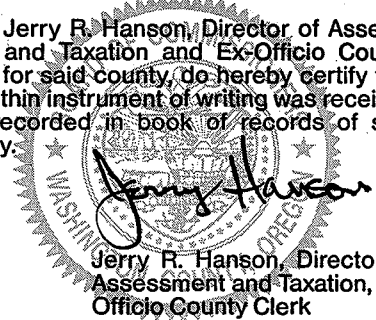


I, Jerry R. Hanson, Director of Assessment and Taxation and Ex-Officio County Clerk for said county, do hereby certify that the within instrument of writing was received and recorded in book of records of said county.



Jerry R. Hanson, Director of
Assessment and Taxation, Ex-
Officio County Clerk

Doc : 95053221
Rect: 148144 43.00
08/01/1995 11:04:45AM

After Recording, Return To:

Anderson & Dittman
PO Box 23006
Tigard, OR 97281-3006
Attn: Mr. Derryck H. Dittman

PUBLIC SANITARY SEWER EASEMENT

FOR AND IN CONSIDERATION of the mutual benefits to be derived, QUINKSTER GENERAL PARTNERSHIP, a partnership ("Quinkster"), and RAK DEVELOPMENT COMPANY, an Oregon corporation dba Costa Pacific Homes ("RAK"; Quinkster and RAK collectively being referred to as "Grantor"), grant unto THE CITY OF SHERWOOD, as Grantee, subject to the terms and provisions of this Agreement, a nonexclusive easement under, across and through the real property situated in the County of Washington, State of OREGON, more particularly described on Exhibit A attached hereto (the "Easement Property") for the purposes of (i) maintaining, inspecting, operating, repairing, and replacing a sewer line (the "Pipeline") and (ii) transportation of sewage through the Pipeline.

The parties agree as follows:

1. Grantee shall give reasonable advance written notice to all affected property owners before excavating any portion of the Easement Property for replacement or repair, except when emergency circumstances exist requiring immediate entry and repairs. Grantee shall perform such work in a manner that minimizes damage to the affected area.
2. At either Grantor's request, Grantee shall mark on the surface of the Easement Property the location of Grantee's Pipeline.
3. Each Grantor retains the right to use, and to allow others to use, (i) the surface area of the Easement Property, and (ii) to the extent such use is not incompatible with Grantee's use thereof, the subsurface areas of the Easement Property. No structures except readily movable fences shall be erected on the Easement Property.
4. After performance of any work in the Easement Property, Grantee shall leave the affected areas in a condition as reasonably similar to the previous state thereof as is reasonably practical and consistent with the purpose of this Agreement.

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Recorded By
First American Title Insurance Company of Oregon
779263-10
No.

First American Title Accommodation
Recording Assumes No Liability

5. Grantee shall construct and maintain the Pipeline in accordance with all applicable laws, rules and regulations and maintain the Pipeline in a safe condition. Grantee shall indemnify, protect, defend and hold Grantor harmless against any damages to person or property, whether to Grantor or other third parties, arising from any claims, liabilities, demands, suits or other proceedings or actions as a result of the negligent operation of the Pipeline or Grantee's wrongful acts or omissions on the Easement Property.

6. Grantee shall not permit any claim, lien or other encumbrance arising from Grantee's use of the Easement Property to accrue against or attach to the Easement Property or the interest of Grantor in adjacent lands. This paragraph is not intended to apply to such liens as may arise from unpaid utility service fees and assessments.

7. The easement described herein shall run with the land as to all property benefitted and burdened thereby, including any partition or division of such property. The rights, covenants, and obligations contained in this Agreement shall bind, burden, and benefit Grantor and Grantee and their respective successors, assigns, lessees, mortgagees, and beneficiaries under any deeds of trust.

8. If a suit, action, or other proceeding of any nature whatsoever (including any proceeding under the U.S. Bankruptcy Code) is instituted to enforce or interpret any provision of this Agreement or in connection with any dispute hereunder, the prevailing party shall be entitled to recover such amount as the court may adjudge reasonable as attorneys', paralegals', accountants', and other experts' fees and all other fees, costs, and expenses incurred in anticipation of litigation, at trial or on any appeal or review, in addition to all other amounts provided by law.

9. This Agreement may be executed in counterparts, which when taken together shall constitute an original.

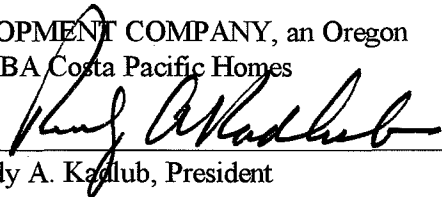
10. RAK covenants unto Grantee and Grantee's successors and assigns that RAK is the owner in fee simple of the portion of the Easement Property described as Strip 1 on Exhibit A hereto, free of the lien of any mortgage, trust deed or other financing instrument that would be superior in priority to the interest of Grantee under this Agreement. Quinkster covenants unto Grantee and Grantee's successors and assigns that Quinkster is the owner in fee simple of the portion of the Easement Property described as Strip 2 on Exhibit A hereto, free of the lien of any mortgage, trust deed or other financing instrument that would be superior in priority to the interest of Grantee under this Agreement.

To have and to hold the described and granted easement unto the Grantee and its successors and assigns forever.

IN WITNESS WHEREOF, the parties have executed this Agreement as of 27th day of JUNE, 1995.

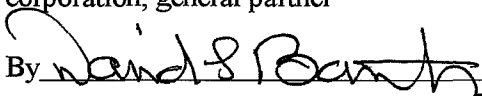
GRANTOR:


RAK DEVELOPMENT COMPANY, an Oregon corporation, DBA Costa Pacific Homes

By 
Rudy A. Kadlub, President

QUINKSTER GENERAL PARTNERSHIP, a general partnership

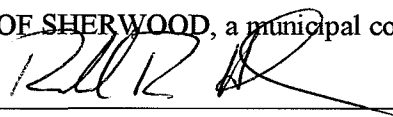
By Genstar Land Company Northwest, a California corporation, general partner

By 
Title Assistant Secretary

By 
Title GENERAL MANAGER

GRANTEE:

THE CITY OF SHERWOOD, a municipal corporation

By 
Title CITY ENGINEER

STATE OF OREGON)
County of Washington)

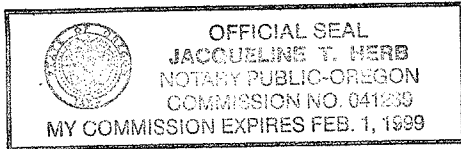
The foregoing instrument was acknowledged before me on this 27 day of June, 1995, by Rudy A. Kadlub, who is the president of RAK Development Company, an Oregon corporation, on behalf of the corporation.



Mmm km
Notary Public for Oregon
My Commission Expires: 12/20/98

STATE OF OREGON)
County of Washington)

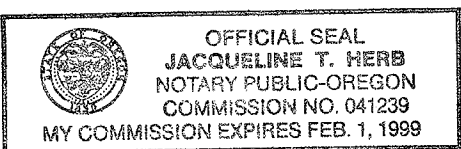
The foregoing instrument was acknowledged before me on this 27th day of June, 1995, by David L. Bantzy who is the Assistant Secretary of Genstar Land Company Northwest, a California corporation, general partner of Quinkster General Partnership, a general partnership, on behalf of the partnership.



Jacqueline T. Herb
Notary Public for Oregon
My Commission Expires: Feb. 1, 1999

STATE OF OREGON)
County of Washington)

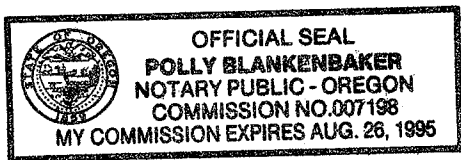
The foregoing instrument was acknowledged before me on this 27th day of June, 1995, by Doug Draper who is the General Manager of Genstar Land Company Northwest, a California corporation, general partner of Quinkster General Partnership, a general partnership, on behalf of the partnership.



Jacqueline T. Herb
Notary Public for Oregon
My Commission Expires: Feb. 1, 1999

STATE OF OREGON)
County of Washington)

The foregoing instrument was acknowledged before me on this 25 day of July, 1995, by Ronald R. Hudson who is the City Engineer of the City of Sherwood, a municipal corporation, on behalf of the corporation.



Polly Blankenbaker
Notary Public for Oregon
My Commission Expires: 8-26-95

EXHIBIT "A"
WOODHAVEN
LEGAL DESCRIPTION
PUBLIC SANITARY SEWER EASEMENT
February 24, 1995

A strip of land, 10.00 feet in width, in the southwest one-quarter of Section 31, T.2S., R.1W., W.M., City of Sherwood, Washington County, Oregon, said strip being in two segments which are more particularly described as follows:

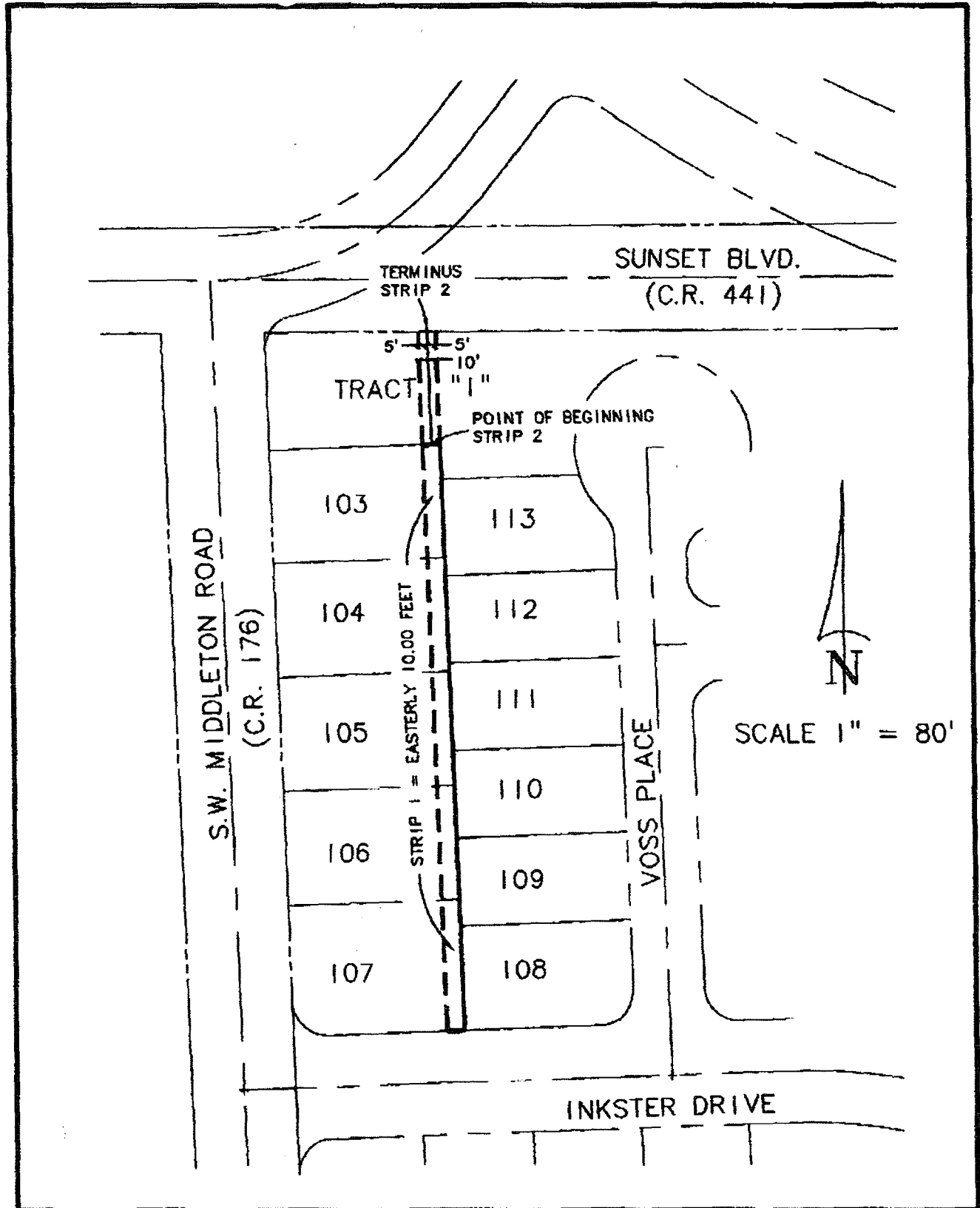
Strip 1:

The easterly 10.00 feet of Lots 103, 104, 105, 106, and 107 of the Plat of Woodhaven, a duly recorded Plat in said Washington County. Said easterly 10.00 feet being parallel to and adjoining the easterly line of said lots.

Strip 2:

A strip of land, 10.00 feet in width, lying 5.00 feet on each side of the following described centerline:

Commencing at the northeast corner of Lot 103 of the Plat of Woodhaven, a duly recorded Plat in said Washington County, thence S.88°01'29"W. along the North line of said Lot 103, 5.00 feet to the **Point of Beginning** of the herein-described centerline; thence N.01°38'51"W., 64.38 feet to a point on the southerly line of S.W. Sunset Boulevard (County Road Number 441) and the **Terminus** of the herein-described strip.



DRAWING TO ACCOMPANY
 WOODHAVEN
 EXHIBIT "A"
 LEGAL DESCRIPTION
 PUBLIC SANITARY SEWER EASEMENT
 February 24, 1995

otak
 Incorporated
 surveyors
 engineers
 planners

17355 S.W. BOONES FERRY ROAD
 LAKE OSWEGO, OREGON 97035
 (503)635-3818 FAX (503)635-5395