Instrument # 363781 VALLEY COUNTY, CASCADE, IDAHO 10-27-2011 09:40:28 No. of Pages: 10

Recorded for : OFFICEMAX

ARCHIE N. BANBURY
Ex-Officio Recorder Deputy
Index to: MISCELLANEOUS RECORD

Fee: 37.00 Liguren

Recording Requested By and When Recorded Return to:

SPACE ABOVE THIS LINE FOR RECORDERS USE ONLY

THIS PROPERTY IS SUBJECT TO AN ENVIRONMENTAL COVENANT IMPOSING ACTIVITY AND USE LIMITATIONS PURSUANT TO THE UNIFORM ENVIRONMENTAL COVENANTS ACT, IDAHO CODE § 55-3001, et seq.

ENVIRONMENTAL COVENANT

This instrument is an Environmental Covenant ("Environmental Covenant") executed by OfficeMax Incorporated, a Delaware corporation ("OfficeMax"), and the Idaho Department of Environmental Quality ("Department") pursuant to the Uniform Environmental Covenants Act, Idaho Code §§ 55-3001 through 3015. This Environmental Covenant sets forth protective provisions, covenants, restrictions and conditions (collectively referred to as "Activity and Use Limitations") on the Property described below. The Activity and Use Limitations are designed to protect human health and the environment. OfficeMax is a "holder" as defined in Idaho Code § 55-3002(6). OfficeMax, as the current property owner, grants this Environmental Covenant to the Department.

<u>Property</u>. This Environmental Covenant concerns real property in Government Lots 2, 3, Section 36, and Government Lot 11, Section 25, T14N, R3E, Cascade, Valley County, ID (hereafter referred to as "the Property"). The Property is legally described and a site map of the parcel is in the attached Schedule A.

<u>Property Ownership</u>. OfficeMax hereby represents and warrants to the Department that it is the sole owner of the property, holds fee simple title to the property and OfficeMax has the power and authority to enter into this Environmental Covenant. As used in this Environmental Covenant, "OfficeMax" includes its corporate successors in interest and successors in interest to all or any portion of or interest in the Property

Reason for Activity and Use Limitations. The Property was an industrial property on which a sawmill operated. After closure of the industrial operations, soil sampling on the Property indicated certain substances (petroleum hydrocarbons and pentachlorophenol) were above allowable concentrations (Kleinfelder, March 23, 2004). OfficeMax, as a participant in the Voluntary Cleanup Program, from 2004 to 2010, successfully implemented and completed a Voluntary Remediation Workplan at the Property. The cleanup involved the excavation and treatment or removal of petroleum and pentachlorophenol contaminated soils, groundwater

monitoring, and screening and processing of log yard debris for beneficial use. The residual concentrations of petroleum hydrocarbons and pentachlorophenol in the soil are above concentrations determined by the Department to be protective for unrestricted use. Therefore, in order to ensure protection of human health and the environment, the parties agree to limit future use of the Property as outlined herein.

Name and Location of Administrative Record. A copy of the Kleinfelder Phase II Environmental Site Assessment, dated March 23, 2004, and all documents submitted by OfficeMax pursuant to the Voluntary Cleanup Program can be found at the Idaho Department of Environmental Quality, 1410 North Hilton, Boise, Idaho 83706.

Activity and Use Limitations. By accepting and recording this Environmental Covenant, OfficeMax and any successors in interest to the Property, are hereby restricted from using the Property, now or at any time in the future, as specifically set forth below:

The Property, and any portion thereof, may be used for commercial and industrial uses only. The Property shall not be used for residential purposes, agricultural purposes, or any permanently occupied human habitation (including hotels or motels), school, day care or hospital.

Breach and Cure of Activity and Use Limitations. The Property owner shall be responsible for ensuring that use of the Property conforms with the Activity and Use Limitations. If any event or action occurs that constitutes or may constitute a breach of the activity and use limitations, the Property owner shall notify the Department within thirty (30) days of becoming aware of the event or action, and the Property owner shall remedy the breach of the activity and use limitations within sixty (60) days of becoming aware of the event or action, or such other time frame as may be agreed to by OfficeMax and the Department.

Amendment by Consent. The Environmental Covenant may be amended by consent pursuant to Idaho Code § 55-3010. Except for an assignment undertaken pursuant to a governmental reorganization, assignment of the Environmental Covenant to a new holder is an amendment.

<u>Duration and Termination</u>. The Activity and Use Limitations shall apply to the Property, or any subdivided portion thereof, in perpetuity unless terminated by court action as provided in Idaho Code § 55-3009 or by consent pursuant to Idaho Code § 55-3010. Prior to seeking consent to terminate the Activity and Use Limitations that apply to the Property, or any subdivided portion thereof, the Property owner, pursuant to Idaho Code § 55-3010, must demonstrate with the record before the Department that:

- 1. the Property or any subdivided portion thereof is shown in a Department-approved document not to contain petroleum and pentachlorophenol contaminated soils; or
- 2. petroleum and pentachlorophenol contaminated soils are at levels the Department deems in writing to be adequate for the Property to be developed for unrestricted use.

<u>Provisions to Run With the Land</u>. Each and all of the Activity and Use Limitations shall run with the land, and pass with each and every portion of the Property, and shall apply to and bind the respective successors in interest thereof. Each and all of the Activity and Use Limitations are imposed upon the entire Property unless expressly stated as applicable to a specific portion of

the Property.

Concurrence of Subsequent Owners Presumed. All purchasers, lessees, or possessors of any portion of the Property shall be deemed by their purchase, leasing, or possession of such Property, to be in accord with the foregoing and to agree for and among themselves, and their successors, that the Activity and Use Limitations as herein established must be adhered to and that their interest in the Property shall be subject to the Activity and Use Limitations contained herein.

Recording/Filing of Environmental Covenant. This Environmental Covenant and any amendment or termination of the Environmental Covenant shall be recorded in the county recorder's office of every county in which any portion of the Property subject to the Environmental Covenant is located. The Environmental Covenant or any amendment or termination shall be recorded by OfficeMax within ten (10) days of receipt of such document signed by the Department. Within ten (10) days of the recording of this Environmental Covenant, or any amendment or termination, OfficeMax, or its successors in interest, or the Property owner shall provide to the Department a copy of this recorded Environmental Covenant, or any amendment or termination of this Environmental Covenant. Upon receipt of the copy of the recorded Environmental Covenant, and any amendment or termination therein, the Department shall post the copy of the fully executed instrument in the Registry as required by Idaho Code Section 55-3012(1). In addition, a copy of the recorded Environmental Covenant, or any amendment or termination, shall be provided by OfficeMax, or by its successors in interest, or the Property owner to the following persons: (a) each person that signed the Environmental Covenant; (b) each person holding a recorded interest in the Property; (c) each person in possession of the Property; (d) each municipality or other local government in which the Property is located; and (e) any other person the Department requires. The validity of the Environmental Covenant is not affected by failure to provide a copy of the Environmental Covenant as required under this section. The Activity and Use Limitations set forth herein shall be incorporated by reference in each and all deeds and leases of any portion of the Property.

<u>Enforcement</u>. The Department and any party to this Environmental Covenant shall have authority to enforce the Activity and Use Limitations against the Property owner and/or any other person using the Property. Failure of the Property owner to comply with any of the Activity and Use Limitations set forth herein shall be grounds for the Department, or its successor, to require that the Property owner correct or remove any violations of this Environmental Covenant. Violation of this Environmental Covenant shall be grounds for the Department, or its successor, to file civil actions against the then-current Owner(s) as provided by law or in equity, including without limitation, the Uniform Environmental Covenants Act, Idaho Code § 55-3011.

<u>Non-Waiver</u>. No failure on the part of the Department or any holder at any time to require performance of any term of this Environmental Covenant shall be taken or held to be a waiver of such term or in any way affect the Department's or any holder's rights to enforce such term.

<u>Property Access</u>. The Department shall have a right of access to the Property at reasonable times for the purposes of ensuring compliance with this Environmental Covenant.

Notice of Conveyance of Property. Within thirty (30) days of the closing of any conveyance of the Property, or part of the Property, the Conveyor of the Property, shall provide written notice

to the Department and each municipality or other local government in which the Property is located, the name and address of all the then-current Owner(s) and/or Occupants of the Property, or part thereof, conveyed. The Department shall not, by reason of this Environmental Covenant, have authority to approve, disapprove, or otherwise affect any conveyance of the Property, except as otherwise provided by law.

Notices. All notices required or permitted to be given hereunder shall be in writing and mailed in the United States Mail, postage prepaid, by certified or registered mail, return receipt requested, to the appropriate address indicated below or at such other place or places as OfficeMax, its successors, or the Department or its successors, may, from time to time, respectively, designate in a written notice given to the other. Notices which are deposited in the United States Mail in accordance with the terms of this provision shall be deemed received three (3) days after the date of mailing thereof.

OWNER:

OfficeMax Incorporated Legal Department

1111 West Jefferson Street

Suite 510

Boise, ID 83702

With a copy to:

OfficeMax Incorporated Attention: General Counsel 263 Shuman Boulevard Naperville, IL 60563

THE DEPARTMENT:

Idaho Department of Environmental Quality

ATTN: State Response Program Manager
1410 N. Hilton
Boise, ID 83706

<u>Costs and Expenses</u>. All costs of terminating this Environmental Covenant, including the cost of any remediation or abatement of any environmental condition related to Activity and Use Limitations pertaining to the Property, shall be borne by the party seeking such termination.

<u>Partial Invalidity</u>. If any portion of the Environmental Covenant or terms set forth herein is determined to be invalid for any reason, the remaining portion shall remain in full force and effect as if such invalidated portion had not been included herein.

<u>Headings</u>. Headings at the beginning of each section of this Environmental Covenant are solely for the convenience of the parties and are not a part of the Environmental Covenant.

<u>Idaho Code References</u>. All references to the Idaho Code sections include successor provisions.

Reservation of Rights. Notwithstanding any provision of this Environmental Covenant, the Department retains all of its access and enforcement authorities under any applicable statute or rule. Nothing in this Environmental Covenant shall affect the Department's ability to enforce the terms of any voluntary consent order or other agreement relating to remediation of the Property

entered into between the Department and OfficeMax or any other responsible party. Nothing in this Environmental Covenant shall affect the obligations of OfficeMax or any other responsible party under such voluntary consent order or other agreement. The Department's acceptance hereunder is based upon the information presently known or available to the Department with respect to the environmental condition of the Property, and the Department reserves the right to take appropriate action under applicable authorities in the event the Department determines new information warrants such action.

<u>Effective Date</u>. The effective date of this instrument shall be the date the fully executed Environmental Covenant is recorded at the county recorder's office.

Signature and Acknowledgments

Accepted:			
Idaho Department of Environmental Quality			
Signature: Printed Name: Title: Date:	Toni Hardesty Director, Idaho Departmen	nt of Environmental Quality	
State of Idaho)		
County of Ada) ss.)		
On this \(\sum_{\text{day}} \) day of \(\text{Courts} \), in the year 2011, before me, a Notary Public in and for said County and State, personally appeared Toni Hardesty, known or identified to me to be the Director of the Idaho Department of Environmental Quality that executed this Environmental Covenant, and acknowledged to me that the Idaho Department of Environmental Quality executed the same.			
IN WITNESS WHEREOF, have required by hereunto set my hand and affixed my official seal the day and year in this certificate first above witten.			
	OF ID ALL	Notary Public for Idaho: Rosie M. Woms Residing at: Nampa, Idaho Commission Expires: 1/3c/2015	

Signature and Acknowledgments

Accepted:	
OFFICEMAX IN	ICORPORATED /
Signature: Printed Name: Title: Date:	Knox McMillan Associate General Counsel, Vice President, Human Resources Detable 5, 2011
State of Illinois	Λ
County of	astrument was acknowledged before me on this 5th day of October 2011 by
KNOX MCMILLAResources, of C	strument was acknowledged before me on this day of October 2011 by AN, known to me to be the Associate General Counsel, Vice President, Human OfficeMax Incorporated, a Delaware corporation, that executed the above chalf of said corporation and acknowledged to me that said corporation executed
	Motary Public for <u>Hundur</u> Autay Clusty Residing at <u>Hundur</u> The My Commission expires <u>1/13/1014</u>
	"OFFICIAL SEAL" Janice M Koman Notary Public, State of Illinois My Commission Expires 1/13/2014

SCHEDULE A

FOX Land Surveys, Inc.

4696 W. Overland Rd. Ste 162 △ Boise Idaho △ 83705 △ 208-342-7957 △ 208-342-7437 FAX

SAWMILL PARCEL:

A PORTION OF GOVERNMENT LOTS 2 AND 3 IN SECTION 36 AND A PORTION OF GOVERNMENT LOT 11 AND ACCRETION LANDS THERETO IN SECTION 25, TOWNSHIP 14 NORTH, RANGE 3 EAST, BOISE MERIDIAN,

CASCADE, VALLEY COUNTY, IDAHO

A portion of Government Lots 2 and 3 in Section 36 and a portion of Government Lot 11 and Accretion Lands thereto in Section 25, Township 14 North, Range 3 East, Boise Meridian, Cascade, Valley County, Idaho, more particularly described as follows;

Beginning at the found Brass Cap at the Section Corner common to Sections 30 and 31, Township 14 North, Range 4 East, and said Sections 25 and 36, Township 14 North Range 3 East, Boise Meridian from which a found Brass Cap at the ½ Corner common to said Sections 36 and 31 bears South 00° 25′ 59″ West a distance of 2643.67 feet;

thence along the section line common to said Sections 25 and 36, South 89° 16' 00" West a distance of 2091.66 feet to the **TRUE POINT OF BEGINNING** at a point on the easterly Right-of-Way of the Idaho Northern and Pacific Railroad;

thence along said easterly Right-of-Way North 33° 50'41" West a distance of 115.00 feet;

thence North 56° 09'19" East a distance of 750.30 feet;

thence South 87° 55'04" East a distance of 172.93 feet to the Right Bank Ordinary High Water Line of the Payette River;

thence along said Right Bank Ordinary High Water Line of the Payette River the following courses and distances:

South 02° 18'44" West a distance of 190.95 feet;

South 34° 46'46" East a distance of 67.91 feet;

South 26° 59'39" East a distance of 108.86 feet;

South 57° 25'13" East a distance of 67.38 feet;

South 33° 44'28" East a distance of 131.23 feet;

South 12° 29'32" East a distance of 78.26 feet;

South 05° 49'54" East a distance of 57.42 feet;

South 16° 41'11" East a distance of 95.97 feet;

South 26° 58'21" East a distance of 142.83 feet;

South 52° 39'18" East a distance of 103.45 feet;

South 39° 37'52" East a distance of 65.36 feet:

South 30° 52'01" East a distance of 87.44 feet;

thence leaving said Right Bank Ordinary High Water Line of the Payette River, South 56° 09'19" West a distance of 727.04 feet to the east Right-of-Way of said Railroad;

thence along said east Right-of-Way North 33° 50'41" West a distance of 566.98 feet;

thence North 56° 09'19" East a distance of 100.00 feet;

thence along a ling parallel with and 100.00 feet easterly of said east Right-of-Way, North 33° 50'41" West a distance of 550.00 feet;

thence South 56° 09'19" West a distance of 100.00 feet to the TRUE POINT OF BEGINNING.

Containing 886,033 square feet, 20.341 Acres, More or Less.

The subject property is subject to the following:
Subject to all easements and rights-of-way of record, and, not of record.
State of Idaho's claim to the lands easterly of the Ordinary High Water Line.
The resolution Railroad Right-of-Way and Boise Cascade Ownership deed call issues.

FOX Land Surveys Inc.

Timothy J. Fox, PLS 7612

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