TRANSACTION TITLE INSURANCE CO

DEPARTMENT OF ASSESSMENTS

Examined and approved this 15th day of

May 01
D. Noble

Assessor

Dianne Murdock
Deputy Assessor

AMENDMENT NO. 1 TO
CONDOMINIUM DECLARATION AND SURVEY MAP AND PLANS FOR
QUEEN ANNE SQUARE, A CONDOMINIUM

The undersigned Declarants (or their successors) of Queen Anne Square, a condominium created under Condominium Declaration recorded under King County Recorder's No. 19990930002421 (the "Declaration") and Survey Map and Plans filed under King County Recorder's No. 19990930002420, hereby amend the following provisions of the Declaration in order to correct certain errors and make certain clarifications:

1. In order to correct an erroneous reference to Schedule C, the definition of "Common Expense Liability" in Section 1.1 is amended to read as follows:

Common Expense Liability means the liability for Common Expenses allocated to each Unit, as set forth in Section 5.4.

2. In order to clarify the responsibility for maintenance of drainage systems within the respective Units, Section 8.4 is amended to read as follows:

Maintenance and Operation of Common Elements and Limited Common Elements. Except as provided below, the Association shall be responsible for all costs of operation, maintenance, repair, replacement, improvement, demolition and reconstruction of all improvements and equipment within the Common Elements, including the Limited Common Elements. The responsibilities of the Association shall include, without limitation: (a) all structural elements of the garage (including repair of leaks, seepage or other penetrations of surface or ground water into the garage, although the Owners are responsible for maintaining in good condition and repair the drainage systems within their respective Units); (b) the lighting, fire sprinkler and ventilation systems for the garage; (c) the entrance control mechanisms for the northerly entrance to the garage; (d) sweeping and cleaning the garage (except areas constructed as private storage areas), (e) striping of parking stalls and walkways within the garage and (f) the portion of the storm water collection and detention system located below the Units. Each Owner is responsible for all costs of operation, maintenance, reconstruction of any private storage areas located from time to time within its Limited Common Element and for any stairways, elevators and elevator related improvement and equipment providing access from the garage to the Owner's Unit and for any utility of other building systems in the garage that serve only the Owner's Unit. The Owner of the Office Unit is responsible for all of the costs associated with the entrance control mechanisms and cashier or ticket booth at the southerly entrance to the garage and all costs associated with the maintenance of any portion of the Office Limited Common Element which is used for storage or disposal of garbage from the Office Unit. The Association, as a Common Expense, shall pay

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or reimburse the Owner of the Office Unit for a reasonable share of a third party operator for the garage. That share, which shall initially be 25% of the costs for the third party operator for the garage, shall be subject to review and adjustment by the Board upon request by a Unit Owner.

3. In order to correct an erroneous reference to Schedule C, Section 11.4 is amended to read as follows:

Assessments for Common Expenses and Special Allocations. The sums required by the Association for Common Expenses and Special Allocations, as reflected by the annual budget and any supplemental budgets, shall be divided into installments to be paid each month over the period of time covered by the budget or supplemental budget. Assessments for Common Expense for each Unit shall be determined by multiplying the Common Expense Liability allocated to each Unit times the total monthly installment for Common Expenses for all Units. Assessments for Special Allocations for any shared utility services, including but not limited to, electricity, water, sewer and gas shall be allocated to the Units based on actual usage and expense, as determined by separate contracting, metering or any other reasonable method determined by the Board. The foregoing Special Allocations shall be reviewed quarterly by the Board and adjusted if necessary to reflect actual usage and expense. Costs incurred primarily for the benefit of one Unit shall be specially allocated to the Owner of that Unit. In the event the Board is unable to agree on a Special Allocation and the issue is submitted to arbitration pursuant to Section 10.2, the prior method or formula for allocating expenses shall continue until a new method or formula is established by arbitration or agreement of the Board. Any assessments imposed by a governmental authority on the Association or paid by the Association, such as business improvement area assessments, shall be a Special Allocation allocated to the Units on the same basis as the assessments are levied by the governmental authority. Monthly Assessments begin accruing for all Units when the Units are owned by different Persons. To the extent that any Common Expense is caused by the negligence or misconduct of an Owner or tenant of any Unit, the Association shall assess that expense against that Unit.

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4. In order to recognize the system being used for paying the day-to-day Common Expenses, the following new section 11.13 is hereby added:

Alternative Method for Paying Common Expenses. If the Owners agree, they may, in lieu of the procedures set forth in Sections 11.1 through 11.12, allow one of the Owners to pay the Common Expenses and have the other Owner reimburse the paying Owner monthly for its share of the Common Expenses. If this procedure is used, the paying Owner shall keep adequate records for a period of not less than three years to enable an audit of the expenses to be conducted. Currently, the Owner of the Office Unit is

managing the parking facility in the Condominium and paying the day-to-day Common Expenses, and the Owner of the Residential Unit is reimbursing the Owner of the Office Unit for its one-third share in accordance with Section 5.4. This procedure shall remain in place until either of the Owners requests a change in writing.

5. In order to correct the area of the Office Unit, Schedule B is amended to read as attached hereto.

6. In order to reallocate, with the consent the Owner of the Office Unit and the Declarant of Queen Anne Square Residential, the Limited Common Element parking areas allocated to the Residential Unit and the Commercial Unit, Sheets 4 and 5 of the Survey Map and Plans are amended as attached hereto as Exhibit A.

Dated April 26, 2001.

QAS RESIDENTIAL L.L.C., a Washington limited liability company
By SP-QAS MANAGER, INC., a Washington corporation
Its Manager

By J. M. Mann
Its Vice President

QUEEN ANNE SQUARE LLC, a Washington limited liability company
By SABEY CORPORATION, a Washington corporation, Its Manager

By J. N. Hamm
Its Cfo/Treasurer/Secretary

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STATE OF WASHINGTON

ss.

COUNTY OF KING

I certify that I know or have satisfactory evidence that John M. Marasek is the person who appeared before me, and said person acknowledged that said person signed this instrument, on oath stated that said person was authorized to execute the instrument and acknowledged it as the Vice President of SP-QAS Manager, Inc., a Washington corporation, Manager of QAS RESIDENTIAL L.L.C., a Washington limited liability company, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated this 26th day of April, 2001.

Shari N. Alexander

(Signature of Notary)

SHARI N. ALEXANDER

(Legibly Print or Stamp Name of Notary)

Notary public in and for the state of Washington, residing at King Co.

My appointment expires 11/13/02

STATE OF WASHINGTON

ss.

COUNTY OF KING

I certify that I know or have satisfactory evidence that James N. Harman is the person who appeared before me, and said person acknowledged that said person signed this instrument, on oath stated that said person was authorized to execute the instrument and acknowledged it as the CEO Treasurer Secretary of SABEY CORPORATION, a Washington corporation, Manager of QUEEN ANNE SQUARE LLC, a Washington limited liability company, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated this 26 day of April, 2001.

Daniel B. Duwe

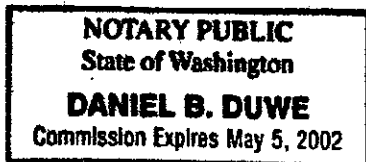
(Signature of Notary)

Daniel B. Duwe

(Legibly Print or Stamp Name of Notary)

Notary public in and for the state of Washington, residing at Seattle

My appointment expires 05-05-02



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SCHEDULE B

QUEEN ANNE SQUARE, A CONDOMINIUM

Unit Data

Residential Unit

1. Approximate area: 39,096 square feet
2. 95 bedrooms, 76 bathrooms and no fireplaces

Office Unit

1. Approximate area: 148,008 square feet
2. Bedrooms, bathrooms and fireplaces: Not applicable

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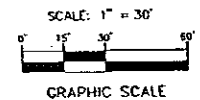
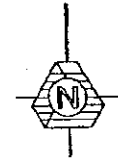
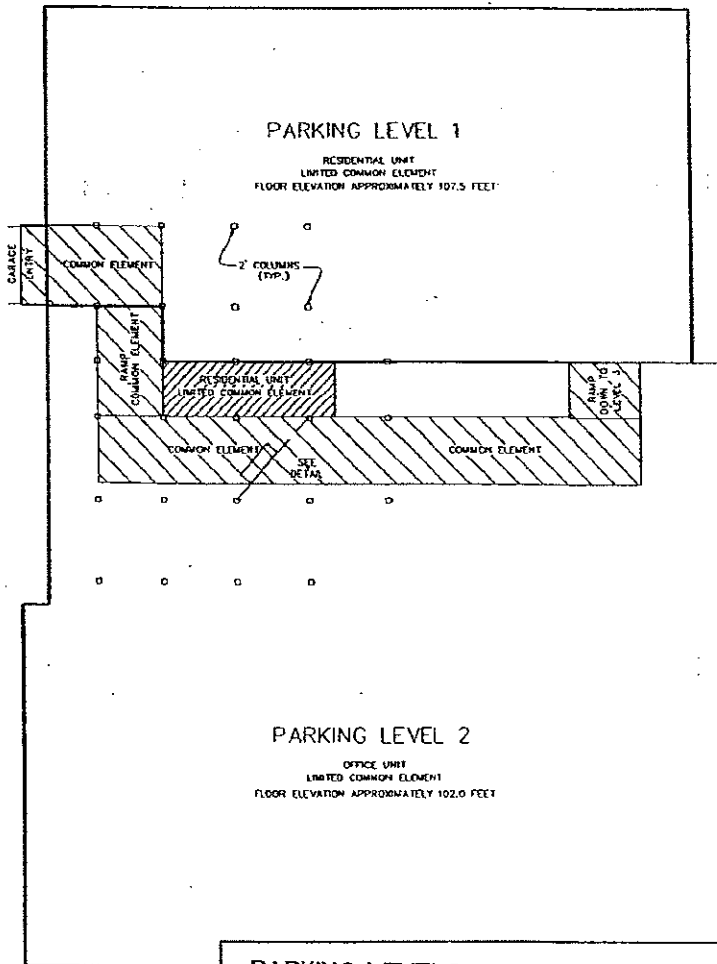
1st AMENDMENT TO

QUEEN ANNE SQUARE

A CONDOMINIUM

POR. E 1/2, SECTION 25, TOWNSHIP 25 N, RANGE 3 E. W.M.
CITY OF SEATTLE, KING COUNTY, WASHINGTON

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THIS AMENDMENT REMOVES A PORTION OF RESIDENTIAL UNIT LIMITED COMMON ELEMENT FROM PARKING LEVEL 2 AND ADDS RESIDENTIAL UNIT LIMITED COMMON ELEMENT TO PARKING LEVEL 3 AND COMMON AREA TO PARKING LEVELS 2 AND 3.

DETAIL
N.T.S.

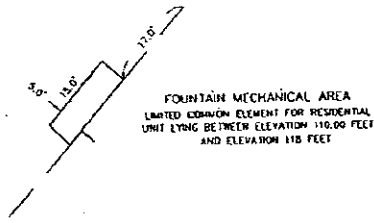


EXHIBIT A

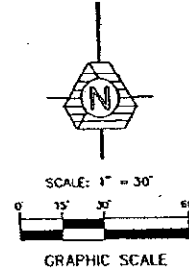
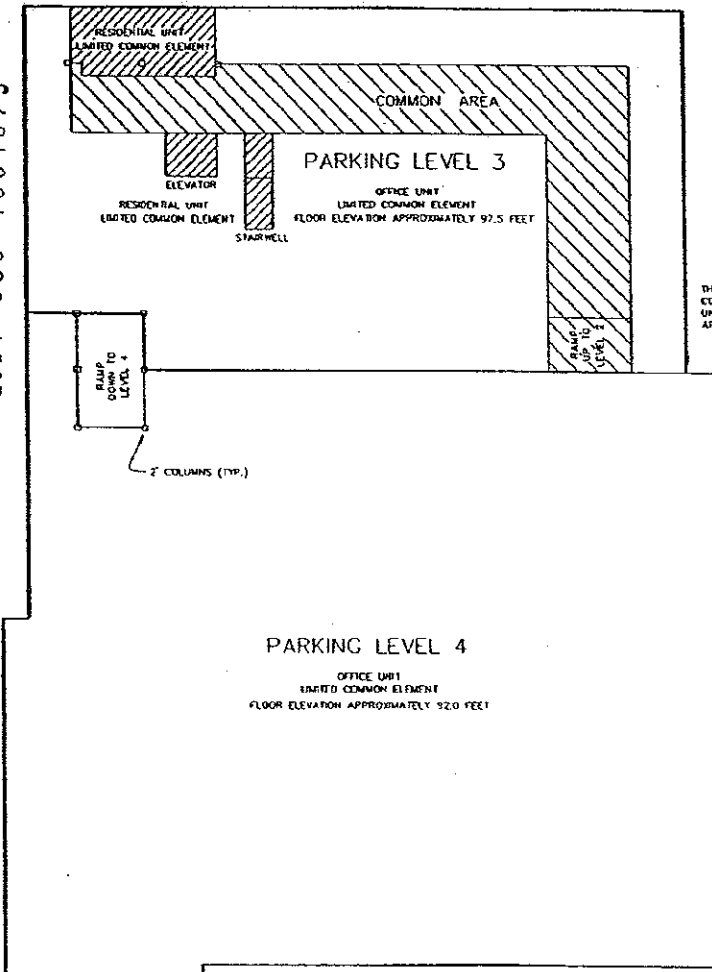
<p>TRIAD ASSOCIATES 11814 115th Avenue NE - Kirkland, WA 98034 (425) 821-8445 - (425) 821-3-81 FAX</p>		AMENDMENT
		VOL/PAGE
JOB NO. 99-320 SHEET 4 of 5		

1st AMENDMENT TO
QUEEN ANNE SQUARE

A CONDOMINIUM

POR. E 1/2, SECTION 25, TOWNSHIP 25 N., RANGE 3 E. W.M.
 CITY OF SEATTLE, KING COUNTY, WASHINGTON

2001 050 1001079



THIS AMENDMENT REMOVES A PORTION OF RESIDENTIAL UNIT LIMITED COMMON ELEMENT FROM PARKING LEVEL 2 AND ADDS RESIDENTIAL UNIT LIMITED COMMON ELEMENT TO PARKING LEVEL 3 AND COMMON AREA TO PARKING LEVELS 2 AND 3.

PARKING LEVELS 3 AND 4

<p>TRIAD ASSOCIATES <small>17014 112th AVENUE NE - BOLDON, WA 98034 (425) 821-0448 - (425) 821-3481 FAX</small></p>	<p>VOL/P/G</p>

EXHIBIT B

AGREEMENT REGARDING QUEEN ANNE SQUARE PROPERTY

THIS AGREEMENT is made effective the 30th day of September, 1999, by and between SABEY CORPORATION ("Sabey Corporation"), SP INVESTMENTS, INC. and SECURITY PROPERTIES, INC. (collectively, "SP Investments"), QAS RESIDENTIAL L.L.C. ("QAS"), EPC FOUR LLC ("EPC"), and WEST VALLEY CORPORATE PARK LLC ("WVCP").

- a. WHEREAS, Sabey Corporation has acquired the right to purchase the property commonly known as Queen Anne Square from The Lincoln National Life Insurance Company ("Lincoln") pursuant to the Purchase and Sale Agreement executed by Purchaser on August 25, 1999, and Seller, August 31, 1999, and as amended by Addendum No. 1 dated September 15, 1999 and Addendum No. 2 dated September 29, 1999 (the "Property");
- b. WHEREAS, the Purchase and Sale Agreement was assigned to EPC and QAS ;
- c. WHEREAS, the Property was acquired by EPC Four LLC, a Washington limited liability company as to an undivided 72.8509% interest, and QAS Residential, LLC, a Washington limited liability company as to an undivided 27.1491% interest, as tenants-in-common;
- d. WHEREAS shortly thereafter, a Condominium Declaration was filed and through Special Warranty Deeds, EPC acquired the Office Unit and QAS acquired the Residential Unit (pursuant to a Partition Agreement dated September 29, 1999);
- e. WHEREAS shortly thereafter, WVCP master-leased the Office Unit from EPC;
- f. WHEREAS, Sabey Corporation directly or indirectly owns an interest in WVCP and has a vested interest in the activities of EPC.
- g. WHEREAS, SP Investments directly or indirectly owns an interest in QAS; and
- h. WHEREAS, Sabey Corporation and SP Investments wish to further delineate their obligations relating to the subject property and the operation of the property during the transition period between now and March 30, 2000.

NOW THEREFORE, IT IS HEREBY AGREED by and between the parties as follows:

1. Indemnity Agreement

It is agreed and acknowledged that it was the intention of the Parties that EPC acquire the Office Unit "as is, where is," and QAS acquire the Residential unit "as is, where is," from the day the properties were initially acquired from Lincoln. Therefore, Sabey Corporation will indemnify and hold harmless QAS and SP Investments for all third-party claims made against QAS or SP Investments, whether assigns related directly or indirectly to the use, operation or condition of the Office Unit; and SP Investments will indemnify and hold harmless EPC, WVCP, and Sabey Corporation for all third-party claims made against EPC, WVCP, or Sabey Corporation or their assigns relating directly or indirectly to the use, operation and condition of the Residential Unit. This indemnification should cover only the warranties in the Washington Condominium Act and any other warranties or responsibilities which might exist to third parties as a result of either party, or its assigns, signing the Declaration or acquiring the Property as tenants-in-common. This indemnity shall survive the closing of the purchase of the Property and any future sale of the Property.

2. Assignment of Studies, Contracts and Estoppels

SP Investments hereby assigns to Sabey Corporation, WVCP, and EPC all studies, reports and contracts it may have relating to the Office Unit of the subject property, as well as the estoppels which were prepared by the tenants relating to the Office Unit portion of the subject property, and a joint interest in any reports pertaining to the entire property.

3. Parking Stalls

3.1 DEA Space. The two parking stalls #7 and 8 on the building plans and the stalls used as storage that are referenced as stalls #4, 5, 6, 9, 10 & 11 (collectively, the "DEA Space") are presently leased and/or licensed to Drug Enforcement Agency ("DEA") or under an office/storage lease that expires on February 5, 2000. QAS hereby grants EPC a temporary license for the exclusive use of the DEA Space until and including February 5, 2000, or such earlier date as the DEA's occupancy and use of the DEA Space is terminated, and control of the DEA Space is turned over to QAS. EPC shall not extend the term of the DEA's right to use the DEA Space and will use reasonable efforts to insure termination of the DEA's use by February 5, 2000 and delivery of the DEA Space to QAS by February 6, 2000 or as soon thereafter as practical. EPC shall be entitled to all rents paid by the DEA for use of the DEA Space and shall be responsible for any costs or expenses related to the DEA Space during the term

of the license granted hereby.

- 3.2 EVS Space. The three parking stalls referenced as stalls #1, 2 and 3 on the building plans and improved as storage room #P-100 (the "EVS Space") are currently leased to EVS Consultants, Inc. ("EVS") under an office lease that expires October 31, 2003, and has no provision for moving by the Lessor. QAS hereby grants EPC a temporary license for the exclusive use of the EVS Space until and including October 31, 2003, or such earlier date as the EVS's occupancy and use of the EVS Space is terminated, and control of the EVS Space is turned over the QAS. EPC will attempt to move EVS out of the EVS Space on or before February 5, 2000 in coordination with the DEA lease termination. EPC shall not extend the term of the EVS's right to use the EVS Space and will use reasonable efforts to insure termination of the EVS's use by October 31, 2003, and delivery of the EVS Space to QAS by November 15, 2003, or as soon thereafter as practical. EPC shall be entitled to all rents paid by the EVS Space and shall be responsible for any costs or expenses related to the EVS Space during the term of the license granted hereby. If EPC does not turn over control of the EVS Space by February 6, 2000, then EPC will provide QAS with three reserved parking stalls in EPC's Limited Common Elements that are reasonably adjacent to QAS' Limited Common Elements until such time as the EVS Space is turned over to QAS. If EPC does not turn over control of the EVS Space to QAS by February 6, 2000, then EPC shall demolish the storage room improvements and restore such area as three parking stalls at EPC's expense before turning control of the EVS Space over to QAS, unless QAS or its successor elects in writing not to have the EVS Space restored as parking stalls.
- 3.3 General Transition Rights. Until November 1, 1999, or such earlier date as QAS can have the existing stalls within its Limited Common Elements marked as reserved for the exclusive use of the apartment building residents: (a) its residents, licensees and invitees shall have the right to use up to 90 currently unreserved stalls that are located anywhere within garage structure, and (b) office tenants, guests and invitees may park in unreserved stalls located within QAS' Limited Common Elements. On or before November 1, 1999, QAS shall mark its Limited Common Elements in a manner indicating they are reserved for use by the Residential Unit and instruct all of its residents, licensees and invitees to park only in areas marked for residential use (except as otherwise provided herein). If QAS needs additional stalls, it shall contact EPC and QAS shall be entitled to use up to 8 unreserved stalls in EPC's Limited Common Elements until the DEA Space is turned over to QAS and an additional 3 unreserved

stalls in EPC's limited Common Elements until either the EVS Space is turned over to QAS or the reserved stalls required after February 6, 2000, are provided.

- 3.4 October Collections. Residents of the apartment building that have elected to purchase monthly parking currently pay the garage operator for such parking. EPC or its operator shall accept payment for such tenant for October 1999 and shall promptly remit such payments to QAS or its designee, together with a listing of all apartment tenants that currently purchase monthly parking; provided that such payment to QAS shall in no event exceed the amount payable for 90 stalls. QAS shall instruct its residents to make all parking payments for its stalls for all periods after October 31, 1999 to QAS or its designee.
- 3.5 Card Keys. Except as otherwise provided herein, QAS shall be entitled to one card key allowing 24-hour access to the garage for each parking space that is marked within its Limited Common Elements for use by its residents, licensees and invitees. QAS shall also be entitled to two additional card keys that can be used for administrative and maintenance purposes, but not for parking in any areas outside of QAS' Limited Common Elements. EPC or its garage operator will cancel the rights of outstanding cards issued hereunder and issue new cards as requested by QAS or its manager from time to time as long as the total number of active cards at any one time does not exceed the maximum number for which QAS is entitled. There are currently 81 marked parking stalls within QAS' Limited Common Elements (including 2 within the DEA Space) and up to 9 additional stalls may be created within the DEA Space and EVS Space. QAS shall initially be entitled to 92 card keys (90 for stalls that exist or can exist and 2 for administrative and maintenance). IF QAS elects not to restore as parking stalls any of the storage areas within DEA Space or EVS Space, QAS shall surrender or allow EPC to cancel cards so that the outstanding number does not exceed the number of parking spaces allowed under this Section.

4. **Separation of Utilities**

Both parties agree to use its reasonable best efforts to separate the utilities servicing the Property. The cost of separation will be paid one-third by QAS and two-thirds by EPC. To the extent that these services cannot be separated or it is significantly cost prohibitive in relation to the benefit of having separated utilities, the Parties will agree to a reasonable allocation

method. The term "utilities" as used here includes electricity, water, sewer, and any other utilities.

5. Property Tax Segregation

The property taxes are currently segregated between the residential portion and the office portion, but do not necessarily reflect the ownership interests being acquired by the Parties. Property taxes for 1999 will be allocated as follows:

Parcel #387990-1100-00 will be the responsibility of QAS and Parcel #387990-1151-08 will be the responsibility of EPC.

Property taxes will need to be segregated to reflect the ownership contemplated in the Declaration. This request for segregation will be submitted by the Parties as soon as reasonably possible. Since the segregation department of the King County Assessor's Office traditionally takes years to complete a segregation, it is the goal of the Parties to submit this request for segregation by December 31, 1999.

6. Name

Both Parties are allowed to use the name "Queen Anne Square" to market their respective real property. However, it is agreed between the Parties that, if it is otherwise available, WVCP or its assigns has the sole right to change its name to "Queen Anne Square LLC." If by September 30, 2001 EPC has not changed its name to "Queen Anne Square LLC" or a new LLC with that name has not been formed by Sabey or one of its affiliates, then QAS will have the right to the name "Queen Anne Square LLC."

7. Miscellaneous Costs

Except as otherwise provided in the closing statements for the property purchase and in the Condominium Declaration, the parties agree the costs of the due diligence performed to date and the closing costs and prorations associated with the purchase and the future maintenance of the common areas shall be allocated to the residential portion and to the commercial portion as follows:

- A. To the extent the costs and prorations can be properly allocated solely to or primarily to the commercial or residential portion of the property, they shall be the burden of the commercial or residential portion of the property.

- B. To the extent the costs and prorations cannot be properly allocated solely to or primarily to the commercial or residential portion of the property, they shall be considered a common cost and shall be paid two-thirds (2/3rds) by the Owner of the commercial property and one-third (1/3rd) by the Owner of the residential property.

8. Notice Addresses

Notice addresses regarding each party are as follows:

For Sabey Corporation, WVCP, and EPC:

West Valley Corporate Park LLC
c/o James N. Harmon
Sabey Corporation
101 Elliott Avenue West, Suite 330
Seattle, WA 98119-4220

For SP Investments and QAS:

QAS Residential, L.L.C.
c/o Michael Fulbright
Security Properties, Inc.
1201 Third Avenue, Suite 5400
Seattle, WA 98101-3031

9. Common Service Contracts

Both Parties agree to use their reasonable, best efforts to separate the existing service contracts servicing the Property. To the extent that these service contracts cannot be separated or it is significantly cost prohibitive in relationship to the benefit of having separating service contracts, the Parties will agree to a reasonable allocation method for the payment of the costs associated therewith for the remaining term of such contracts.

10. Common Area Insurance

The Parties will work together to locate the most cost effective insurance coverage for the common area available. Until such time as new insurance is available, the Parties will rely upon the insurance which has been quoted by Parker, Smith & Feek, Inc.. The Parties acknowledge the insurance quoted by Parker, Smith & Feek, Inc. for the common area may be a slight variance from the insurance required under the Condominium Declaration for the common area. The Parties agree to accept this insurance on an interim

basis through January 1, 2000, unless they find a satisfactory substitution and mutually agree to transfer the insurance.

11. Maintenance Items

The Parties agree to work in good faith to properly repair the potential maintenance defects identified in the Marx/Okubo report. The cost of these repairs will be paid in accordance with the Declaration (two-thirds (2/3rds) by the Office Unit and one-third (1/3rd) by the Residential Unit).

12. General

The Parties agree to work in good faith to iron out as many of the foregoing issues as possible, together with any other transitional issues during the next 30-day period, and to make whatever modification or addendum they need to the Declaration to clarify these issues. It is the intention of the parties to complete this within the next 30 days to minimize any issues which might be outstanding at the time QAS files its Condominium Declaration segregating the 75 apartment units.

13. Miscellaneous

- A. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which, together, shall constitute but one and the same instrument.
- B. Captions. Any captions to, or headings of, the paragraphs or subparagraphs of this Agreement are solely for the convenience of the parties hereto, are not a part of this Agreement, and shall not be used for the interpretation or determination of the validity of this Agreement or any provision hereof.
- C. No Obligation to Third Parties. Except as otherwise expressly provided herein, the execution and delivery of this Agreement shall not be deemed to confer any rights upon, nor obligate any of the parties hereto, to any person or entity other than the parties hereto.
- D. Exhibits and Schedules. The exhibits and schedules referenced herein or attached hereto are hereby incorporated herein by this reference for all purposes, including the Purchase and Sale Agreement and Addendum Nos. 1 and 2 thereto with Lincoln referenced in Section a.
- E. Amendment to this Agreement. The terms of this Agreement may not be modified or amended except by an instrument in writing executed by each

of the parties hereto.

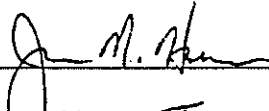
- F. Waiver. The waiver or failure to enforce any provision of this Agreement shall not operate as a waiver of any future breach of any such provision or any other provision hereof.
- G. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Washington, except for any choice-of-law principles which provide for the application of the laws of another jurisdiction.
- H. Fees and Other Expenses. Except as otherwise provided herein, each of the parties hereto shall pay its own fees and expenses in connection with this Agreement.
- I. Entire Agreement. This Agreement (including all Exhibits attached hereto) supersedes any prior agreements, negotiations and communications, oral or written, and contains the entire agreement between, and the final expression of, Sabey Corporation, SP Investments, QAS, EPC, and WVCP with respect to the subject matter hereof, except that it does not supercede or modify the terms of the Partition Agreement or the Condominium Declaration. No subsequent agreement, representation, or promise made by either party hereto, or by or to an employee, officer, agent or representative of either party hereto shall be of any effect unless it is in writing and executed by the party to be bound thereby.
- J. Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the permitted successors and assigns of the parties hereto.
- K. Construction. The parties hereto hereby acknowledge and agree that (a) each party hereto is of equal bargaining strength, (b) each such party has actively participated in the drafting, preparation and negotiation of this Agreement, (c) each such party has consulted with such party's own, independent counsel, and such other professional advisors as such party has deemed appropriate, relating to any and all matters contemplated under this Agreement, (d) each such party and such party's counsel and advisors have reviewed this Agreement, (e) each such party has agreed to enter into this Agreement following such review and the rendering of such advice, and (f) any rule of construction to the effect that ambiguities are to be resolved against the drafting parties shall not apply in the interpretation of this Agreement, or any portions hereof, or any amendments hereto.
- L. Time is of the Essence. The Parties agree and acknowledge time is of the essence as it relates to all obligations in this Agreement.

- M. Cooperation with section 1031 Exchange. If either buyer or Seller decides to complete this transaction as part of an exchange under Section 1031 of the Internal Revenue Code, the other party will cooperate reasonably in such exchange, and will execute all documents reasonably necessary to facilitate the exchange, provided (a) the party requesting such Section 1031 exchange shall bear all costs incurred by the other party in so cooperating; (b) neither party shall be required to bear any risk or liability it would not have borne had the exchange not taken place; and (c) neither party shall be required to take title to any property other than the Property.
- N. Joint and Several Obligation. The obligations of SP Investments under the terms of this Agreement are the joint and several obligation of SP investments, Inc. and Security Properties, Inc.

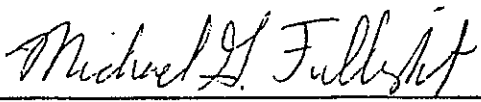
14. **Termination**

Except for the obligations set forth in paragraphs 1, and until EVS Spaces are turned over to QAS sections 3.2 and 3.4, the obligations set forth in this Agreement will terminate March 30, 2000. On or before March 30, 2000, the parties will execute and deliver a separate agreement that embodies the surviving portions of sections 3.2 and 3.4.

SABEY CORPORATION

By: 
Printed Name: James N. Hamon
Title: CEO / Treasurer / Secretary

SP INVESTMENTS, INC.

By: 
Printed Name: Michael G. Fulbright
Title: Vice President

SECURITY PROPERTIES, INC.

By: Michael G. Fulbright

Printed Name: Michael G. Fulbright
Title: Executive Vice President

QAS RESIDENTIAL L.L.C.

By: SP-QAS Manager, Inc.
its manager

By: Michael G. Fulbright

Printed Name: Michael G. Fulbright
Title: Executive Vice President

EPC FOUR LLC, a Washington limited liability company

By: Exchange Structures, Inc., its sole member

By: Christine E. Towey

Printed Name: Christine E. Towey
Title: Assistant Vice President

WEST VALLEY CORPORATE PARK LLC, a Washington limited liability company,

by Sobey Corporation, Manager

By: James N. Hamm

Printed Name: James N. Hamm
Title: CFO/Treasurer/Secretary