

REAL ESTATE PURCHASE AND SALE AGREEMENT
WITH EARNEST MONEY PROVISION

1. **Effective Date:**

January 15, 2020

2. **Parties:**

CJ Dens Lacamas I LLC, a Washington limited liability company, referred to as Seller;

and

The City of Camas, a Washington municipal corporation, referred to as Purchaser.

3. **Property Sold:** Subject to the terms, conditions and considerations set forth in this Agreement, Seller agrees to sell to Purchaser and Purchaser agrees to purchase from Seller certain real property located in the City of Camas, Clark County, Washington. The real property being sold will be adjusted through a boundary line adjustment and a new legal description, but is generally described and illustrated as follows:

See **Exhibit A**, attached hereto and by this reference incorporated herein (Property).

Purchaser and Seller agree to share equally in the cost of preparing the documentation necessary for a boundary line adjustment and any application for it to be submitted to the City. Purchaser and Seller authorize the insertion of any correction to the legal description by the Escrow Agent, defined below, before or at Closing.

4. **Purchase Price:** The total purchase price for the Property is Four Million Five Hundred Thousand and NO/100 Dollars (\$4,500,000.00), payable in cash at closing, subject to confirmation of the purchase price pursuant to an appraisal from ACG Valuation obtained by Purchaser at its sole cost, and based on the Property's highest and best use. Purchaser must approve the appraised value as the purchase price within 60 days of the Effective Date of this Agreement (Appraisal Contingency).

5. **Earnest Money Deposit:** Purchaser must deposit and deliver to Clark County Title (Escrow Agent) the sum of One Hundred Thousand and No/100 Dollars (\$100,000.00) as an earnest money deposit within 5 business days of the Effective Date. The earnest money must be held in an interest bearing account with Escrow Agent for the benefit of the parties.

6. **Escrow and Closing Agent:** Purchaser authorizes Seller to establish an escrow with Escrow Agent for the closing of the transaction contemplated in this Agreement, and to deliver to the Escrow Agent a copy of this Agreement. This transaction must close on or before 30 days from the satisfaction of the Appraisal Contingency, which will be the termination date of this Agreement.

7. **Title Insurance:** Purchaser, at Seller's expense, must be furnished with a standard form owner's policy of title insurance at closing. The policy must insure title to the Property in Purchaser to the full extent of the purchase price, subject to no encumbrances, defects or liens

except those specified in the printed policy, those not objected to by Purchaser, and those which are set forth in this Agreement. If title cannot be made so insurable on or before the closing date, either party may terminate this Agreement by written notice to the other party. In such event, unless Purchaser elects to waive such defects or encumbrances, the earnest money deposit must be refunded to Purchaser, less title insurance company charges.

8. **Title and Conveyance:** Title of Seller is to be free of encumbrances or defects except:

8.1 Rights reserved in federal patents or state deeds; building or use restrictions general to the district, including governmental platting and subdivision requirements; reserved hydrocarbon and mineral rights; existing utility and other easements of record approved by Purchaser and not inconsistent with Purchaser's intended use; existing covenants, conditions, restrictions, deed exceptions and reservations of record as approved by Purchaser and not inconsistent with Purchaser's intended use; all of which shall not be deemed encumbrances or defects.

8.2 Encumbrances to be discharged by Seller may be paid out of purchase price at the date of closing. Seller agrees to convey title to the Property to Purchaser by warranty deed, subject to those encumbrances, liens and defects noted and excepted in Paragraphs 7 and 8 of this Agreement, and subject to encumbrances and defects assumed, and accepted or approved by Purchaser as provided in Paragraphs 7 and 8 of this Agreement.

9. **Closing Costs:** Purchaser is responsible for paying one-half (1/2) the escrow/closing fee, the recording fee, and all attorney's fees incurred by Purchaser. Seller is responsible for payment of the real estate excise tax, if any, the title insurance premium for a standard owners policy, one-half (1/2) of the escrow/closing fee, and all attorney's fees incurred by Seller.

10. **Taxes:** Seller acknowledges that upon sale to the City, the subject real property becomes tax exempt. Seller agrees to pay all real property taxes assessed up to the time of sale, including any back taxes, interest, and penalties for removal of the property from any current use classification.

11. **Inspection.** Seller will provide to Purchaser or their agents copies of all environmental studies or other reports within five (5) days of execution of this Agreement. Seller will allow Purchaser and its agents, employees, and consultants access to the Property, for a period not to exceed 60 days following the mutual execution of this Agreement, for purposes of inspecting the Property, with prior notice to Seller. With respect to any inspection or testing that is invasive, Purchaser must first submit to Seller a written plan for any such invasive testing which shall include a plan to deal with any hazardous materials that may be encountered during such testing, and Purchaser may not proceed with any such invasive testing unless Seller has approved of Purchaser's plan in writing (which approval may be withheld by Seller in its sole discretion). Purchaser shall conduct any such invasive testing in strict accordance with the plan approved by Seller. Purchaser must promptly restore the Property to its condition prior to Purchaser's inspection of the Property.

11.1 **Indemnity.** Purchaser agrees to protect, defend, indemnify, and hold Seller and Seller's agents and employees harmless for, from and against any claims, liabilities, damages,

liens, attorneys' fees, penalties, demands, causes of actions and suits of any nature whatsoever (collectively, Claims to the extent arising out of the inspection of and/or entry onto the Property by Purchaser, its agents, employees or contractors, provided that the foregoing indemnity shall not apply to the extent that the Claims are caused by Seller's negligence, willful misconduct or breach of this Agreement. This indemnity includes an obligation of Purchaser to reimburse Seller for any and all damage Purchaser may cause to the Property in connection with Purchaser's inspection and this indemnity shall survive the closing or termination of this Agreement.

12. **AS IS.** Except for any Seller representations made in this Agreement, Purchaser is accepting the Property on an "as-is with all faults" basis with any and all patent and latent defects, including those relating to the environmental condition of the property, and is not relying on any representation or warranties, express or implied, of any kind whatsoever from Seller as to any matters concerning the property, including, but not limited to, the boundaries of the Property and any potential encroachments from neighboring properties, the physical condition of the Property; zoning and permit status for, and condition of, any structures or improvements on the Property including wells, septic tanks, drain fields and underground storage tanks, if any; tax consequences of the conveyance; utilities; operating history or projections or valuation; compliance by the Property with zoning, health regulations and Environmental Laws (meaning any federal, state or local statute, regulation, code, rule, ordinance, order, judgment, decree, injunction or common law pertaining in any way to the protection of human health or the environment, including without limitation, the Resource Conservation and Recovery Act, the Comprehensive Environmental Response, Compensation and Liability Act, the Toxic Substances Control Act, and any similar or comparable state or local law) or other laws, statutes, ordinances, decrees, regulations and other requirements applicable to the Property; the presence of any Hazardous Substances (meaning any hazardous, toxic, radioactive or infectious substance, material or waste as defined, listed or regulated under any Environmental Law, and includes without limitation petroleum oil and any of its fractions), wetlands, asbestos, lead, lead-based paint or other lead containing structures, urea formaldehyde, or other environmentally sensitive building materials in, on, under, or in proximity to the Property; the condition or existence of any above ground or underground structures or improvements, including tanks and transformers in, on or under the Property; and the condition of title to the Property. Purchaser shall further take the Property subject to any existing leases, easements, permits, orders, licenses, or other agreements which affect the Property, subject to the provisions of section 13 herein.

13. **Seller Representations.** Seller represents the following to the best of its actual knowledge:

13.1 That it has no notice of any liens to be assessed against the Property, has not performed work within the last three (3) months that has resulted in a lien, nor shall any work be performed during the term of this Agreement which might give rise to imposition of any lien.

13.2 That it has no notice from any governmental authority or agency of any violation of law, ordinance or regulation relating to the Property.

13.3 That it has no notice or knowledge of any material defect in the Property which has not been disclosed to Purchaser in writing.

13.4 To the best of Seller's actually knowledge, and except as disclosed above, the Property is free from all hazardous materials and that no hazardous materials have been used or placed on the Property during the period of its ownership. Purchaser acknowledges that there is the presence of contamination on the Property due to activities from a gun club on adjacent property.

13.5 Seller has no knowledge of any existing leases, easements, permits, orders, licenses, or other agreements which affect the Property that are not listed in the title commitment or are agreements that the Purchaser is aware of, nor shall any such agreements be entered into during the term of this Agreement.

14. **Possession:** Purchaser is entitled to possession of the Property on the date of closing.

15. **Conditions Precedent:** The enforceability of this Agreement by the parties and the obligations of the parties to close escrow are subject to the occurrence or waiver of each of the following conditions precedent on or before the date established for closing except if an earlier date is provided:

15.1 Confirmation of the appraised value as the purchase price by Purchaser within 60 days of the Effective Date of this Agreement.

15.2 Approval of the condition of title to the Property by Purchaser within 30 days of receiving a preliminary commitment for title insurance and all exception documents.

15.3 Seller's approval of a Phase I environmental assessment, and if recommended in that assessment, approval of a Phase II environmental assessment, on the property retained by Seller illustrated in **Exhibit C**, the cost of which will be at Purchaser's sole expense. The Phase I and II environmental assessment must be focused on any potential contamination from activities emanating from the adjacent gun club property. Purchaser may use existing environmental reports to provide some background information in the Phase I or II environmental assessments. If contamination is found on the property retained by Seller determined to be caused by activities on the gun club property, Purchaser agrees to remediate that condition to the terms of a remediation agreement to be executed by the parties hereto prior to closing.

15.4 Approval of the condition of the property by Purchaser pursuant to section 11 herein within 60 days of the Effective Date of this Agreement.

15.5 That all representations and warranties are true on the date of closing.

If any of the conditions are not satisfied or waived by the party who benefits from such conditions at or prior to closing, such party, without prejudice to any other rights or remedies herein provided, may withdraw from this transaction and be released from all liability hereunder by giving written notice to the other party and the escrow/closing agent. The parties' agreement to close this transaction constitutes their approval or waiver of all such conditions.

16. **Default:** If Purchaser defaults in the performance of its obligations hereunder, Seller's sole remedy is to withdraw the earnest money deposit from escrow as liquidated damages for

such default and to rescind this Agreement, after which this Agreement shall be terminated and Purchaser shall have no further rights or obligations.

Initials AS AK

If Seller defaults in the performance of its obligations hereunder, Purchaser may seek specific performance pursuant to the terms of this Agreement, damages, rescission, or any other remedy allowed by law. Notwithstanding the foregoing, if Seller is unable to convey title to the Property in the condition required pursuant to this Agreement, the sole liability of Seller shall be to refund to Purchaser the earnest money deposit.

Initials AS AK

17. **Attorney Fees and Costs:** In the event litigation arises out of this Agreement, the losing party agrees to pay the prevailing party's attorney fees incidental to said litigation, together with all costs and expenses incurred in connection with such action, including costs of searching records to determine the condition of title, and whether or not incurred in trial court or on appeal, or in any proceedings under the federal Bankruptcy Code or state receivership statutes.

18. **Waiver:** No act or omission of either party hereto shall at any time be construed to deprive such party of a right or remedy hereunder or otherwise be construed so as to at any future time stop such party from exercising such right or remedy. Failure of a party at any time to require performance of any provision of this Agreement shall not limit the right of that party to enforce the provision, nor shall any waiver by a party of any breach of any provision constitute a waiver of any succeeding breach of that provision, or waiver of that provision itself, or any other provision.

19. **Escrow or Closing Instruction:** This Agreement shall serve as and/or be incorporated into Seller's and Purchaser's escrow or closing instructions for the closing of this transaction. Any inconsistencies between this Agreement and escrow or closing instructions provided by the parties shall be resolved in favor of this Agreement.

20. **Non-Merger:** Provisions of this Agreement shall not be deemed to have merged into the closing documents, but shall survive the closing and continue in full force and effect.

21. **Closing and Termination:** The parties shall have until the closing date to satisfy or waive all contingencies referenced in Section 15, above, unless terminated according to the provisions of this Agreement. The parties may by mutual agreement extend the closing date. Each party will deposit with the closing agent all instruments and monies necessary to complete the purchase and sale.

22. **Notices:** Notices or demands hereunder shall be in writing and may be mailed or delivered personally. If mailed, such notices shall be sent with postage prepaid, by certified mail, return receipt requested, and the date marked on the return receipt by United States Postal Service shall be deemed to be the date on which the party received the notice. Notices shall be mailed or delivered to the last known addressee or the parties.

To Purchaser: CITY OF CAMAS
Attn: City Administrator
616 NE Fourth Avenue
Camas, WA 98607

With Copy to: Shawn MacPherson
430 NE Everett Street
Camas, WA 98607

To Seller: CJ Dens Lacamas I, LLC
PO Box 2239
Kalama, WA 98625

With copy to: LeAnne M. Bremer
Miller Nash Graham & Dunn LLP
500 Broadway, Suite 400
Vancouver, WA 98660

23. **Disclosure of Representation:** It is understood that this Agreement has been prepared by Miller Nash Graham & Dunn, LLP, for the benefit Seller, and Purchaser is represented by Shawn MacPherson, City Attorney.

24. **Exchange.** Seller has the right to convey all or a portion of the Property in exchange for real property or properties of like kind pursuant to Section 1031 of the Internal Revenue Code, either in a simultaneous exchange or in a deferred exchange. Purchaser agrees, at no cost to Purchaser, to cooperate with Seller in effecting such an exchange and, if requested by Seller, Purchaser shall execute any exchange agreement reasonably requested by Seller and consistent with the above. In no event shall the Closing be delayed or extended due to any such exchange.

25. **Broker Fee.** In connection with this Agreement, if and only if closing occurs, Seller shall pay a real estate brokerage commission through escrow to Terry Wollam Jr. (the "Broker") in the amount of four percent (4%) of the Purchase Price. Seller and Buyer each represents to the other that, except for Seller's Broker (whose real estate commission shall be the sole obligation of Seller, as provided above), no brokerage commission, finder's fee or other compensation of any kind is due or owing to any person or entity in connection with the transactions covered by this Agreement. Each party agrees to and does hereby indemnify, defend and hold the other free and harmless from and against any and all costs, liabilities, losses, damages, claims, causes of action or proceedings (including reasonable attorneys' fees) which may result from any other broker, agent or finder, licensed or otherwise, claiming through, under or by reason of the conduct of the indemnifying party in connection with this transaction.

26. **Miscellaneous:**

26.1 **Gender and Number:** As used in this Agreement, the masculine, feminine or neuter gender, and the singular or plural number, shall be deemed to include the others whenever the context so indicates.

26.2 **Interpretation/Construction:** Paragraph headings have been included for the convenience of the parties and shall not be considered a part of this Agreement for any purpose relating to construction or interpretation of the terms of this Agreement and shall in no way limit any of the provisions of this Agreement.

26.3 **Entire Agreement and Amendment:** This Agreement constitutes the entire Agreement of the parties hereto, supersedes and replaces all prior or existing written and oral agreements between the parties, and may not be amended other than in writing, signed by all parties.

26.4 **Successors and Assigns:** The terms and provisions of this Agreement shall be binding upon and shall inure to the benefit of the heirs, legal representatives and proper and permitted assigns and successors of the parties.

26.5 **Date of Closing:** For purposes of this Agreement, the closing date must be construed as the date upon which all appropriate documents are recorded and proceeds of this sale are available for disbursement to Seller. Funds held in reserve accounts pursuant to escrow or closing instructions shall be deemed, for purposes of this definition, as available for disbursement to Seller.

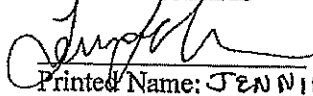
26.6 **Time of the Essence:** Time is of the essence of this Agreement.

26.7 **Governing Law and Venue:** This Agreement shall be governed by and interpreted in accordance with Washington law. Any action or litigation arising out of or in connection with this Agreement shall be conducted in Clark County, Washington.

27. **Ratification:** This Agreement shall not be binding upon the City of Camas until ratified by the City Council of the City of Camas at a regularly scheduled council meeting. The City agrees to submit this Agreement for ratification at the next regularly scheduled council meeting following acceptance by Seller.

DATED this 15 day of January, 2020.

CITY OF CAMAS



Printed Name: JENNIFER GORSUCH

Title: INTERIM CITY ADMINISTRATOR

On the 15 day of JANUARY, 2020, the Seller approves and accepts the sale set forth in this Agreement and agree to carry out all the terms thereof on the part of the Seller.

CJ DENS LACAMAS I, LLC



Printed Name: SCOTT LESLIE

Title: MANAGING MEMBER

EXHIBIT A

LEGAL DESCRIPTION FOR CLOSURE

PROPERTY TO CITY OF CAMAS

Being a portion of the Southwest quarter of the Northeast quarter and the Southeast quarter of the Northeast quarter of Section 34 and the Southwest quarter of the Northwest quarter of Section 35, Township 2 North, Range 3 East of the Willamette Meridian, City of Camas, Clark County, Washington described as follows:

COMMENCING at a concrete monument with brass cap marking the Northeast corner of Section 34 as shown in Book 39 of Surveys, Page 173, Clark County Auditor's records;

Thence South 00°15'46" East, along the East line of the Northeast quarter of Section 34 for a distance of 1319.52 feet to a 3/4" iron pipe at the Southeast corner of the Northeast quarter of the Northeast quarter of Section 34 and the POINT OF BEGINNING;

Thence South 89°45'43" West, along the South line of the Northeast quarter of the Northeast quarter of Section 34, for a distance of 1321.38 feet to a 3/4" iron pipe at the Southeast corner of the Laughlin Tract as described in Book 2 of Deeds, Page 524, Clark County Auditor's records;

Thence South 89°46'35" West, along the South line of the Laughlin Tract, for a distance of 880.01 feet to a 1/2" iron rebar (Survey 39-173) at the Northeast corner of Parcel 1 of the Mills Tract as described under Clark County Auditor's File Number 8208200027;

Thence South 08°47'06" East, for a distance of 270.55 feet to a 1/2" iron rebar (Survey 39-173) at the Southeast corner of the Mills Tract, being on the Northerly right-of-way line of SE Leadbetter Road;

Thence along the Northerly right-of-way line of Leadbetter Road the following described courses;

Thence along the arc of a 2895.59 foot radius curve to the right through a central angle of 03°27'05", for an arc distance of 174.42 feet, the chord of which bears South 40°01'32" East, 174.40 feet;

Thence South 38°18'00" East, for a distance of 94.05 feet;

Thence along the arc of a 447.51 foot radius curve to the left, through a central angle of 29°58'00", for an arc distance of 234.06 feet, the chord of which bears South 53°17'00" East, 231.40 feet;

Thence South 68°16'00" East, for a distance of 259.91 feet;

Thence along the arc of a 542.70 foot radius curve to the left, through a central angle of 17°40'00", for an arc distance of 167.34 feet, the chord of which bears South 77°06'00" East, 166.67 feet.

Thence South 85°56'00" East, for a distance of 82.96 feet to a 1/2" iron rebar (Survey 39-173), marking the Southwest corner of the City of Camas Tract as described under Clark County Auditor's File Number 5571688;

Thence North 00°17'47" West, leaving said North right-of-way line along the most Westerly line of the City of Camas Tract, for a distance of 282.50 feet to a 1/2" iron rebar (Survey 39-173), marking the most Westerly Northwest corner of said City of Camas Tract;

Thence North 89°49'43" East, along the most Southerly North line of said City of Camas Tract, for a distance of 250.00 feet to a 1/2" iron rebar (Survey 39-173), marking an internal corner thereof;

Thence North 00°19'25" West, along the most Easterly West line of said City of Camas Tract, for a distance of 168.00 feet to a 1/2" iron rebar as shown in Book 41 of Surveys, Page 122, Clark County Auditor's Records, marking the most Northerly Northwest corner thereof;

Thence North 89°45'43" East, along the North line of said City of Camas Tract, for a distance of 579.50 feet to a 1/2" iron rebar (Survey 41-122), marking the Northeast corner thereof;

Thence South 00°19'25" East, along the East line of said City of Camas Tract, for a distance of 364.60 feet;

Thence North 60°00'00" East, leaving said East line for a distance of 182.00 feet;

Thence North 75°00'00" East, for a distance of 420.00 feet;

Thence North 28°00'00" East, for a distance of 90.00 feet;

Thence North 80°00'00" East, for a distance of 43.00 feet;

Thence South 65°00'00" East, for a distance of 95.00 feet;

Thence North 84°00'00" East, for a distance of 320.00 feet;

Thence North 61°00'00" East, for a distance of 310.00 feet;

Thence North 29°00'00" East, for a distance of 279.41 feet to the South line of the Northwest quarter of the Northwest quarter of Section 35 (Survey Book 39, Page 173);

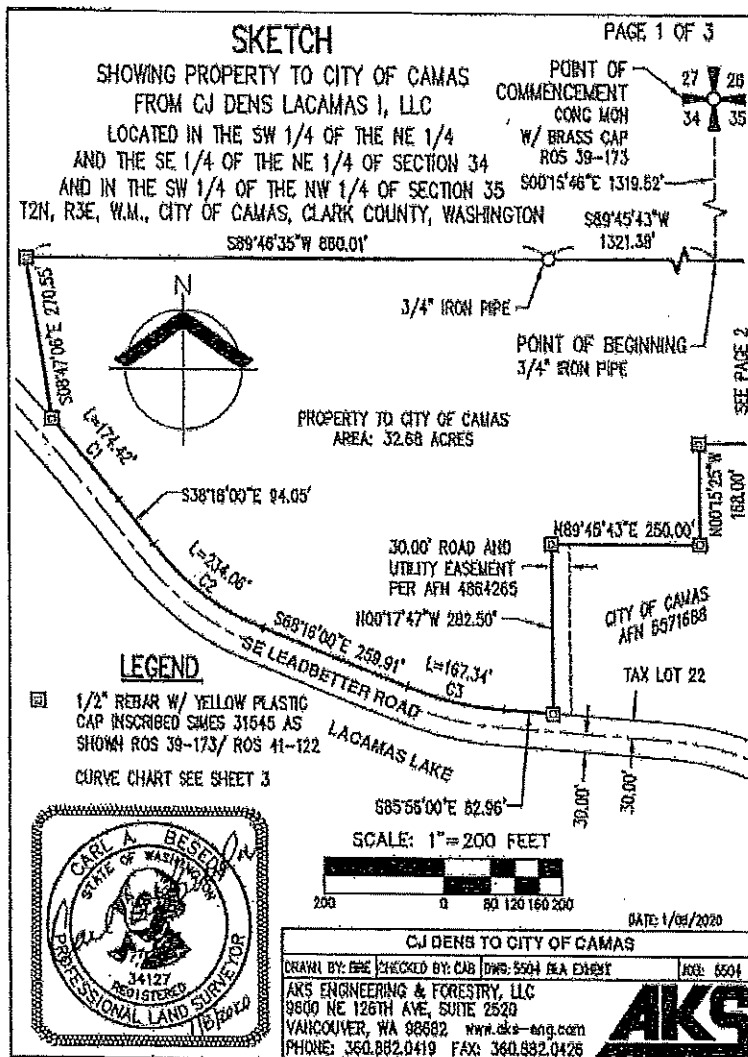
Thence South 89°50'42" West, along said South line for a distance of 970.30 feet to the POINT OF BEGINNING;

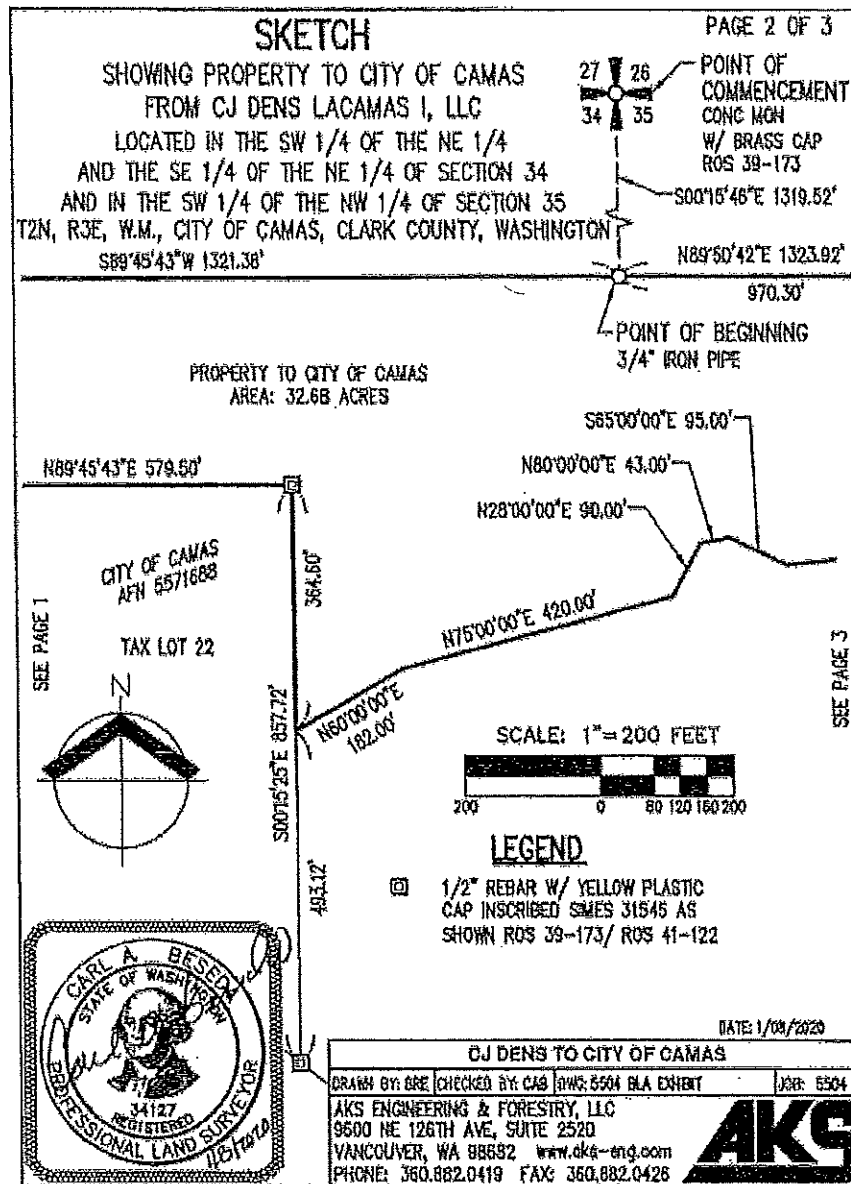
Contains approximately 32.69 acres.

Together with and subject to easements and restriction of record.



EXHIBIT B

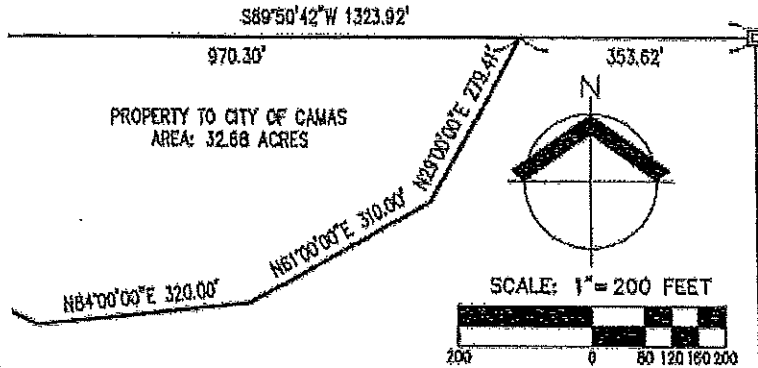




SKETCH

PAGE 3 OF 3

SHOWING PROPERTY TO CITY OF CAMAS
FROM CJ DENS LACAMAS I, LLC
LOCATED IN THE SW 1/4 OF THE NE 1/4
AND THE SE 1/4 OF THE NE 1/4 OF SECTION 34
AND IN THE SW 1/4 OF THE NW 1/4 OF SECTION 35
T2N, R3E, W1M., CITY OF CAMAS, CLARK COUNTY, WASHINGTON



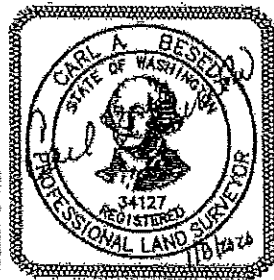
SEE PAGE 2

CURVE TABLE				
CURVE	RADIUS	DELTA	LENGTH	CHORD
C1	2895.59'	3°27'05"	174.42'	S40°01'32"E 174.40'
C2	447.51'	29°58'00"	234.06'	S53°17'00"E 231.40'
C3	542.70'	17°40'00"	167.34'	S77°06'00"E 166.67'

LEGEND

- 1/2" REBAR W/ YELLOW PLASTIC CAP INSCRIBED SINES 31545 AS SHOWN ROS 39-173/ ROS 41-122

DATE: 1/08/2020



CJ DENS TO CITY OF CAMAS		
DRAWN BY: BRE	CHECKED BY: CAR [initials]	LOG: 6504
AKS ENGINEERING & FORESTRY, LLC 9600 NE 126TH AVE, SUITE 2520 VANCOUVER, WA 98682 www.aks-eng.com PHONE: 360.882.0419 FAX: 360.882.0426		



EXHIBIT C
SELLER'S RETAINED PROPERTY

