



July 20, 2020

Barry McDonnell, Mayor, City of Camas  
Phil Bourquin, Community Development Director, City of Camas  
Jerry Acheson, Parks and Recreation Manager, City of Camas  
Robert Maul, Planning Manager, City of Camas  
Sarah Fox, Senior Planner, City of Camas  
Don Chaney, City Council Member, City of Camas  
Steve Hogan, City Council Member, City of Camas  
Shawn MacPherson, Knapp, O'Dell & MacPherson  
Leanne Bremer, Miller Nash  
Tim Hein, Planning Commission Member, City of Camas  
Troy Hull, Planning Commission Member, City of Camas  
And others on Planning Commission

RE: Application for Comprehensive Plan Amendment CPA20-02 from Kimbal Logan representing the Mills Family LLC

Dear City of Camas leaders,

I am writing this letter to you today on behalf of the Mills Family regarding the application for Amendment to the Camas Comprehensive Plan referenced above. After reading the Staff Findings prepared for presentation to the Planning Commission, I am surprised and disappointed by differences between the Findings and previous commitments and understandings made with the staff and administrator of the City of Camas during the long period of time and many agreements made with the Mills Family as they brought their land in Lacamas North Shore into the Urban Growth Boundary, annexed the land into the City of Camas, agreed to hard zoning, dedicated 6 acres Lacamas lakefront to the City as Conservation Land, and sold 26 acres of land to the City including many irreplaceable community assets like the Leadbetter House, Pomaria House, lake viewpoints, a white oak forest area, wetlands, a rare caldera, and a beautiful park-like cedar forest area. It seems there has been a disconnect between what staff efforts were promised to the Mills Family during these long and fruitful negotiations and what is now being represented to the Planning Commission as Staff Findings.

I will try to spell out the points of disagreement with the Findings later in this letter. However, to fully explain the source of the objections I will first try to give a short summary of the history



of the Mills Family's long interaction with the City of Camas in respect to their property at Lacamas North Shore.

2008 – A group of twelve adjacent properties (known as the Lacamas North Shore Properties or LNS Properties) were brought into the Urban Growth Boundary for the City of Camas through the GMA process of planning for future growth. This process required analysis of the needs for future land areas and land uses and required the land that was brought in have a comprehensive plan and proscribed future zoning. The properties included the Johnston Dairy property, the Mills Property, the Weakley Property, the Buma Property, the Cisney Property, and several others. When brought into the Urban Growth Boundary most of the Mills Property was master planned and comp planned as Mixed Use. The property owners and the City of Camas worked cooperatively together to agree on the land to be brought in and the Comp Plan designations to be assigned to each property.

2013 – The whole group of Lacamas North Shore Properties (LNS) was annexed into the City of Camas. At the time of the annexation the staff at the City required the Mixed-Use Zoning to be changed to hard zones to make planning more concrete and less changeable than Mixed Use zoning and a Development Agreement was agreed upon. At the time the Mills Family parcels were zoned as follows: about 35 acres were zoned MF-10; about 21 acres were zoned MF-18, about 26 acres was zoned BP, about 7 acres was zoned Commercial, and about 6 acres was designated and Conservation Land on Lacamas lake to be dedicated to the City. A map of the zoned lands as annexed is attached hereto as Exhibit 1. At the time the Mills Family objected to the change from mixed use zoning, but they agreed to move forward to facilitate the goals of all of the owners in the LNS group and to try to work cooperatively with the City of Camas planning staff who they had, and still have, a high regard for.

2016 - The Vision for Lacamas North Shore plan was approved by the City of Camas, Clark County, City leaders, and several Conservation Groups including Columbia Land Trust and the Conservation Fund. The Vision Plan called for the City of Camas or the County or other affiliate parties to buy or be given a broad swath of land along the North border of Lacamas Lake to preserve those lands for public use and conservation plus planning for completion of a full circumference public trail around the lake and closure of a portion of Leadbetter Road.

2018 – After analyzing the Vision Plan and thinking about the Mills Family's long term goals for their land at Lacamas North Shore, the Mills Family agreed to have me approach Columbia Land Trust with a plan to sell Columbia Land Trust a large portion of the Mills Family lands including the iconic lake front Leadbetter House and Pomaria House, plus a beautiful park like section of land on the North and East boundaries of their properties at a discounted price. The plan was for Columbia Land Trust to dedicate the property to the City of Camas in the future when the City might have raised some money to help with the purchase. In the meantime, the land (that was at the time openly on the market for sale and had been in escrow twice) would be saved from private development. Columbia Land Trust was unable to act on the proposal because of a lack of funds, but they placed the Mills Family in touch with the Conservation Fund (a large national



conservation group) to discuss the purchase. The Conservation Fund liked the idea and (after consulting with Columbia Land Trust and the City of Camas regarding the conditions of the Mills Family to the purchase) signed an agreement to go forward with the purchase. A copy of the original LOI and the subsequent PSA is attached. As you can see from reading the agreements the sale was contingent upon there being a transfer of zoning among three parcels in the Mill's property so the City would end up with 7 acres of land on the lakefront zoned commercial and 26 acres of land above the lake the North and West zoned either public property or BP. The Mills were to end up with a 35-acre parcel of land zoned MF-10 (the same as before the sale) and a 21-acre parcel of land zoned MF-18 (the same as before the sale). It is important to note that what was envisioned in this sale was no increase or decrease in the number of acres of multi-family or BP (public) property just a change of location of each zone on the area map. The new proposed lot lines were designed to follow the topography of the land which has some high bluffs and spectacular critical or special land areas that were all included in the sale to the Conservation Fund (at a discounted price and to be given to the City later) . Please review the proposed new map with the existing zoning map at the time and you will see there is no increase in any amount of multi-family land resulting from the zoning swaps.

I had been working with Jerry Acheson from the Parks Department regarding landowners I represented. Through the good work of Jerry and others at the City, in 2018 the City of Camas had purchased the Buma Property (one of the original LNS Group properties including about 28 acres zoned MF-18). In the 2013 Development Agreement that was part of the annexation the number of units that could be built on the property was capped at 226 units. When the City bought the Buma Property those 226 units were removed from the number of units conceived and approved in the 2008 Growth Management Plan and later confirmed in the approved 2016 Growth Management plan.

2019 - After working with Jerry closely regarding the Buma Property, I had gotten to know him and had talked with him fairly regularly during the negotiations with the Conservation Fund for the deal that was put together between The Conservation Fund and the Mills Family for land to be later given to the City. During the middle of the due diligence for the Conservation Fund sale, Jerry approached me and asked if the Mills Family would have any objection to selling the land directly to the City of Camas which they were. I agreed to write up the initial papers for the sale with the only caveats being that the Mills Family would have to assured of a minimum number of units in the newly reoriented comp and zoning plan to make up for the loss they were taking by selling the Public Lands being sold to the City at a discount, and there would have to be an access road to the Mills Family remainder lands from of Leadbetter Road because without fairly immediate access, the value of the Mills Family remainder lands would be dramatically reduced. I met directly with Pete Capell, Shawn MacPherson, Phil Bourquin, and Jerry Acheson at different times regarding these contingencies. The net result of the negotiations was that the staff could not commit to make the changes requested by the Mills Family because each change required due process through the standard City planning procedures. However the City staff, led by Pete Capell and Phil Bourquin, agreed that the City staff would use "good Faith Effort" or "best efforts" to have the Comprehensive Plan and Zoning Map changed as shown on Exhibit B



to the purchase and sale agreement through said City processes. It was further agreed that the staff allow the requests for road access and densities to proceed as envisioned by the Mills. A copy of the Purchase and Sale Agreement between the Mills Family and the City of Camas is attached including the language regarding “best efforts” meaning “Good Faith Effort” – see emails from Shawn Macpherson and Phil Bourquin attached.

January 2019 – The sale from the Mills Family to the City of Camas for the 33 acres of Public Lands is completed.

January 2020 – The Mills Family and Kimbal Logan as applicant apply for a Comp Plan Amendment as envisioned and agreed upon in the Purchase and Sale Agreement with the City of Camas. In the middle of the process the Coronavirus Pandemic puts a halt on all public meetings and the processes regarding the Mills Family Application for a Comp Plan Amendment.

June 2020 - The Planning Staff at the City of Camas propose Findings for the Mills Family Comp Plan Amendment Application that we find objection to including the following:

1. There is no mention in the findings of any previous dealings with the Mills Family regarding the remainder property or the arrangements and agreements made for the prior sale of the Mills Public Property to the City of Camas. Please review the written Purchase and Sale Agreement between the City and the Mills Family for the property purchased by the City from the Mills. As part of the consideration given Mills, the City of Camas agreed to make a best effort (“good faith”) to confirm the Comp Plan change and the Zoning of the remainder Mills Properties as depicted in Exhibit B to the Purchase Agreement meaning 36 acres of MF-10 Property and 21 acres of MF-18 Property. There is no sign in the Finding of Staff of any Best Effort (Good Faith) to have the application approved as submitted approving these agreed upon zones.
2. There is a Finding that the proposal from the Mills would decrease employment lands and increase multifamily lands. This is a misleading statement. In the total scope of transactions between the Mills and the City of Camas, the entity that has removed employments land from the LNS Comp Plan is the City of Camas. The sale to the City was approved with understanding that the City would support the proposal that the Mills would own the same number of acres of multi-family land after the sale and Comp Plan Amendment as before the sale. This result was intended to be accomplished by a Comp Plan Amendment recommended and supported by the City and its staff. 36 acres of MF-10 and 21 acres of MF-18.

An honest reading of the proposed PSAs with the Conservation Fund and the City of Camas makes clear the intent of the Mills Family to keep their multi-family zones on their new parcels and the intent of the City to use Good Faith efforts to help the Mills Family do so.



3. The Findings state that the proposal from the Mills Family would increase the amount of residential land in the City by 9%. This too is a misleading statement. The sale from the Mills to the City of Camas removed 9% of the residential zoned land in the City of Camas from the planning maps. The envisioned and agreed upon Comp Plan and Zoning transfer of multi-family zoning to the Mills remainder lands will simply replace the amount of residential land previously removed.

Please note – in the LNS area, purchases of property by the City of Camas or Camas School district purchases have eliminated residential lands approved for inclusion in the Comp Plan through GMA for the Lacamas North Shore area as follows: \* Weakley Property sold to Camas School district – 40 acres zoned R-7.5 - at least 100 units. \* Buma Property sold to City of Camas – 28 acres zoned MF-18 – 226 Units. \* Dens Property sold to City of Camas – at least 33 acres zoned R-7.5 – about 135 units. \* Mills Property (if zoning transfer is not approved) – about 21 acres zoned MF-10 – at least 150 units. The total of the acreage removed from residential housing by these City purchases is at least 122 acres and at least 610 units. Instead of correctly giving support for the transfer of multi-family planning and zoning to the agreed upon adjacent lands as intended, the Findings make it seem like there is a worrisome loss of Business Park Land into Multi-family land. Not true.

This particular Finding could be particularly injurious to the Mills Family because it diminishes the usability, timing, and value of the Family's remainder lands if the Mills get stuck with poorly placed, topographically unsuited, and not agreed upon business park zoning.

4. One of the Findings states that if a development proposal increases planned for residential capacity in the City then the City can require that the new development to have at least 25% of the new housing units comply with affordable housing requirements in the City. Since the proposal from the Mills Family does not increase long planned for residential capacity and in reality does not even make up for the number of units already removed from the LNS area, there should not be a requirement from the City of Camas that 25% of the new housing units have to be affordable housing. This requirement has never been mentioned to the Mills or to me at any time during our negotiations. Forcing disparate housing types into an area such as the land overlooking Lacamas Lake is a disservice to the long-term values of the landowners and the peace of mind and happiness of both types of tenants in the properties to be developed. The inclusion of such a requirement on the Mills properties would cause a definite and immediate loss of value. There is no reason that the City of Camas should want to inflict this harm on their long-term partner and benefactor – the Mills Family.
5. The Findings state that the goals from Camas 2035 for the North Shore “envision that the area will be master planned for commercial and other economic uses (e.g. medical office, grocery stores, and restaurants”. While that language is indeed in the document, other

language points out the need for different housing types to service the interests of employers and the community. Take for instance this language for the City of Camas website promoting Lacamas North Shore “**PLAN for development that supports diversity and economic development, including a range of housing choices, transportation options, and an assortment of shops, services, and public and park spaces.**” The existing Comprehensive Plan for the LNS area is still in place. The plan calls for a mix of jobs land and medium and high-density housing plus the limited commercial areas now owned by the City. The area is not intended to be solely for business or commerce but more of a mix of uses that allow people to work and live in the area and enjoy the wonderful amenity that Lacamas Lake and the City parks and public areas will provide. A new plan should not diminish the approved and sought-after housing choices or numbers.

6. The Comp Plan Amendments sought after by the Mills Family are tailored to the land topography and common-sense development of the land. If you review the topographical map of the land there is a consistent usability of the land with common uses that do not go over cliffs or bluffs and do not artificially place businesses and jobs in the middle of residential neighborhoods. The Findings make no mention of the topography of the site and the suitability of the site for different types of development. It is my contention that the sloping site is more suitable for housing than for business park land and further that the location of these two zoning types should be buffered and set away from each other as far as possible. The Mill’s Comp Plan proposal promotes this goal.
7. At the time of the sale to the City of Camas of the Mills Public Lands, the City and the Mills worked cooperatively to complete the Boundary Line Adjustments necessary to have the new lot to be purchased by the City legally created and to have two remainder lots legally created to be held by the Mills. Again as shown in the Exhibit B to the Purchase and Sale Agreement with the City of Camas the two remainder lots that were created are a 36 acre lot designated on the Map as MF-10 and a 21 acre lot designated on the map as MF-18. The City of Camas approved this boundary line adjustment and helped record it.

The Camas Municipal Code in section 17.07.040 - Approval criteria, stipulates the following: The approval authority shall approve, approve with conditions, or deny a request for a boundary line adjustment in writing based on findings addressing the following (among other) criteria:

D. All lots have legal access to a public road. Existing required private road improvements and easements are not diminished below city street standards for lots that are served by a private road and shall not create unreasonably restrictive or hazardous access to a property.

E. The boundary line adjustment will not result in a lot that contains area in two zone designations.



Why is it that the City of Camas can approve and complete boundary line adjustments to three parcels to create a legal parcel to purchase for itself, and two parcels to be held by the Seller, eliminating dual zoning in the parcel to be purchased by the City and at the same time not be able to eliminate dual zoning in single parcels retained by the Seller and also provide a means to have legal access to a public road for those parcels per their own code? The City should be going out of its way to adhere to its own municipal code and to honor its commitments to the Mills Family. The City of Camas should not be creating new parcels in a Boundary line adjustment that do not have consonant zoning or road access.

8. There is language in the Findings stating that the City cannot agree to the minimum densities being requested by the Applicant because of a lack information regarding critical lands and wetlands in the Mills remainder properties. We have had the submittal for the Comp Plan change in the City Staff hands since early January 2020. Not once has there been any request for this type of information from anyone on the City staff. We have soils studies, archeological studies, wetland, and critical land studies that have been completed by and for a potential Buyer of the property. The Mills and the Buyer will be very happy to provide these studies to the City at the time the Buyer submits for site plan approval. With no approved Comp Plan, or zoning, or road access known it is not reasonable to ask the Mills or the Buyer to submit a site plan or a building plan.

Both the Mills and the Buyer are comfortable moving forward with the Comp Plan Amendment by eliminating any minimum or maximum number of units to be pre-approved, but rather to have the normal City planning processes and requirements determine the number of units that can be approved to be built according to the land characteristics and features and any site plan and building plans to be submitted by a Buyer or builder in the future.

9. If approved, the benefits to the City of Camas and its citizens from the Mill's Family Application for Comp Plan Amendment will include the following:
  - a. The resulting multi-family lands will provide a beautiful, consonant, medium density housing for the Camas area that is in short supply and will be of great long-term benefit to employment development and employers in the area.
  - b. There will be cooperative fulfillment of a long agreed upon and approved plan that will provide benefits to a special tier of Camas residents for years to come.
  - c. Many of the goals envisioned in the Growth Management Act including; Concentrated Urban Growth; Sprawl reduction, Affordable housing, economic development, Private Property Rights, Open Space and recreation, Environmental protection, Early and continuous public participation, Public facilities and services; and Historic preservation, will all have been furthered by the resulting

low-density multi-family development and the adjacent public and historic facilities coming from the cooperation and business agreements between the Mills Family and the City of Camas.

- d. Many of the key goals of the Camas 2035 Vision Plan will be further met including one principal goal:
  - i. **LU-1.1: Ensure the appropriate mix of commercial-, residential-, and industrial-zoned land to accommodate the City’s share of the regional population and employment projections for the 20-year planning horizon.**

10. Finally please consider the following statement from the Mills Family; “The Mills family, not unlike their family members before them, the Pittocks (beginning in 1883) and the Leadbetters, have made personal commitments and investments in support of the public interests of the City of Camas. These commitments and investments have promoted commercial and residential growth; and, conservation and preservation. The Mills and the City of Camas have worked cooperatively and successfully over the last decade. The Mills have honored all agreements with and requests from the City of Camas. The Mills ask only that the City of Camas honor its commitments to the Mills Family and to the Comp Plan for Lacamas North Shore. Please remember, the City’s decisions regarding the Comp Plan Change and road access could be extremely beneficial or detrimental to the Mills family and to the future development of this area.”

11. Very simply the Mills are asking for approval of the following:

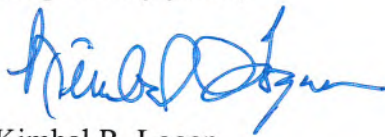
- a. Confirmation that Parcel 5 (see Exhibit 1) owned by the Mills Family is Comp Planned and Zoned as MF-10.
- b. Confirmation that Parcel 6 (see Exhibit 1) owned by the Mills Family is Comp Planned and Zoned as MF-18.
- c. Confirmation that the Mills Family and the City of Camas will work together to construct NE Fargo Street as shown in the original approval of the Dens Subdivision providing a legal public road access to Parcel 5 and Parcel 6.

At the option of the City of Camas, access to NE Fargo Street from Leadbetter Road may be restricted or closed in the future, if and when adequate road access to Parcel 5 and Parcel 6 are provided by the City or other private developers from the North side of Parcel 5 and Parcel 6.



I believe the Mills Family, The City of Camas, and all the citizens of SW Washington should be immensely proud of the once in a lifetime accomplishment that the City's acquisition of the land on the North Shore of Lacamas Lake is. I have no doubt that the Lacamas North Shore area owned by the City, crowned by the Leadbetter House, will become the Central Park of Camas and SW Washington - to be used and revered by the citizens of the area for generations to come. This remarkable accomplishment should not be marred by a lack of recognition of the compromises and agreements that led to the result or unnecessary wrangling over the path to an obviously beneficial long-term outcome.

Respectfully yours,



Kimbal R. Logan

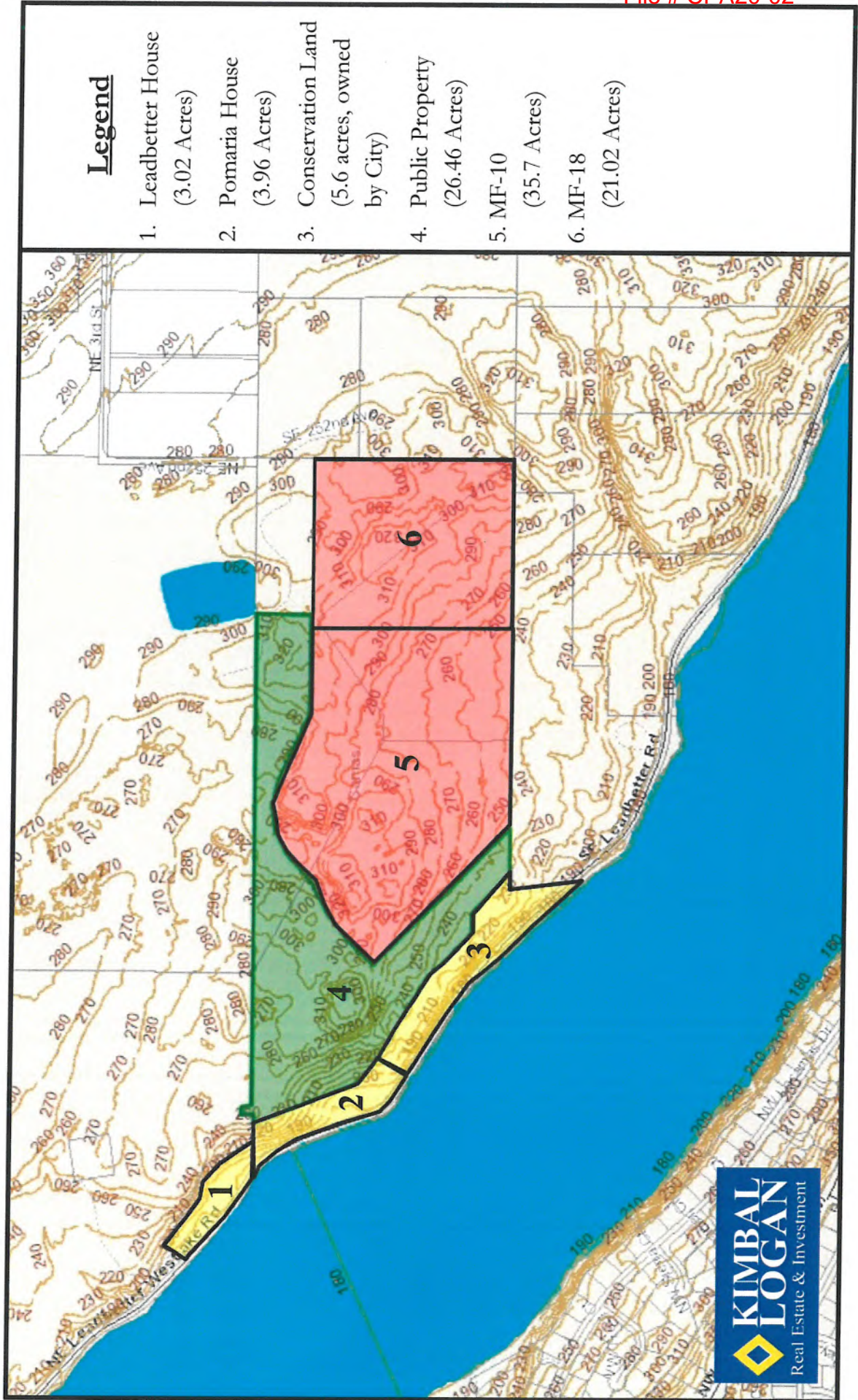
Please review the attached Addenda:

1. Exhibit B to PSA Mills Family LLC to City of Camas
2. Purchase and Sale Agreement – Mills Family LLC to City of Camas – **See Section 5.22 last paragraph – City's intent to use best efforts to amend the Comp Plan and zoning consistent with Exhibit B**
3. Letter of Intent – Mills Family LLC to Conservation Fund – **See Section 9.1 – Contingencies and Conditions**
4. Purchase and Sale Agreement – Mills Family LLC to Conservation Fund – **See Section 19 – Conditions and Contingencies to the Sale:**
5. Email from Shawn MacPherson – regarding Seller Conditions to Mills Family LLC sale to City of Camas
6. Email from Phil Bourquin – regarding future zoning of the Mills Family remainder lots at LNS
7. Section of Camas Municipal Code **See Section 17.07.040 Approval Criteria. Section D: legal access to public roads and Section E: cannot create lot with two different zones.**
8. Related maps and documents



# Mills Family LLC to City of Camas

## Exhibit B (map of new parcels)





**PURCHASE AND SALE AGREEMENT AND ESCROW INSTRUCTIONS**

This **AGREEMENT OF PURCHASE AND SALE OF REAL PROPERTY AND ESCROW INSTRUCTIONS** (the "Agreement") is made and entered into effective as of December 11/30/2018, 2018 (the "Effective Date"), by and between The Mills Family LLC ("Seller"), and The City of Camas, Washington ("Buyer") with reference to the following facts:

**RECITALS:**

- A. Seller is the owner of that certain real property located in the City of Camas (the " City"), County of Clark (the " County"), State of Washington, consisting of the following five Tax Lots:
  - Tax Lot #38, Section 27, Township 2 North, Range 3 East, Willamette Meridian, also described as Property Identification Number (PIN) 175720000 containing approximately 3.02 acres and containing the approximate approximately 3,864 square foot Leadbetter House plus an approximate 1,152 square foot unfinished basement plus an approximate 1,800 square foot general purpose building, plus a storage shed and gazebo, hereinafter Tax Lot #38.
  - Tax Lot #27, Section 34, Township 2 North, Range 3 East, Willamette Meridian, also described as Property Identification Number (PIN) 177903000 containing approximately 3.96 acres and containing the approximate approximately 1,867 square foot Pomaria House plus an approximate 495 square foot detached garage, hereinafter Tax Lot #27 shall:
  - Tax Lot #7, Section 34, Township 2 North, Range 3 East, Willamette Meridian, also described as Property Identification Number (PIN) 177884000 containing approximately 35.7 acres, hereinafter Tax Lot #7.
  - Tax Lot #8, Section 34, Township 2 North, Range 3 East, Willamette Meridian, also described as Property Identification Number (PIN) 177885000 containing approximately 21.02 acres, hereinafter Tax Lot #8.
  - Tax Lot #28, Section 34, Township 2 North, Range 3 East, Willamette Meridian, also described as Property Identification Number (PIN) 177904000 containing approximately 26.46 acres, hereinafter Tax Lot #28.
- B. It is the intention of the Buyer and Seller to have the Buyer buy from Seller Tax Lot 38, Tax Lot 27, the portion of Tax Lot 7 designated as Public Property in Exhibit B to this Agreement, and the portion of Tax Lot 28 designated as Public Property in said Exhibit B, hereinafter "properties".
- C. The purpose of this Agreement is to set forth the terms and conditions agreed upon between Seller and Buyer with respect to the purchase and sale of the properties.

**AGREEMENT:**

**NOW, THEREFORE**, in consideration of the mutual covenants and agreements set forth in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

- 1. **Survey Completion.** In order to create the legal lots of correct size to correspond as closely as possible to the lot lines depicted in Exhibit B, Seller shall hire a licensed surveyor to complete a

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**Purchase and Sale Agreement****Mills to City of Camas**

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survey of the different properties to help create the parcels as depicted. The survey shall be completed to allow timely closing. The costs of the survey work and other special professional services to complete the survey and record the adjusted lots shall be shared by Buyer and Seller equally.

2. **Purchase and Sale.** Subject to the terms and conditions set forth in this Agreement, Seller hereby agrees to sell to Buyer, and Buyer hereby agrees to purchase from Seller, the properties.

2.1. **Purchase Price.** The purchase price shall be Two Million Five Hundred Thousand Dollars (\$2,500,000).

2.2. **Payment.** The Purchase Price shall be payable as follows:

2.2.1. **Earnest Money Deposit.** Concurrently with the "Opening of Escrow" (as that term is defined below), Buyer shall deposit with "Escrow Holder" (as that term is defined below), in immediately available funds, the amount of Twenty Five Thousand Dollars (\$25,000) (the "Earnest Money Deposit"), which shall be held in an interest bearing account, with interest accruing thereon becoming a part of the Earnest Money Deposit for all purposes hereunder. The Earnest Deposit shall be held by Escrow in accordance with the following instructions: (i) The Deposit shall be considered earnest money and shall be fully refundable to Buyer during the Feasibility Period, as that term is defined in Section 4.1.1 below (the "Earnest Money"); (ii) In the event that Buyer delivers the "Approval Notice," as that term is defined in Section 5.1.1 below, the Earnest Money Deposit shall be deemed non-refundable to Buyer and the Escrow Holder shall promptly release all such Earnest Money to Seller. The Earnest Money Deposit Earnest Money released to Seller hereunder shall be applicable as a credit toward the Purchase Price.

2.2.2. **Remaining Cash Payment.** On or before the Closing Date, Buyer shall deposit with Escrow Holder the full Purchase Price less the amount of the Initial Deposit (\$2,500,000 less \$25,000 or \$2,475,000), plus Buyer's share of the closing costs set forth in Section 5.6 below. All funds deposited in Escrow shall be disbursed by Escrow Holder in accordance with Section 6 below. For purposes of this Agreement, the amount required to be deposited by Buyer for the Closing pursuant to this Section 2.2.2 shall be referred to herein as the "Remaining Cash Payment".

3. **Opening of Escrow.** Concurrently with the mutual execution of this Agreement, Seller and Buyer shall open an escrow (the "Escrow") with First American Title Insurance Company at its Greenwood Drive Branch in Vancouver, WA ("Escrow Holder") with Shelby Cauffman as Escrow Officer, by delivering an executed copy of this Agreement to Escrow Holder. As used in this Agreement, the term "Opening of Escrow" shall mean the date on which a fully executed copy of this Agreement is delivered to Escrow Holder by Seller and Buyer, and Escrow Holder has received the Earnest Money Deposit. Upon receipt of the fully executed copy of this Agreement and the Earnest Money Deposit, Escrow Holder is hereby instructed to open the Escrow, to advise the parties of the date of the Opening of Escrow, to sign the last page of this Agreement, and to deliver a signed copy of the last page of this Agreement to both Seller and Buyer. This Agreement shall constitute escrow instructions to Escrow Holder, together with Escrow Holder's general provisions. If there is any



conflict between the provisions of this Agreement and Escrow Holder's general provisions, the provisions of this Agreement shall control.

4. **CONDITION OF TITLE:**

- 4.1. **Preliminary Title Report.** On or before the end of the Feasibility Period, Buyer shall have approved those covenants, conditions, restrictions, rights of way, easements, reservations and other matters of record, as disclosed in the Preliminary Title Report for the Property to be issued by Escrow Holder (the "Title Company"), promptly following the Effective Date, together with copies of the documents of record evidencing such title exceptions and plotted easements (collectively, the "Title Report"). In the event Buyer objects to or disapproves any exceptions in the Title Report, Buyer shall deliver written notice to Seller of Buyer's objections ("Buyer's Notice") prior to the expiration of the Feasibility Period. Seller shall have five (5) business days from receipt of Buyer's Notice to either (i) cure or agree to cure at or prior to the Closing Buyer's objection(s), or (ii) elect not to cure such objection(s). In the event Seller elects not to cure any of Buyer's objections or fails to respond to Buyer's Notice within such five (5) business day period (which shall be deemed Seller's election not to cure any of Buyer's objections other than monetary encumbrances, as provided below), Buyer shall have five (5) business days thereafter to either: (a) waive such objection(s), or (b) cancel the escrow and terminate this Agreement. In the event of the termination of this Agreement pursuant to the foregoing, Escrow Holder shall promptly disburse any amount remaining in the Due Diligence Fund to Seller, return the Earnest Money to Buyer, and neither party shall have any further rights, duties or obligations under this Agreement, except those that by their express terms survive the termination of this Agreement. The exceptions to title that Buyer approves or is deemed to have approved shall be referred to as "Permitted Title Exceptions;" provided, however, that the Permitted Title Exceptions shall not include, and Seller shall remove at or before the Closing, and shall cause the Property to be delivered free and clear of, any deeds of trusts, mortgages, delinquent taxes and assessments, mechanics' liens and/or any other monetary liens encumbering the Property, and Buyer need not object thereto.
- 4.2. **Buyer's Investigation.** During the term of the Escrow, Buyer shall have the right, at Buyer's sole expense, to conduct such independent investigations as Buyer deems necessary or appropriate concerning the condition, use, sale, development or suitability of the Property for Buyer's intended purposes.
- 4.3. **Right to Enter.** Seller hereby grants to Buyer, and its agents, employees, contractors and consultants, the right to enter upon the Property during the term of the Escrow for the purpose of conducting feasibility studies and physical examinations of the Property at Buyer's sole cost and expense, including environmental testing and soils and geotechnical analyses and tests. Buyer hereby agrees to indemnify, protect, defend and hold Seller and the Property free and harmless from and against any and all loss, cost, liability or expense (including reasonable attorneys' fees) to the extent caused by or arising from such entry by Buyer, its agents, employees, contractors or consultants, upon the Property, and from all mechanic's, material men's and other liens resulting from any such entry; provided that such obligations of Buyer will not apply to the extent any loss, cost, liability or expense (i) is caused by the negligence or intentional misconduct of Seller or its agents, employees, contractors or

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consultants, or (ii) relates to preexisting conditions, including any environmental conditions, affecting the Property that were merely discovered and not exacerbated by Buyer or its agents, employees, contractors or consultants. Buyer shall promptly repair any damage to the Property caused by Buyer, its agents, employees, contractors, or consultants, reasonable wear and tear excepted.

- 4.4. **"As-Is" Sale.** Except for Seller's covenants, representations, warranties and other obligations set forth in this Agreement, Buyer acknowledges and agrees that, in the event Buyer acquires the Property, Buyer is acquiring the Property in its "AS IS" condition.

**5. CONDITIONS:**

- 5.1. **Conditions for the Benefit of Buyer.** Buyer's obligation to acquire the Property and the Closing of each parcel, shall be conditional and contingent upon the satisfaction, or waiver by Buyer, as and when required below, of each of the following conditions (collectively, the "Buyer Conditions"):

- 5.1.1. **Feasibility Review.** On or before the date that is forty-five (45) days following the Effective Date or January 15, 2019 whichever date is sooner (the "Feasibility Period"), Buyer shall have approved, in Buyer's sole and absolute discretion, the feasibility of Buyer's acquisition and development of the Property based on Buyer's inspection, review and analysis of the Property, the Property Documents and any other documents, materials, studies, reports, agreements, matters of record or otherwise that Buyer desires to review. In the event Buyer approves of its feasibility review of the Property, Buyer shall deliver written notice thereof to Seller and Escrow Holder prior to the expiration of the Feasibility Period (the "Approval Notice"). If Buyer has not delivered the Approval Notice prior to the expiration of the Feasibility Period, or in the event Buyer elects to terminate this Agreement prior to the expiration of the Feasibility Period by written notice of such termination to Seller, this Agreement shall automatically terminate, in which event the Earnest Money Deposit shall be returned to Buyer, and the parties shall have no further rights, duties or obligations under this Agreement, except those that by their express terms survive the termination of this Agreement. In the event Buyer delivers the Approval Notice on or prior to the expiration of the Feasibility Period, this Buyer Condition shall be deemed satisfied for the closing of the Property.
- 5.1.2. **Surveying and Short Platting of the Property.** The new Tax Lots to be purchased by the Buyer shall be created and recorded.
- 5.1.3. **Representations and Warranties.** On the Closing Date, the representations and warranties of Seller set forth in Article 7 below shall be true and correct in all material respects.
- 5.1.4. **No Default.** As of the applicable Closing, Seller shall not be in default under this Agreement.

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- 5.1.5. **Deliveries.** With respect to the Closing, Seller shall have delivered to Escrow Holder those documents and funds required to be delivered by Seller pursuant to Section 5.2 below.
- 5.1.6. **Title Insurance.** Title Company shall be unconditionally committed to issue to Buyer, as of the applicable Closing, an ALTA Standard Owner's Policy of Title Insurance, with liability limits equal to the Purchase Price of the parcel(s) being purchased at such Closing, insuring fee title to such parcel(s) vested in Buyer, subject only to the "Permitted Title Exceptions" (the "Title Policy"). Notwithstanding the foregoing, Buyer shall have the right to obtain an ALTA Extended Owner's Policy of Title Insurance in lieu of the ALTA Standard Owner's Policy of Title Insurance, provided Buyer pays all excess costs in connection therewith and the obtaining of any survey necessary for the substitution of such title policy does not delay the applicable Closing Date.
- 5.1.7. **Approval of Camas City Council.** Closing of this sale is subject to and contingent upon approval of this Agreement by the City of Camas City Council
- 5.1.8. **Failure of Buyer Conditions.** If any of the Buyer Conditions with respect to the parcel(s) being purchased at a Closing has not been satisfied as of the applicable Closing Date, then Buyer shall have the right to (a) waive such Buyer Condition as a condition precedent to the Closing, which waiver must be by written notice to Seller and Escrow Holder prior to the Closing Date, or (b) terminate this Agreement and the Escrow by written notice of termination delivered to Seller and Escrow Holder. In the event of the termination of this Agreement by reason of the failure of any Buyer Condition, the Deposit shall be returned to Buyer, each party shall pay one-half of any escrow and title cancellation charges, and neither party shall have any further rights, duties or obligations under this Agreement.
- 5.2. **Conditions for the Benefit of Seller.** Seller's obligation to sell the Property and the Closing of each parcel, shall be conditional and contingent upon the satisfaction, or waiver by Seller, as and when required below, of each of the following conditions (collectively, the "Seller Conditions"):
- 5.2.1. **Leadbetter House and Pomaria House.** During the Feasibility Period, Buyer shall confirm to Seller that Buyer intends to use the Leadbetter Properties and the Pomaria Properties for public purposes that meet with the intentions of the Mills Family in selling the properties to a public entity like the Buyer, with the exception of short term residential tenancy at Buyer's discretion. Buyer shall also confirm to Seller that the Leadbetter House will retain the name Leadbetter House and that some type of memorial commemorating the history of the Mills Family and their ancestors and their role in creating and maintaining the property on the Lake will be dedicated on the Property. Use of the property by the City of Camas for retreats, rentals, and outdoor recreation are all uses acceptable to the Mills Family.
- 5.2.2. **Modification of DA / Comp Plan and Zone Amendment.** At any point prior to or following closing, Seller may pursue modification of the existing Development Agreement by execution of all parties thereto for review and approval by the City,

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subject to the applicable procedural rules and regulations on the condition that in the event the Development Agreement with acceptable signatures is submitted to the City on or before March 1, 2019, the City will use best efforts to include consideration of comp plan zoning consistent with Exhibit B during the 2019 City of Camas annual comp plan review cycle. Should no final amended Development Agreement be recorded by July 15, 2019, the City shall have no further obligations associated with comp plan review for 2019. After closing of the sale herein, the City of Camas would consent to a modified Development Agreement being submitted for consideration and approval by City Council through the requisite public hearing process.

In the alternative, Seller and City agree to proceed in good faith and with best efforts to pursue related Comprehensive Plan amendments and Zoning Map changes during the City of Camas annual review cycle beginning January 2020, with the intent of best efforts to amend the comp plan and zoning consistent with Exhibit B within the same year and upon expiration of the existing Development Agreement.

- 5.2.3. **Failure of Seller Conditions.** If any of the Seller Conditions with respect to the parcel(s) being purchased at a Closing has not been satisfied as of the applicable Closing Date, then Seller shall have the right to (a) waive such Seller Condition as a condition precedent to the Closing, which waiver must be by written notice to Buyer and Escrow Holder prior to the Closing Date, or (b) terminate this Agreement and the Escrow by written notice of termination delivered to Buyer and Escrow Holder. In the event of the termination of this Agreement by reason of the failure of any Seller Condition, the Deposit shall be returned to Buyer, each party shall pay one-half of any escrow and title cancellation charges, and neither party shall have any further rights, duties or obligations under this Agreement.

## 6. CLOSE OF ESCROW:

- 6.1. **Date of Closing.** Buyer and Seller agree to close this transaction on or before 10 days from the date of Buyer's approval of its Feasibility Review in accordance with Section 4.2 above, but in no event shall any Closing occur after January 31, 2019 (the "Outside Closing Date"), unless the Outside Closing Date has been extended in a writing signed by both Buyer and Seller. In the event Buyer desires to proceed to Closing prior to the Outside Closing Date, Buyer shall provide written notice of such election to Seller and Escrow Holder identifying the Closing Date of such purchase, which Closing Date shall be no earlier than ten (10) days following delivery of such written notice.
- 6.2. **Deliveries by Seller to Escrow Holder.** With respect to each Closing, Seller hereby covenants and agrees to deliver to Escrow Holder, at least one (1) business day prior to the Closing Date applicable to such Closing, the following instruments and documents, the delivery of each of which shall be a condition to the applicable Close of Escrow for the benefit of Buyer:
- 6.2.1. **Grant Deed.** Seller's Statutory Warranty Deed for the parcel being purchased at such Closing (the "Deed") in the form as agreed to by the parties.

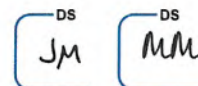
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- 6.2.2. **Non-Foreign Certificate.** An affidavit satisfying the requirements of Section 1445 of the Internal Revenue Code of 1986, as amended, and the regulations thereunder, duly executed by Seller (the "Certificate of Non-Foreign Status").
- 6.2.3. **Closing Costs.** Seller's portion of the escrow fees, prorations, and other charges relating to the Closing, except that Seller may instruct Escrow Holder to deduct such closing costs and prorations from the amount due Seller at the Close of Escrow.
- 6.2.4. **Other Documents.** All other documents required hereunder or otherwise reasonably required by Escrow Holder to be deposited by Seller to close the Escrow, including, but not limited to, an Owner's Affidavit regarding the status of the Property and title thereto.
- 6.3. **Deliveries by Buyer to Escrow Holder.** With respect to each Closing, Buyer hereby covenants and agrees to deliver to Escrow Holder, at least one (1) business day prior to the Closing Date applicable to such Closing, the following items, the delivery of each of which shall be a condition to the Close of Escrow for the benefit of Seller:
- 6.3.1. **Remaining Cash Payment.** The Remaining Cash Payment applicable to the parcel being purchased at such Closing, in immediately available funds.
- 6.3.2. **Closing Costs.** All funds necessary to pay Buyer's share of the closing costs and prorations for the parcel being purchased at such Closing in accordance with the terms of this Agreement.
- 6.3.3. **Other Documents.** All other documents required hereunder or otherwise reasonably required by Escrow Holder to be deposited by Buyer to close the Escrow.
- 6.4. **Disbursements and Other Actions by Escrow Holder.** At each Closing, when all required funds and documents applicable to such Closing have been deposited into Escrow by the appropriate parties, Escrow Holder shall promptly undertake each of the following actions in the following order:
- 6.4.1. **Record the Deed.** Cause the Deed to be recorded in the Official Records of the County;
- 6.4.2. **Disburse Closing Funds.** Disburse all funds deposited with Escrow Holder by Buyer in payment of the Purchase Price (including, with respect to the Final Closing, the applicable portion of the Deposit), and in payment of Buyer's share of any Escrow closing costs and prorations, as follows:
- 6.4.3. **Disburse Seller Proceeds.** Disburse to Seller the Purchase Price due Seller less the amount of all items chargeable to the account of Seller, including, without limitation, the amount of any deeds of trust, mechanic's liens or other monetary encumbrances to be paid by Seller, and Seller's share of any Escrow closing costs and prorations;
- 6.4.4. **Disburse Buyer's Expenses or Proceeds.** Deduct from the Remaining Cash Payment all items chargeable to the account of Buyer, including, without limitation, Buyer's share of Escrow closing costs and all other such items chargeable to the account of Buyer, returning the excess of such funds, if any, to Buyer;

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- 6.4.5. **Deliver Copies of Buyer's Documents.** Deliver a conformed copy of the Deed, a copy of the Certificate of Nonforeign Status, and copies of all other closing documents to Buyer;
- 6.4.6. **Deliver Copies of Seller's Documents.** Deliver copies of all closing document to Seller; and
- 6.4.7. **Deliver Title Policy.** Cause the Title Policy to be issued and delivered to Buyer.
- 6.5. **Escrow Cancellation.** If Escrow is not in condition to close each escrow by the agreed upon Closing Date, Escrow Holder shall continue to comply with the instructions contained herein until a written demand has been made by a party hereto for the cancellation of the Escrow, as described below. Escrow Holder shall notify the other party of any such demand.
- 6.6. **Costs and Prorations.**
- 6.6.1. **Escrow and Other Costs.** Buyer shall share equally the Escrow Holder's escrow fees for the Escrow. Buyer shall bear the cost of all documentary transfer taxes. Seller shall pay cost of the of the ALTA Standard Title Policy. Buyer shall pay the additional cost of any extended coverage (including without limitation any additional survey cost), ALTA lender's or other title policy in excess of the cost of the ALTA Standard Title Policy, including the cost of any title endorsements desired by Buyer. Buyer and Seller shall each bear their own respective legal and accounting costs, if any, outside of Escrow. All recording costs or fees and all other costs or expenses not otherwise provided for in this Agreement shall be paid pursuant to normal charges as determined by the Escrow Officer. As provided by law, this transaction will be exempt from any real estate excise tax.
- 6.6.2. **Property Taxes and Assessments.** If applicable and otherwise not exempt by law, Purchaser shall assume and pay when due all deferred open space, timber or other deferred taxes or assessments for the Property including, but not limited to, so-called "Rollback" or "Recapture" taxes which may become due upon transfer of the Property. At Closing, excepting the deferred taxes and assessments being assumed by Purchaser, all general and special taxes, assessments, fees and charges of any type (including without limitation, any for water, sewer, irrigation and special districts) including Real Property taxes and assessments shall be prorated between Purchaser and Seller as of the date of Closing.
- 6.7. **Reporting Responsibilities.** Any returns, statements or reports required to be filed under Section 6045(e) of the Internal Revenue Code of 1986 (or any similar reports required by state or local law) relating to the Property shall be filed by Escrow Holder. In no event shall this Agreement be construed so as to require that such returns, reports or statements be filed by Buyer or Buyer's counsel, or by Seller or Seller's counsel. Escrow Holder shall provide evidence to Buyer and Seller of its compliance with the provisions of this Section 6.7.
7. **REPRESENTATIONS and WARRANTIES OF SELLER.** Seller hereby represents and warrants to Buyer as of the date of this Agreement, as follows:





- 7.1. **Due Formation: Requisite Action.** Seller has legal title to the Property and has the legal power, right and actual authority to bind Seller to the terms hereof.
  - 7.2. **Enforceability.** This Agreement constitutes the legal, valid and binding obligation of Seller, enforceable against Seller in accordance with its terms, subject only to applicable bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles affecting or limiting rights of contracting parties generally.
  - 7.3. **No Conflict.** Neither this Agreement nor the consummation of the transactions contemplated by this Agreement will violate, be in conflict, or otherwise result in a default under any agreement or instrument to which Seller is a party or by which Seller is bound, or any judgment, decree, order, statute, rule or regulation applicable to Seller.
  - 7.4. **Income Tax Information.** Seller is not a non-resident alien, a foreign corporation, a foreign partnership, a foreign trust, or a foreign estate (as those terms are defined in the United States Internal Revenue Code and Income Tax Regulations) for purposes of United States income taxation.
  - 7.5. **Hazardous Materials.** Seller has not introduced, or knowingly permitted any other party to introduce, any hazardous materials, hazardous substances or hazardous waste on or under the Property, and Seller has no actual knowledge of the past or present existence of any hazardous materials, hazardous substances or hazardous waste on or under the Property.
  - 7.6. **Litigation.** There is no pending or, to Seller's actual knowledge, threatened lawsuits, legal actions, administrative proceedings, or claims affecting or relating to the Property or any portion thereof.
  - 7.7. **Condemnation.** There are no condemnation proceedings, eminent domain proceedings or similar actions or proceedings now pending against the Property, and, to Seller's actual knowledge, Seller is not aware that any such proceedings or actions have been threatened against the Property.
  - 7.8. **No Rights.** Seller has not granted any option, right of first refusal, or other similar rights to acquire the Property or any portion thereof to any other person or entity, and has not entered into any lease for all or any portion of the Property with any other person or entity, and Seller has no actual knowledge of any lease of or claim of right to possession of the Property or any portion thereof. There exists no contract, option, right of first refusal, or other agreement or instrument of any kind which grants to any person or entity other than Buyer the present or future right to purchase or otherwise acquire any interest in the Property or any part thereof.
  - 7.9. **No Survival.** The representations and warranties of Seller contained in this Article 7 and any other representations and warranties of Seller contained elsewhere in this Agreement shall be true and correct on and as of the date of this Agreement and shall be true and correct on and as of the date of each Closing.
8. **REPRESENTATIONS AND WARRANTIES OF BUYER.** Buyer hereby represents and warrants to Seller as of the date of this Agreement, as follows:

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- 8.1. **Due Formation; Requisite Action.** Buyer is a legal entity in the State of Washington. Buyer has taken all necessary action to authorize the execution, delivery and performance of this Agreement. The individuals executing this Agreement on behalf of Buyer have the legal power, right and actual authority to bind Buyer to the terms hereof.
- 8.2. **Enforceability.** This Agreement constitutes the legal, valid and binding obligation of Buyer, enforceable against Buyer in accordance with its terms, subject only to applicable bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles affecting or limiting rights of contracting parties generally.
- 8.3. **No Conflict.** Neither this Agreement nor the consummation of the transaction contemplated by this Agreement will violate, be in conflict, or otherwise result in a default under any agreement or instrument to which Buyer is a party or by which Buyer is bound, or any judgment, decree, order, statute, rule or regulation applicable to Buyer.
- 8.4. **No Survival.** The representations and warranties of Buyer contained in this Article 8 and any other representations and warranties of Buyer contained elsewhere in this Agreement shall be true and correct on and as of the date of this Agreement and shall be true and correct on and as of the date of each Closing.
9. **CERTAIN OBLIGATIONS REGARDING PROPERTY.**
- 9.1. **General Assignment and Bill of Sale.** Seller agrees on closing to assign to Buyer all of Seller's right, title and interest, if any, in and to all warranties, guaranties, indemnities, licenses, permits, plans, maps, deposits, credits, reimbursements, approvals, and rights pertaining to the parcel(s) being purchased at such Closing.
- 9.2. **Processing of Entitlements.** From and after the date hereof, both Buyer and Seller shall have the right to process entitlements with the City and other appropriate governmental agencies necessary for the development of the Property they will end up owning as contemplated by each. Seller and Buyer agrees to cooperate with each other in connection with all aspects of the processing of the entitlements necessary for their respective Properties and agrees to assist each other as needed in connection with each party's efforts to obtain necessary governmental approvals for such entitlements, including executing any and all applications to the City and other governmental agencies and signing such other documents as may be reasonably requested by either party to process the approval of such entitlements.
- 9.3. **Property Entitlements.** In the event the consent of the City or any other governmental entity is required to transfer any agreements or entitlements relating to the development of the Property from Seller to Buyer, Seller and Buyer agree to cooperate to obtain any such consent from the City or other governmental agency as necessary for the transfer of such rights and benefits to Buyer to be effective at the Close of Escrow. Seller agrees not to amend, modify or terminate any agreements or entitlements applicable to the Property without the prior written consent of Buyer, which consent shall not be unreasonably withheld or delayed.
- 9.4. **Access to Remainder Property.** After the closing of the sale herein to Buyer, Seller will still own the unsold remaining portions of Tax Lots 0000177884 and 0000177885 (the "Remainder Property"). Buyer agrees to grant Seller or future potential Purchasers of said Remaining

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Property access through the Buyer's Property purchased for the purpose of making surveys, soil studies, archeological studies, or other normal feasibility studies related to the development of the Remainder Property upon reasonable conditions to be established by Buyer for a period not to exceed one year. Seller or any future prospective Purchaser of the Remainder Property shall agree to hold Buyer harmless from any liability coming from such investigations and to return the Buyer Property to its original condition or better on conclusion of such investigations.

10. DEFAULT.

10.1. **Buyer's Default.** In the event the Final Closing for either the Purchase of Parcel 1 or Parcel 2 does not occur by the Closing Date agreed upon herein by reason of the Default of Buyer, which default is not cured within ten (10) business days after written notice is given by Seller to Buyer, Seller shall be entitled to the following remedies; (i) to enforce Specific Performance of this Agreement or (ii) to other relief to which Seller may otherwise be entitled by virtue of this Agreement or by operation of law arising by reason of Buyer's Default or, (iii) to terminate this Agreement and the Escrow by giving written notice to Buyer and Escrow Holder and to receive the Deposit(s) in Escrow as Liquidated Damages. In the event Seller chooses to terminate the Agreement on Buyer's Default and to accept the Earnest Money Deposit(s) as Liquidated Damages, then Seller and Buyer agree to recognize and acknowledge that the Property has been and will be removed from the market for a substantial period of time by reason of this Agreement, that Seller is relying on Buyer's Agreement to purchase both Parcel 1 and Parcel 2 of the Property, and that Seller would otherwise suffer substantial detriment in the event Buyer fails to perform Buyer's obligations under this Agreement. Buyer specifically agrees that Seller shall be entitled to compensation for the detriment that would be caused to Seller by reason of Buyer's Default hereunder thereby allowing the remedies provided to Seller herein.

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Seller's Initials

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Buyer's Initials

10.2. **Seller's Default.** If Seller defaults in performing Seller's obligations hereunder which default is not cured within ten (10) business days after written notice is given by Buyer to Seller, Buyer shall be entitled, as Buyer's sole and exclusive remedy, to (i) waive the contractual obligations of Seller in writing and proceed to Closing; (ii) extend the time for performance by such period of time as may be mutually agreed upon in writing by the Parties hereto; (iii) terminate this Agreement and receive a return of the Deposit made prior to such termination (including any amounts released to Seller prior to such termination), in which event the parties shall be released therefrom and have no further rights, obligations, or responsibilities under this Agreement, except for those obligations that by their express terms survive termination of this Agreement; or (iv) enforce specific performance of this Agreement. Seller shall not be liable for, and Buyer hereby waives and covenants not to assert any right to seek or obtain, any consequential, incidental, exemplary, or punitive damages as a result of Seller's breach of this Agreement. Any lawsuit for specific performance must be filed (if Buyer elects to pursue such remedy) within ninety (90) days following Seller's breach of this Agreement, and Buyer's failure to file such lawsuit within that time period shall constitute an irrevocable election by

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Buyer not to pursue its remedy of specific performance, in which event this Agreement shall automatically terminate, the Deposit shall be returned to Buyer (including any amounts released to Seller), and neither party shall have any further rights or obligations under this Agreement, except those that by their express terms survive the termination of this Agreement. Notwithstanding anything to the contrary herein, this limitation on remedies does not apply to any indemnity provision in favor of Buyer or breach of any representation or warranty of Seller provided for in this Agreement, and Buyer is entitled to recover its actual, direct damages from such breach, but in no event shall Buyer be entitled to recover any consequential, incidental or punitive damages for any breach by Seller of any obligations under this Agreement. This Section 9.2 shall survive the Closing(s) or earlier termination of this Agreement.

11. **BROKER'S COMMISSION.** In connection with this Agreement, on Closing, Seller shall pay a real estate brokerage commission to Kimbal Logan (the "Broker") pursuant to the terms of a separate agreement between Seller and Kimbal Logan Real Estate & Investment. Said commission shall be paid in cash on closing through Escrow. 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.
12. **POSSESSION.** Possession of each parcel comprising the Property shall be delivered to Buyer at the Closing of such parcel, in the condition required pursuant to the provisions of this Agreement, subject only to the Permitted Title Exceptions.
13. **MISCELLANEOUS.**
  - 13.1. **Attorneys' Fees.** If any legal action is instituted between Seller and Buyer in connection with this Agreement, the prevailing party shall be entitled to recover from the losing party all the prevailing party's costs and expenses incurred, including court costs and reasonable attorneys' and expert witness' fees.
  - 13.2. **Further Documents and Acts.** Each of the parties hereto agrees to cooperate in good faith with each other, and to execute and deliver such further documents and perform such other acts as may be reasonably necessary or appropriate to consummate and carry into effect the transactions contemplated under this Agreement.
  - 13.3. **Entire Agreement.** This Agreement and its exhibits constitute the entire agreement between the parties hereto pertaining to the subject matter hereof, and the final, complete and exclusive expression of the terms and conditions thereof. All prior agreements, representations, negotiations and understandings of the parties hereto, oral or written, express or implied, are hereby superseded and merged herein.

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13.4. **Notices.** All notices, requests, demands, and other communications required or permitted under this Agreement shall be in writing (including faxed or emailed communications) and shall be (as elected by the person giving such notice) hand delivered by messenger or sent by overnight courier service, or sent by facsimile or email transmission, addressed as follows:

If to Buyer: Peter Capell  
City Administrator  
The City of Camas Washington  
616 NE 4th Avenue, Camas, Washington 98607  
Telephone: (360) 834-6864 Email: administration@cityofcamas.net

With a copy to: Shawn MacPherson  
City Attorney  
Knapp, O'Dell & MacPherson  
430 NE Everett Street, Camas, Washington 98607  
Telephone: (360) 834-4611 Email: macphersonlaw@comcast.net

If to Seller: John Mills  
Address: 2738 NE 31st Ave  
Address: Portland, OR 97212-3604  
Telephone: 503-577-8084 Email address: pakjam@gmail.com

With a copy to: Michael Mills  
Address: 1930 SW River Drive, #506  
Address: Portland, Oregon 97201-8055  
Telephone: 503-522-1269 Email address: mpmills18@gmail.com

If to Escrow Holder: First American Title Insurance Company  
7710 NE Greenwood Drive, Suite 160, Vancouver, WA 98662  
Attention: Shelby Caufman  
Telephone: (360) 553-3013 Email address: scaufman@firstam.com

13.5. **Further Documents and Acts.** Each of the parties hereto agrees to cooperate in good faith with each other, and to execute and deliver such further documents and perform such other acts as may be reasonably necessary or appropriate to consummate and carry into effect the transactions contemplated under this Agreement.

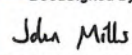
13.6. **Entire Agreement.** This Agreement and its exhibits constitute the entire agreement between the parties hereto pertaining to the subject matter hereof, and the final, complete and exclusive expression of the terms and conditions thereof. All prior agreements, representations, negotiations and understandings of the parties hereto, oral or written, express or implied, are hereby superseded and merged herein.

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- 13.7. **Governing Law.** This Agreement has been negotiated and executed in the States of Oregon and Washington and shall be governed by and construed in accordance with the laws of the State of Washington.
- 13.8. **Invalidity of Provision.** If any provision of this Agreement as applied to either party or to any circumstance shall be adjudged by a court of competent jurisdiction to be void or unenforceable for any reason, the same shall in no way affect (to the maximum extent permissible by law) any other provision of this Agreement, the application of any such provision under circumstances different from those adjudicated by the court, or the validity or enforceability of the Agreement as a whole; provided that the invalidity or unenforceability of such provision does not materially adversely affect the benefits accruing to, or the obligations imposed upon, any party hereunder.
- 13.9. **Amendments.** No addition to or modification of any provision contained in this Agreement shall be effective unless fully set forth in writing by both Buyer and Seller.
- 13.10. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute but one and the same instrument.
- 13.11. **Construction of Agreement.** The agreements contained herein shall not be construed in favor of or against either party but shall be construed as if both parties prepared this Agreement.
- 13.12. **Binding Effect.** This Agreement shall be binding only upon its execution and delivery by both Seller and Buyer.

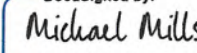
**IN WITNESS WHEREOF,** Seller and Buyer have executed this Agreement as of the day and year first above written.

**SELLER: MILLS FAMILY LLC**

By: DocuSigned by:  
  


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**John Mills**  
**Its Member**

By: DocuSigned by:  
  


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**Michael Mills**  
**Its Member**




**Purchase and Sale Agreement**

**Mills to City of Camas**

**Page 15 of 17**

**BUYER: THE CITY OF CAMAS WASHINGTON**

By:   
**Pete Capell**  
**City Administrator**

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**Purchase and Sale Agreement**

**Mills to City of Camas**

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**ESCROW CONSENT:**

First American Title Insurance Company, the Escrow Holder under this Agreement, hereby agrees to (i) accept the foregoing Agreement, (ii) be Escrow Holder under the Agreement, and (iii) be bound by the Agreement in the performance of its duties as Escrow Holder. Pursuant to Article 2 of the Agreement, November \_\_\_\_\_, 2018 is the date of the Opening of Escrow and the Escrow Number for this transaction is \_\_\_\_\_

**"Escrow Holder"**

**FIRST AMERICAN TITLE INSURANCE COMPANY**

**Dated:** \_\_\_\_\_

**By:** \_\_\_\_\_

**Shelby Cauffman  
Its Escrow Officer**

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*Purchase and Sale Agreement*

*Mills to City of Camas*

*Page 17 of 17*

**EXHIBIT "A" to  
AGREEMENT OF PURCHASE AND SALE OF REAL PROPERTY AND ESCROW INSTRUCTIONS  
Legal Descriptions:**

Correct legal descriptions for each property being purchased sale to be supplied in escrow from the survey to be completed.

See Exhibit B for a map and further description.

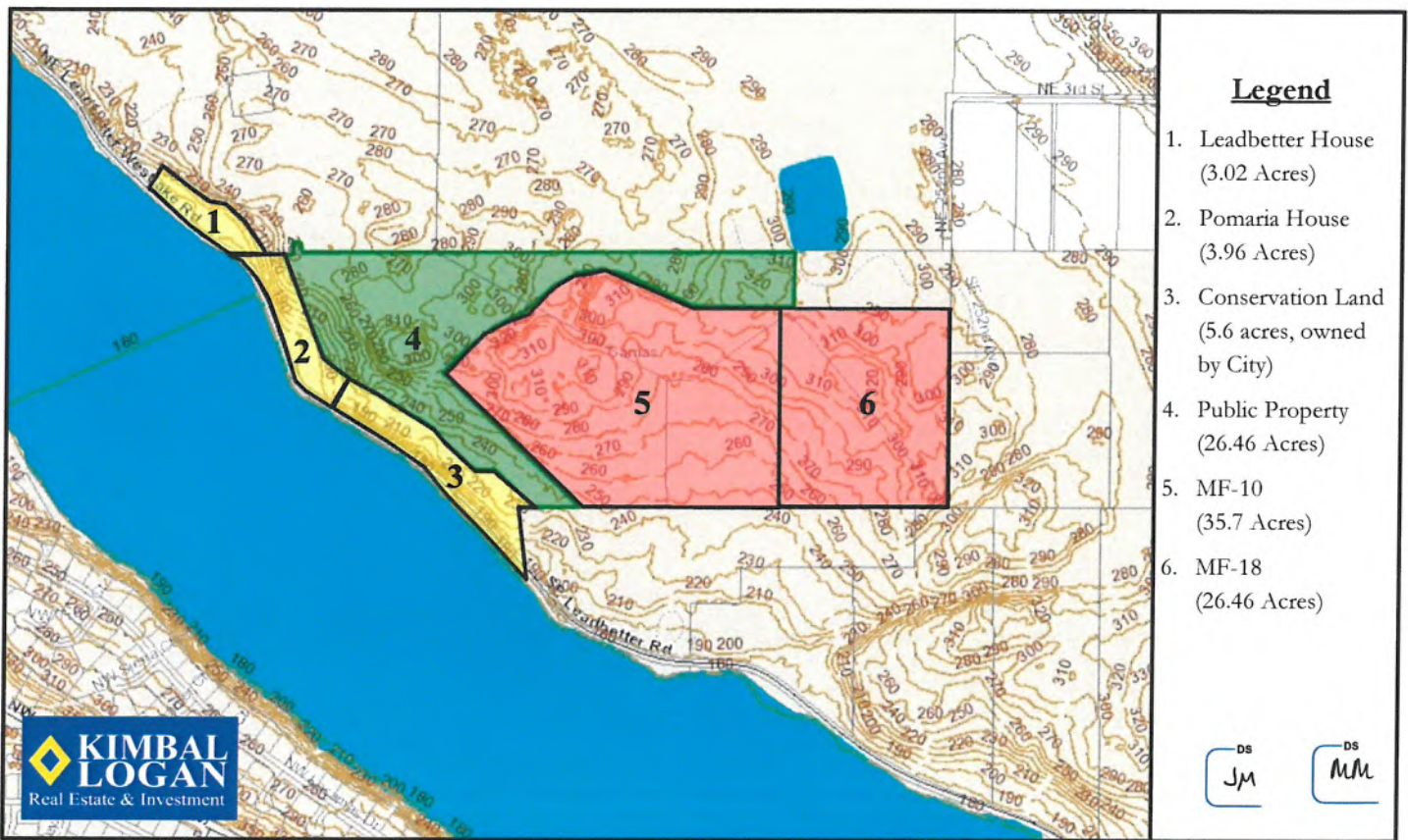
<sup>DS</sup>  
JM

<sup>DS</sup>  
MM



DocuSign Envelope ID: 1CF09EEA-A0E6-4067-9D64-EA599ACF0A13

## Mills Family LLC to City of Camas Exhibit B (map of new parcels)



## Kimbal Logan

---

**From:** Peter Capell <PCapell@cityofcamas.us>  
**Sent:** Thursday, October 17, 2019 12:17 PM  
**To:** Kimbal Logan; Shawn MacPherson (macphersonlaw@comcast.net); Cathy Huber Nickerson  
**Cc:** mpmills18@gmail.com; 'John Mills'; Peter Capell  
**Subject:** RE: Money due to Minister Glaeser for surveying of the Mills Property lot line adjustments

Cathy,

Please process this payment for half of the survey for the Mill property acquisition.

Thanks,  
Pete

**From:** Kimbal Logan [mailto:kimbal@klreico.com]  
**Sent:** Wednesday, October 16, 2019 5:50 PM  
**To:** Shawn MacPherson (macphersonlaw@comcast.net) <macphersonlaw@comcast.net>  
**Cc:** Peter Capell <PCapell@cityofcamas.us>; mpmills18@gmail.com; 'John Mills' <pakjam@gmail.com>; Kimbal Logan <kimbal@klreico.com>  
**Subject:** Money due to Minister Glaeser for surveying of the Mills Property lot line adjustments

Shawn, Pete, Michael and John,

Pursuant to the terms of the purchase and sale agreement between The City of Camas and the Mills Family LLC each principal in the transaction is responsible for one half of the costs of the surveying of the Property to allow for the sale to occur. I have attached a copy of the Purchase and Sale Agreement for your review. The pertinent Section in the PSA regarding the surveying the sharing of survey costs ins in Section 1 on pages 1 and 2 of the document. I have also attached a copy of the final bill from Minister and Glaeser, plus a copy of a breakdown of the billing events.

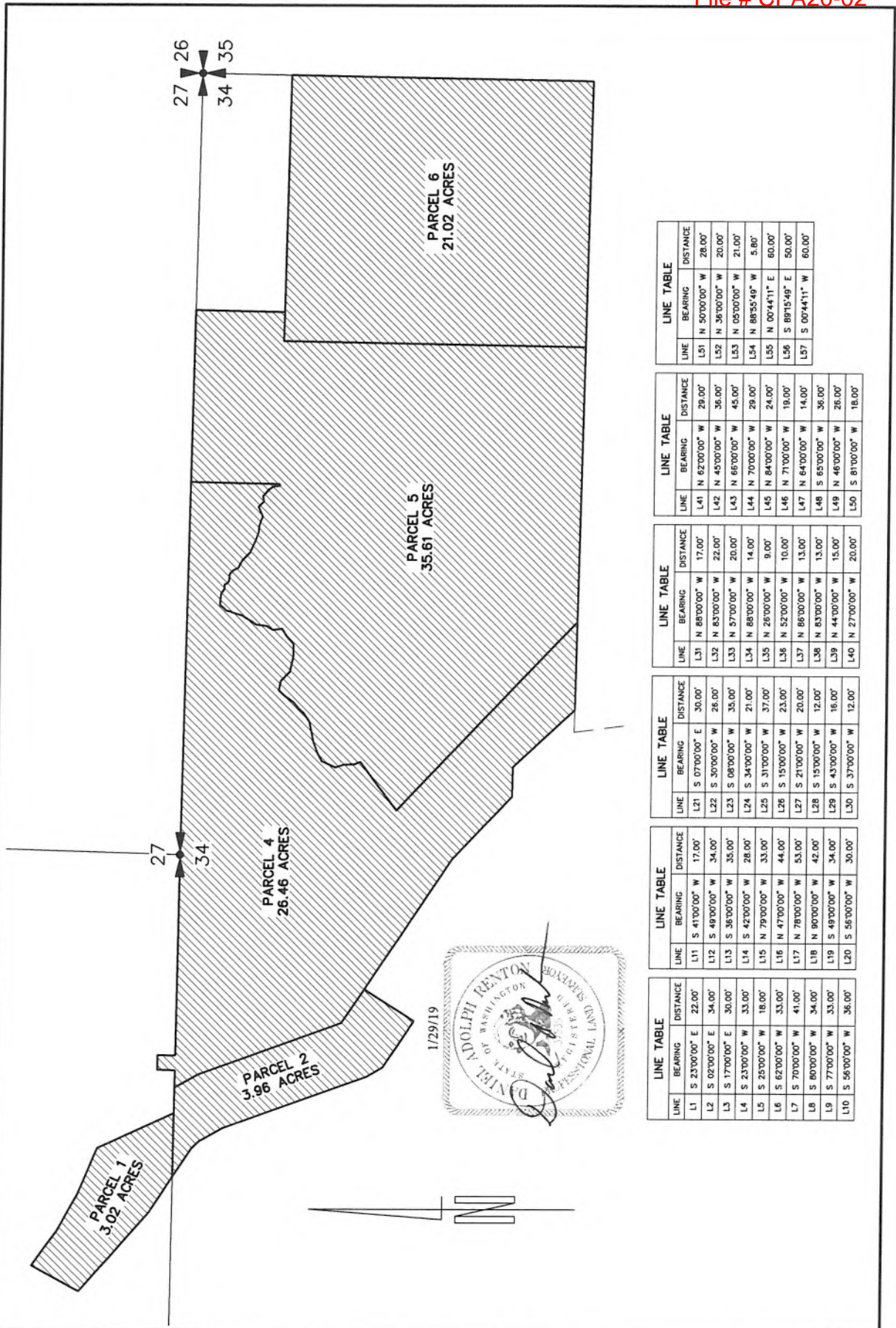
The total final bill is \$23,487.50. Therefore the Mills Family LLC owes \$11,743.75 to Minister Glaeser and the City of Camas owes a like \$11,743.75. Please pay your portion of the bill directly to Minister Glaeser and please copy me on the transmittal since my name is on the bill.

Thanks for your cooperation on this great accomplishment for both The City of Camas and the Mills Family LLC.

Kimbal R. Logan  
360.718.8924 - Office  
360.904.9090 - Cell  
[kimbal@klreico.com](mailto:kimbal@klreico.com) - Email

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PREPARED BY:  
**MINISTER-GLAESER**  
SURVEYING INC.  
2200 E. EVERGREEN BLVD.  
VANCOUVER, WA 98661  
(360) 694-3313

**EXHIBIT " "**  
**MILLS FAMILY LLC**  
**BOUNDARY LINE ADJUSTMENT**  
**ALL PARCELS**

SCALE: 1"=300'  
JOB NO. 18-481  
DATE: 01-29-19  
DWG FILE: 18481EX1  
DRAWN BY: RDH

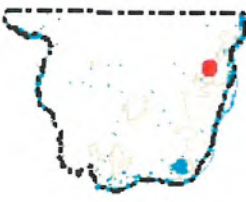
LINE TABLE		
LINE	BEARING	DISTANCE
L1	S 23°00'00" E	22.00'
L2	S 02°00'00" E	34.00'
L3	S 17°00'00" E	30.00'
L4	S 23°00'00" W	33.00'
L5	S 25°00'00" W	18.00'
L6	S 62°00'00" W	33.00'
L7	S 70°00'00" W	41.00'
L8	S 60°00'00" W	34.00'
L9	S 77°00'00" W	33.00'
L10	S 56°00'00" W	36.00'
L11	S 41°00'00" W	17.00'
L12	S 49°00'00" W	34.00'
L13	S 36°00'00" W	35.00'
L14	S 42°00'00" W	28.00'
L15	N 79°00'00" W	33.00'
L16	N 47°00'00" W	44.00'
L17	N 76°00'00" W	53.00'
L18	N 90°00'00" W	42.00'
L19	S 49°00'00" W	34.00'
L20	S 56°00'00" W	30.00'
L21	S 07°00'00" E	30.00'
L22	S 30°00'00" W	26.00'
L23	S 08°00'00" W	35.00'
L24	S 34°00'00" W	21.00'
L25	S 31°00'00" W	37.00'
L26	S 15°00'00" W	23.00'
L27	S 21°00'00" W	20.00'
L28	S 15°00'00" W	12.00'
L29	S 43°00'00" W	18.00'
L30	S 37°00'00" W	12.00'
L31	N 85°00'00" W	17.00'
L32	N 83°00'00" W	22.00'
L33	N 87°00'00" W	20.00'
L34	N 88°00'00" W	14.00'
L35	N 26°00'00" W	9.00'
L36	N 52°00'00" W	10.00'
L37	N 86°00'00" W	13.00'
L38	N 83°00'00" W	13.00'
L39	N 44°00'00" W	15.00'
L40	N 27°00'00" W	20.00'
L41	N 62°00'00" W	29.00'
L42	N 45°00'00" W	36.00'
L43	N 66°00'00" W	45.00'
L44	N 70°00'00" W	29.00'
L45	N 64°00'00" W	24.00'
L46	N 71°00'00" W	19.00'
L47	N 64°00'00" W	14.00'
L48	S 63°00'00" W	36.00'
L49	N 46°00'00" W	26.00'
L50	S 81°00'00" W	18.00'
L51	N 50°00'00" W	28.00'
L52	N 36°00'00" W	20.00'
L53	N 05°00'00" W	21.00'
L54	N 88°55'49" W	5.80'
L55	N 00°44'11" E	60.00'
L56	S 89°15'49" E	50.00'
L57	S 00°44'11" W	60.00'





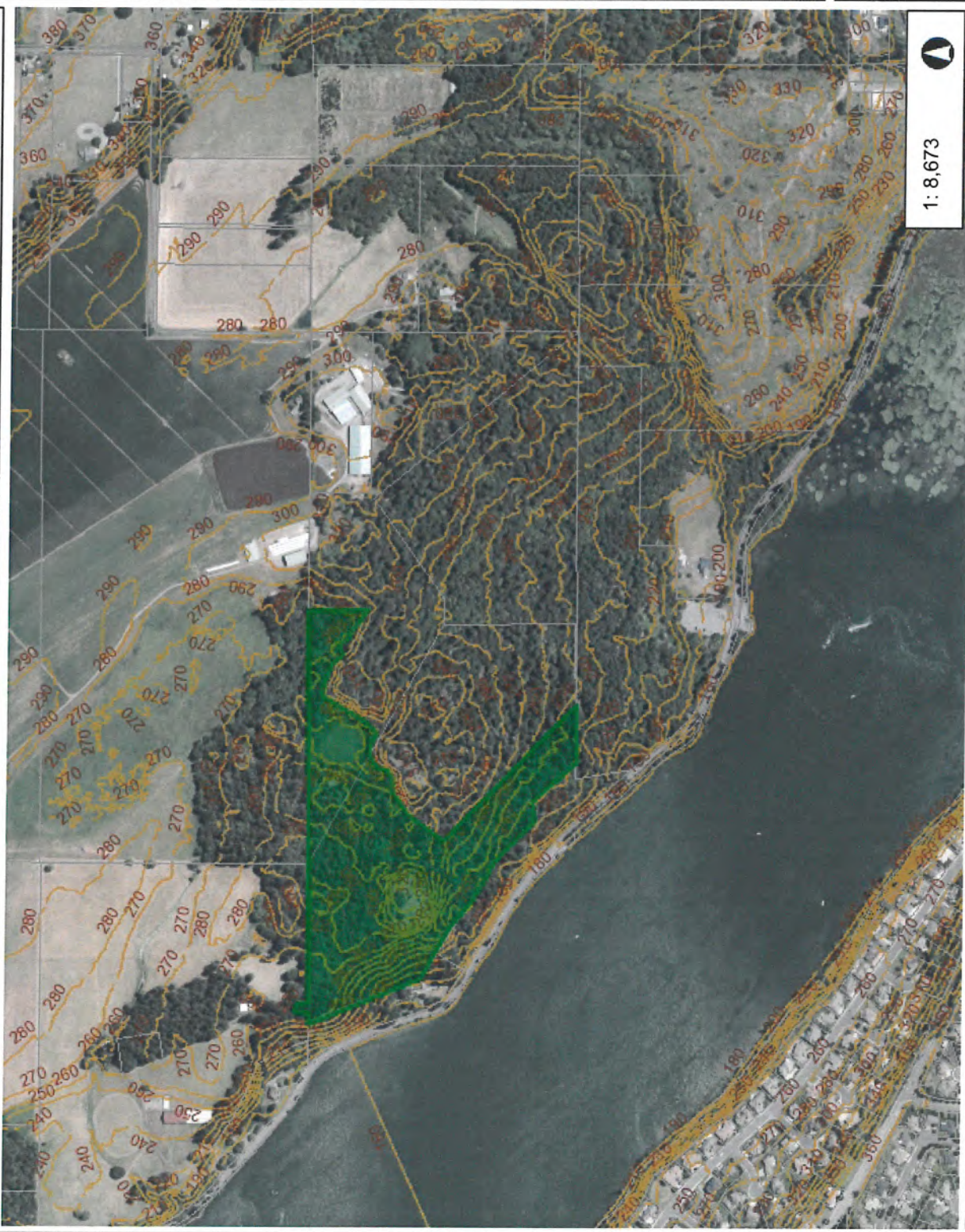


# Camas Purchase from Mills



- Legend**
- Taxlots
  - Contour Lines - 10 ft
  - Cities Boundaries
  - Urban Growth Boundaries

**Notes:**  
26.46 acres



1: 8,673



This map was generated by Clark County's "MapsOnline" website. Clark County does not warrant the accuracy, reliability or timeliness of any information on this map, and shall not be held liable for losses caused by using this information.

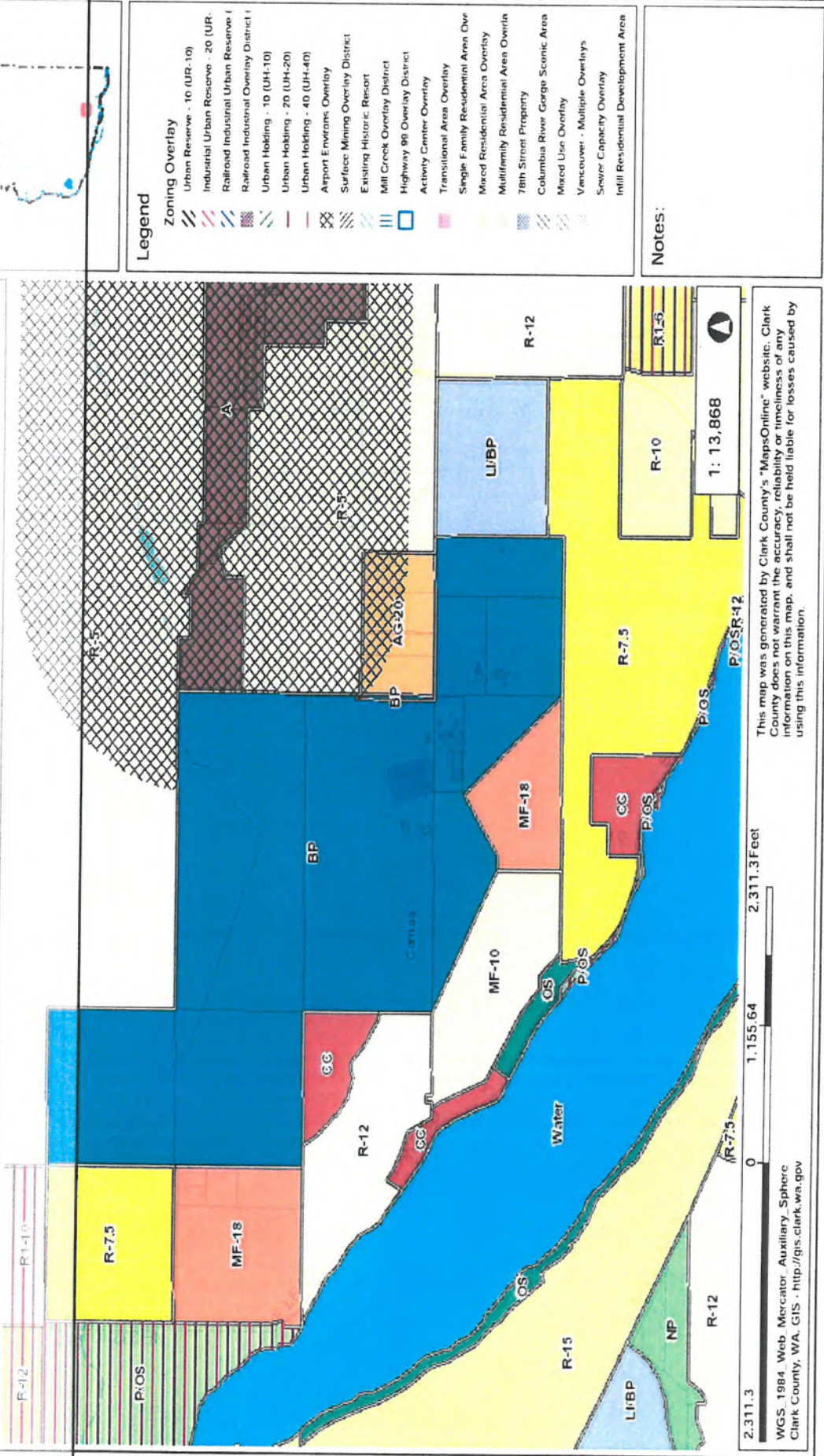
WGS 1984 Web Mercator Auxiliary Sphere  
Clark County, WA. GIS - <http://gis.clark.wa.gov>





4901 NW Camas Meadows Dr. #200  
Camas, WA, 98607

# Lacamas Northshore in Camas, WA



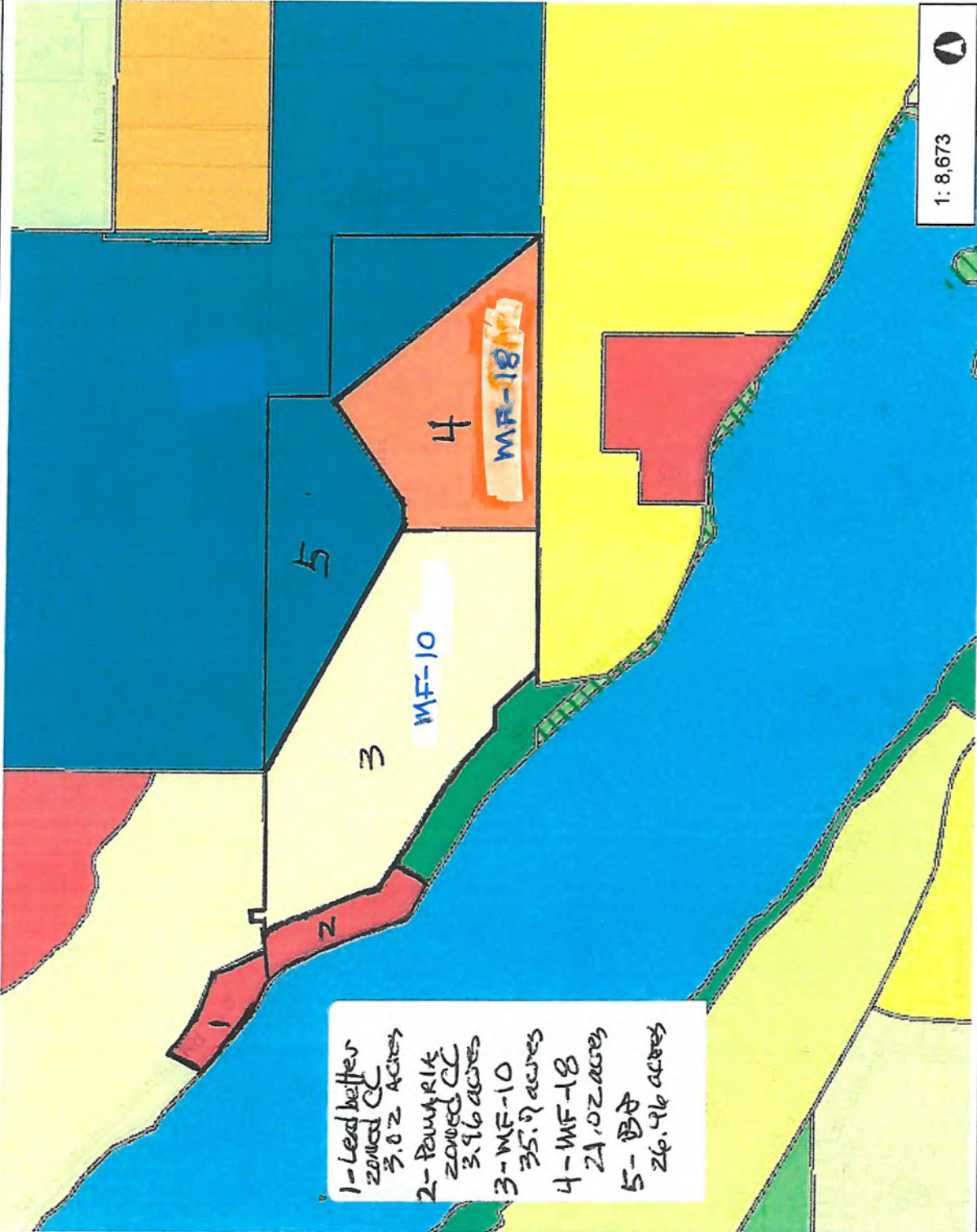
Comprehensive Zoning Map of LNS

of COMPREHENSIVE PLAN

**CONTACT** Kimbal R Logan  
360.904.9090  
kimbal@kimballogan.com



# Mills Family Properties - Existing Plan



1- Lead buffer  
zoned CC  
3.02 acres

2- Pump Pit  
zoned CC  
3.96 acres

3- MF-10  
35.7 acres

4- MF-18  
21.02 acres

5- B<sub>1</sub>  
26.96 acres

**Legend**

**Comprehensive Plan Overlay**

- Urban Reserve
- Urban Holding
- Railroad Industrial Urban Reserve
- Surface Mining
- Columbia River Gorge Scenic Area
- Rural Center Mixed Use

**Comprehensive Plan - Outline**

- Comprehensive Plan
- Urban Low Density Residential
- Urban Medium Density Residential
- Urban High Density Residential
- Mixed Use
- Commercial
- Industrial
- Heavy Industrial
- Public Facility
- Bonneville Power Administration
- Mixed use - Residential
- Mixed use - Employment
- Downtown
- Neighborhood Commercial
- Community Commercial
- General Commercial

**Notes:**

1: 8,673

1,445.5  
0 722.76 1,445.5 Feet

This map was generated by Clark County's "MapsOnline" website. Clark County does not warrant the accuracy, reliability or timeliness of any information on this map, and shall not be held liable for losses caused by using this information.

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Clark County, WA, GIS - <http://gis.clark.wa.gov>



Shawn MacPherson <macphersonlaw@comcast.net>

9/21/2018 12:14 PM

## City of Camas - Mills Property

To kimbal001@gmail.com Copy shawn MacPherson <macphersonlaw@comcast.net> •  
tpinit@conservationfund.org • phurt@conservationfund.org • Pete Capell <pcapell@cityofcamas.us> •  
Jerry Acheson <jacheson@cityofcamas.us> • Phil Bourquin <pbourquin@cityofcamas.us>

---

Kimbal:

Thank you for meeting with us the other day. In reference to Section 19.1 of the Purchase & Sale Agreement, the City would propose the following language:

19.1 Seller Conditions. At any point prior to or following closing, Seller may pursue modification of the existing Development Agreement by execution of all parties thereto for review and approval by the City, subject to the applicable procedural rules and regulations. In the alternative, Seller and City agree to proceed in good faith and with best efforts to pursue related Comprehensive Plan amendments and Zoning Map changes as generally outlined in the attached Exhibit "B" prior to the expiration of the Development Agreement on May 16, 2020.

Further, for consistency, while the Development has been executed by a number of parties, Item 1 will need to be revised according to the following:

Item 1. The parties to the Development Agreement agree to pursue the Comprehensive Plan and Zoning Map changes as shown in the attached Exhibit "B". The City shall utilize best efforts and in good faith to allow for the amendment of the Comprehensive Plan and Zoning Map prior to May 16, 2020, generally consistent with the map set forth in Exhibit "B".

Thank you, and please contact me if you have any questions.

Shawn R. MacPherson  
Attorney at Law  
430 NE Everett Street  
Camas, WA 98607  
360-834-4611

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## Kimbal Logan

---

**From:** Phil Bourquin <PBourquin@cityofcamas.us>  
**Sent:** Friday, December 6, 2019 3:27 PM  
**To:** Jerry Acheson; Kimbal Logan; John Mills  
**Cc:** Barry McDonnell; Heather Rowley  
**Subject:** RE: Legacy Lands - Mills-leadbetter Property

Jerry - Thanks for appropriately forwarding this my way.

All –

I recently chatted with Kimbal. We discussed the Mills property and the purchase and sale agreement in which the City acquired lands from the Mills as part of the Legacy Lands Project. That Purchase and Sale Agreement clearly articulated and anticipated the need for a Comprehensive Plan Amendment both in terms of the City acquired property and the remaining Mills holdings. The Northshore Subarea Plan will designate these lands consistent with agreed upon terms of the purchase and sale agreement through this comprehensive process.

The Mills family has an important story to tell that is tied in with the heritage of Camas and worth sharing. I have encouraged Kimbal to share that story through the Subarea plan process and with the Mayor. Both Mayor Barry and I look forward to hearing more on that.

It is my understanding the Mayors schedule is quite full until after the new year and Staff is hard at work managing these commitments. I am certain we will meet as soon as possible and I know Heather is working diligently to that end and see no immediate conflict with the January 7<sup>th</sup> Legacy Lands meeting.

My best,



Phil Bourquin  
Community Development Director  
616 NE 4th Avenue  
Camas, WA 98607  
[www.cityofcamas.us](http://www.cityofcamas.us) | [pbourquin@cityofcamas.us](mailto:pbourquin@cityofcamas.us)  
Phone: 360.817.1562

**From:** Jerry Acheson <JAcheson@cityofcamas.us>  
**Sent:** Friday, December 6, 2019 2:32 PM  
**To:** Phil Bourquin <PBourquin@cityofcamas.us>  
**Subject:** FW: Legacy Lands - Mills-leadbetter Property

FYI

**From:** Michael Mills <[mpmills18@gmail.com](mailto:mpmills18@gmail.com)>  
**Sent:** Friday, December 6, 2019 2:16 PM  
**To:** Rogers, Juanita <[juanita.rogers@wsp.com](mailto:juanita.rogers@wsp.com)>  
**Cc:** Jerry Acheson <[JAcheson@cityofcamas.us](mailto:JAcheson@cityofcamas.us)>; [sean.vergillo@daimler.com](mailto:sean.vergillo@daimler.com); [Patrick.Lee@clark.wa.gov](mailto:Patrick.Lee@clark.wa.gov); [Kevin.Tyler@clark.wa.gov](mailto:Kevin.Tyler@clark.wa.gov); [Julie.Mueller@camas.wednet.edu](mailto:Julie.Mueller@camas.wednet.edu); [Steve.Lorenz@vansd.org](mailto:Steve.Lorenz@vansd.org); [cassi.r.marshall@gmail.com](mailto:cassi.r.marshall@gmail.com); [droix@columbialandtrust.org](mailto:droix@columbialandtrust.org); [nickkralj@hotmail.com](mailto:nickkralj@hotmail.com); Sarah Fox <[SFox@cityofcamas.us](mailto:SFox@cityofcamas.us)>; Steve Wall

## 17.07.040 - Approval criteria.

The approval authority shall approve, approve with conditions, or deny a request for a boundary line adjustment in writing based on findings addressing the following criteria:

- A. No additional lots, sites, parcels, tracts, or divisions are created.
- B. The adjustment will not create nonconforming lots, with respect to zoning dimension and area standards, zoning setbacks and lot area coverage standards identified in CMC Chapter 18.09 or to fire, building, or other applicable codes.
- C. The degree of nonconformance on existing nonconforming lots with respect to zoning dimension and area standards, zoning setbacks, and floor area ratio are not increased, except that a one time exception may be allowed to create a lot that exceeds the maximum lot size permitted in the underlying zone. Any future partitioning/reduction of the oversized lot must comply with the lot size requirements of the underlying zone.
- D. All lots have legal access to a public road. Existing required private road improvements and easements are not diminished below city street standards for lots that are served by a private road, and shall not create unreasonably restrictive or hazardous access to a property;
- E. The boundary line adjustment will not result in a lot that contains area in two zone designations.
- F. Boundary line adjustments that are used to circumvent subdivision or short subdivision procedures set forth in this title are not allowed. Factors which indicate that the boundary line adjustment process is being used in a manner inconsistent with statutory intent include: numerous and frequent adjustments to existing contiguous lot boundaries, and/or a large number of contiguous lots being proposed for boundary line adjustments at the same time.
- G. Approval of a boundary line adjustment shall not result in the need for a reasonable use exception as defined in CMC 16.51.
- H. Existing easements for utilities conform to adopted standards for their intended function, or they are extended, moved or otherwise altered to an approved location. The applicant shall be responsible for the relocation of any installed utilities.

(Ord. No. 2576, § I, 12-21-2009; Ord. No. 2691, § I(Exh. A), 1-21-2014; Ord. No. 17-005, § I(Exh. A), 5-15-2017)



THE  
CONSERVATION FUND

4039 N. Mississippi, #308  
Portland, OR 97227

March 2, 2018

Kimbal Logan  
Kimbal Logan Real Estate & Investment  
4901 NW Camas Meadows Drive, Suite 200  
Camas, WA 98607

**Re: Acquisition of approximately 33 acres of land in Camas WA (depicted in Exhibit 1)**

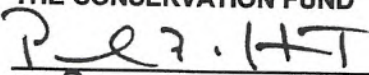
Dear Mr. Logan,

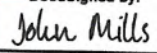
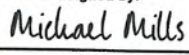
The Conservation Fund ("Buyer") is pleased to submit this Letter of Intent to acquire the Property from The Mills Family ("Seller"). The proposed terms of Buyer's offer are set forth on the attached Asset Acquisition: General Term Sheet ("Term Sheet").

In addition to the terms described in the Term Sheet, Buyer and Seller desire to negotiate on an exclusive basis for the purchase and sale of the Property, subject to the following terms and conditions:

1. Buyer shall have the exclusive right to negotiate with Seller for the purchase of the Property for a period commencing on the date of Seller's execution of this letter (the "Commencement Date") and continuing up to 5:00 p.m., Pacific Standard Time, on the date thirty (30) business days from the Commencement Date (the "Exclusive Negotiation Period").
2. During the Exclusive Negotiation Period, Seller and Buyer agree to use their respective best efforts to negotiate in good faith in attempt to execute a definitive Purchase and Sale Agreement for the Property based on the terms of the attached Asset Acquisition: General Term Sheet and Buyer's standard form "Bargain Sale" contract template. Seller agrees that during the Exclusive Negotiation Period, Seller will not sell nor negotiate for the sale of the Property with any other person or entity.
3. The terms of this Letter of Intent shall be non-binding subject to the execution of a definitive Purchase and Sale Agreement.

**THE FOREGOING IS AGREED TO AND ACCEPTED ON THE DATE SET FORTH BELOW:**

**BUYER: THE CONSERVATION FUND**  
  
 By: Paul F. Hurt Date 3-2-2018  
 Assist. Secretary ; Deputy General Counsel

**SELLER: THE MILLS FAMILY LLC**  
 DocuSigned by:  
  
 By: John Mills Date 3/6/2018  
 DocuSigned by:  
  
 By: Michael Mills Date 3/5/2018

**ASSET ACQUISITION: GENERAL TERM SHEET**

---

1. **Property:** Approximately 33 gross acres of land in Camas Washington as depicted in the attached Exhibit 1. The land is shown as four separate parcels described as follows:
  - 1.1. The Leadbetter House parcel: (Tax ID #175720000, currently zoned Community Commercial (CC) – approx. 3 acres)
  - 1.2. The Pomaria House parcel: (Tax ID #177903000, currently zoned CC – approx. 4 acres)
  - 1.3. The depicted Public Property portion of the Multi-Family - MF-10 property (Tax ID #177884000 – approx. 17 acres)
  - 1.4. The depicted Public Property portion of the Business Park - BP property (ID #177884000 – approx. 9 acres)
  
2. **Seller:** The Mills Family LLC
  
3. **Buyer:** The Conservation Fund and or assigns approved by Seller, City of Camas as pre-approved assignee.
  
4. **Purchase Price:** The Purchase Price for Property shall be 88% of appraised Fair Market Value (FMV) as determined by independent appraisal; provided, however, that the Purchase Price shall not exceed \$2,500,000, as further explained in paragraphs 5.3 and 5.4, payable in cash on closing.
  
5. **Appraisal:** The initial appraisal shall be arranged and paid for by Buyer.
  - 5.1. Buyer shall choose the appraiser to be used from a list of appraisers agreed upon with the Seller.
  - 5.2. If the appraised Property value is not within the range of \$2,556,818.18 to \$2,840,909.09, and either party objects to the appraised value, then the objecting party will have the right to have a review appraisal done and the appraisal corrected, if warranted. The value of the Property will be determined between the appraiser and review appraiser.
  - 5.3. If the appraised value is lower than \$2,556,818.18, the Seller may terminate the contract at its discretion.
  - 5.4. If the appraised value is higher than \$2,840,909.09, the price to be paid to Seller shall be capped at \$2,500,000 and the amount of the appraised value exceeding \$2,840,909.09 shall be deeded to the Buyer by Seller for no additional cost.
  - 5.5. Seller may, at its discretion, elect to claim the difference between the actual sales price and the appraised fair market value as a "bargain sale" charitable deduction. Seller acknowledges it shall be responsible for claiming the deduction, with the Buyer's sole responsibility being to execute a properly completed form 8283 presented by Seller. The Purchase and Sale Agreement executed by the parties shall contain the Buyer's standard "bargain sale" provisions.
  
6. **Due Diligence Period:** Buyer shall have ninety (90) days from the mutual execution of a definitive Purchase and Sale Agreement to perform various due diligence tasks as determined by Buyer ("Due Diligence").
  
7. **Title and Escrow:** The Title Insurance Company and Escrow to be used shall be agreed upon between the parties. Seller's preference is First American Title Insurance Company – Shelly Opdycke, Escrow Officer.

  
\_\_\_\_\_  
Seller Initial

  
\_\_\_\_\_  
Seller Initial

  
\_\_\_\_\_  
Buyer Initial

\_\_\_\_\_  
Buyer Initial



**8. Deposits:**

**8.1. Initial Deposit:** Buyer shall deposit \$5,000 (the "Initial Deposit") into escrow upon the mutual execution of this Letter of Intent Agreement. In the event Buyer and Seller execute a Purchase and Sale Agreement for the Property, the Initial Deposit shall be released from escrow to Seller and deemed non-refundable to Buyer. In the event the parties cannot agree upon and execute a Purchase and Sale Agreement, or if, having entered into a Purchase and Sale Agreement, the Seller terminates pursuant to paragraph 5.3 the Initial Deposit shall be refunded to Buyer.

**8.2. Due Diligence Deposit:** Buyer shall deposit into escrow an additional \$20,000 deposit ("Due Diligence Deposit") on mutual execution of a Purchase and Sale Agreement for the Property. In the event Buyer does not approve the Due Diligence, the Due Diligence Deposit shall be refunded to Buyer. In the event Buyer approves the Due Diligence for the Property and elects to move forward with the purchase then said \$20,000 Due Diligence Deposit shall be deemed non-refundable to Buyer but shall remain in escrow until the conditions and contingencies to the sale are approved or waived by Buyer and Seller. On approval or waiver of all conditions and contingencies to the sale the \$20,000 Due Diligence Deposit in escrow shall be released from escrow to Seller.

**8.3. Released Deposits:** Any Deposits released from Escrow to Seller and together with any accrued interest shall be credited against the Purchase Price at the Close of Escrow.

**8.4. Close of Escrow:** Buyer and Seller shall close this sale within 30 days from approval or waiver of all due diligence, conditions, and contingencies (total of 90 days from execution of the Purchase and Sale Agreement).

**9. Conditions and Contingencies to the Sale:**

**9.1. Seller Conditions.** Seller may pursue modification of the existing Development Agreement, Zoning Land swaps, and Unit Cap adjustments with the City of Camas. Seller may, at its discretion, extend the due diligence period three times for 90 days for each such extension to complete the aforementioned items starting from execution of the Purchase and Sale Agreement.

**9.2. Lot Line Adjustments.** Approval of lot line adjustments to the Property by the City of Camas creating the Public Land and Private Land parcels depicted in the attached Exhibits.


**9.3. Survey.** Confirmation by survey of at least 33 acres being contained in the Public Lands being purchased by Buyer.


**9.4. Appraisal Basis.** Buyer and Seller agree that the appraisal of the Public Land parcel being purchased by Buyer shall be based on existing zoning.

**9.5. Alternative Financing.** The Buyer's plan for accumulating the money necessary to complete this purchase includes funds being raised from Washington Wildlife and Recreation Program state funding, Clark County Conservation Futures, and City of Camas funds. In the event Buyer is unable to raise all of the money necessary to close the transaction for cash in the time frame allowed, then Seller and Buyer agree that Buyer may, at its election, close the sale on time with a cash down payment of \$625,000.

**9.5.1. Balance Due.** The balance due shall be payable on a Promissory Note. The Note shall bear interest at 5% per annum payable monthly at not less than interest only. There shall be no prepayment penalty in the event of any early principal payment. The Note shall be secured by a Statutory First Deed of Trust against the Property. The Note shall be payable in full on or before the date 12 months from the closing of the sale.

  
\_\_\_\_\_  
Seller Initial

  
\_\_\_\_\_  
Seller Initial

  
\_\_\_\_\_  
Buyer Initial

\_\_\_\_\_  
Buyer Initial

- 9.5.2. **Additional Terms.** Buyer will keep all improvements on the Property insured for fire and hazard with full replacement cost insurance. In addition, Buyer will carry liability insurance on the Property for a minimum of \$1,000,000 per occurrence and \$2,000,000 in aggregate. The Seller will be named as an additional insured on all insurance policies. In addition to other costs Buyer will pay all property taxes and other governmental assessments when due.
  - 9.6. **Deferred Taxes.** Buyer to assume and pay when due all deferred taxes against the Property caused by open space, farming or forest tax deferrals.
  - 9.7. **Assignment.** The Buyer shall be able to assign the contract to a future nominee or other Buyer but only with approval of such assignment by Seller, with pre-approval of City of Camas.
  - 9.8. **Leadbetter House and Pomaria House.** Seller shall have the right to negotiate and work with the eventual owner of the Leadbetter and Pomaria Houses to confirm that the future use and maintenance of the Properties meet with the intentions of the Mills Family in selling the properties to public minded entities. Use by City of Camas for retreats, rentals, and outdoor recreation is pre-approved.
  - 9.9. **Seller's Cooperation.** Seller agrees to cooperate with Buyer in whatever way is reasonably necessary to allow Buyer to complete all appropriate due diligence studies for the Property in the time frame allowed. Approval of the Due Diligence shall be Buyer's sole and absolute discretion.
10. **Exclusive Right:** Buyer shall have the exclusive right to negotiate with Seller for the purchase of the Property for a period commencing on the date of mutual execution of this Letter of Intent letter (the "Commencement Date") and continuing up to 5:00 p.m., Pacific Daylight Time, on the date thirty (30) business days from the Commencement Date (the "Exclusive Negotiation Period").
11. **Confidentiality:** This Exclusive Right to Negotiate and General Term Sheet are to be held in strict confidence and cannot be distributed to any parties other than Seller, Seller's agent, Seller's counsel and Buyer's counsel and appraiser, subject to the public record laws of the State of Washington. Except as permitted by this sentence, the contents of the offer shall not be discussed with any other prospective purchaser or investor; provided, however, that Buyer may share this Exclusive Right to Negotiate and General Term Sheet with the City of Camas, Clark County, and the Washington Wildlife and Recreation Program.

<sup>DS</sup>  
    JM      
Seller Initial

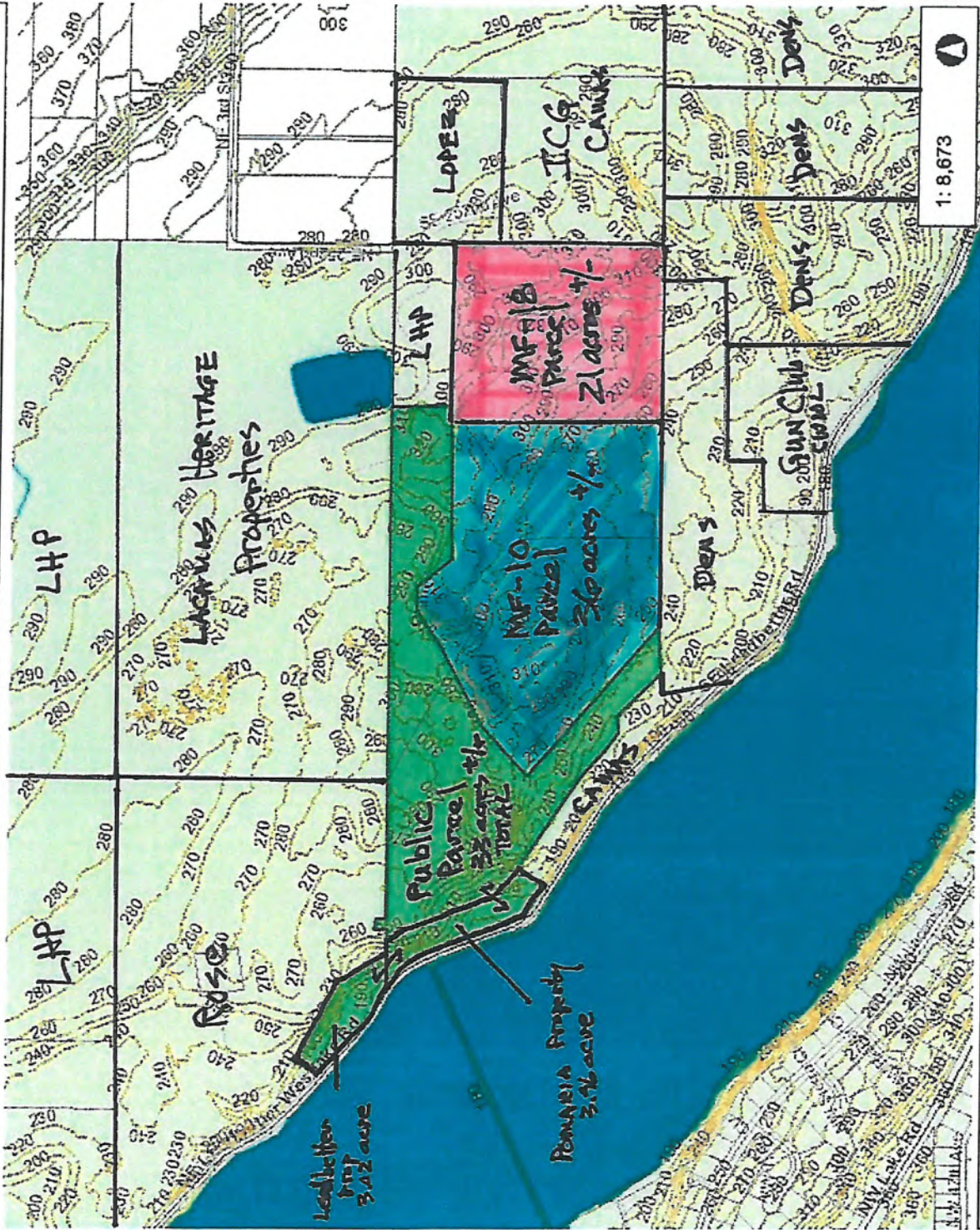
<sup>DS</sup>  
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Seller Initial

    PEH      
Buyer Initial

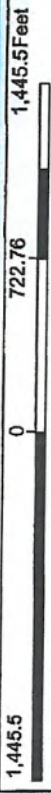
                      
Buyer Initial



# EXHIBIT A: MILLS to CONSERVATION FUND



1: 8,673



WGS\_1984\_Web\_Mercator\_Auxiliary\_Sphere  
Clark County, WA, GIS - <http://gis.clark.wa.gov>

This map was generated by Clark County's "MapsOnline" website. Clark County does not warrant the accuracy, reliability or timeliness of any information on this map, and shall not be held liable for losses caused by using this information.

- Legend**
- Taxlots
  - Contour Lines - 10 ft
  - Cities Boundaries
  - Urban Growth Boundaries

**Notes:**

- Public Parcel - 33 acres +/-
- MF-10 Parcel - 36 acres +/-
- MF-18 Parcel - 21 acres +/-
- Leadbetter Prop - 3.02 acre
- Romania Prop - 3.16 acre





## CONTRACT FOR BARGAIN SALE OF REAL ESTATE

**Seller understands that Seller should not rely on any information (written or verbal) received from Purchaser as to tax, legal, and property valuation matters associated with this transaction. Purchaser recommends that Seller consult with competent, independent professional tax and legal advisors of Seller's own choosing regarding this transaction.**

**THIS CONTRACT FOR BARGAIN SALE OF REAL ESTATE** (the "Agreement") is entered into this day of \_\_\_\_\_, 20\_, by and between **THE MILLS FAMILY LLC**, whose address is 1930 SW River Drive, #506, Portland, Oregon 97212-3604 (the "Seller") and **THE CONSERVATION FUND**, a Maryland non-profit corporation with offices at 1655 N. Fort Myer Drive, Suite 1300, Arlington, Virginia 22209 (the "Purchaser"). The "Effective Date" of this Agreement shall be the last date signed by either party.

### THE AGREEMENT

**1. PROPERTY.** Seller agrees to sell and Purchaser agrees to buy, on the terms and conditions set forth in this Agreement, that parcel of land containing 33± acres, located in the County of Clark, State of Washington, described as The Public Parcel in the map attached hereto as "Exhibit A" and further partially described in the attached legal description of the Leadbetter House Property (Tax Lot 38, Section 27, T2N, R3E, WM containing approximately 3.02 acres) and the attached legal description of the Pomaria House Property (Tax Lot 27, Section 34, T2N, R3E, WM, containing approximately 3.96 acres). The remaining 26.02 acres to be purchased is shown on the attached Exhibit A as part of the Public Parcel and will be further described from the survey of the Public Parcel land to be completed by Purchaser pursuant to the terms herein. The Property being sold here shall include all of Seller's ownership interest in any and all buildings, improvements, personal property and fixtures situated thereon, and any and all crops and timber growing thereon, and all surface or subsurface sand, gravel, oil, gas, or mineral rights, any and all surface and subsurface water appurtenant to or associated with the Land, and any and all well, spring, reservoir, storage, domestic, irrigation, sub-irrigation, livestock water or ditch rights of any type, including all shares or certificates of any type in ditch or water delivery companies or associations, any and all grazing rights and permits and other surface and subsurface rights, irrigation equipment and facilities, any and all other permits, hereditaments, easements, incidents recorded rights of access, historic rights of access, any stockpiled sand, gravel or minerals, incidents and appurtenances belonging thereto, (collectively, with the "Land", referred to as the "Property"). Purchaser, at its expense, shall cause the Property to be surveyed by a licensed Washington surveyor, and the resulting survey shall define and describe the Property thereafter and be used for the conveyance.



1.1. **Seller Donation.** Seller intends to make a donation to The Conservation Fund, an organization described in Section 501(c)(3) of the Internal Revenue Code, of the amount, if any, by which the fair market value of the Property exceeds the purchase price for the Property and such difference is considered a charitable contribution under applicable sections of the Internal Revenue Code ("Bargain Sale"). Purchaser acknowledges that it is Seller's intention to effectuate a Bargain Sale of the Property and agrees to cooperate with the Seller in connection therewith to the extent set forth below.

1.2. **Substantiation.** Seller acknowledges that the substantiation of a charitable contribution deduction rests exclusively with Seller. Purchaser recommends that Seller consult with its own independent legal and tax advisors regarding the Internal Revenue Code and Treasury Regulation requirements regarding the need for donations to meet the requirements of Section 170 of the Internal Revenue Code and the need for a tax deduction for gifts of property valued more than \$5,000 be substantiated by a qualified independent appraisal obtained by the Seller. This independent qualified appraisal should be made no earlier than 60 days prior to the date of the donation and no later than the due date of the return as described in Treas. Reg. Section 1.170A.

1.3. **Appraiser.** If the appraisal is completed after the date of the donation, it must value the gift as of the date of donation. Use of an appraiser licensed or certified in the state in which the Property is located and that follows Uniform Standards of Professional Appraisal Practice is recommended.

1.4. **Tax Matters.** Purchaser makes no warranty or representation whatsoever concerning the tax treatment of this transaction to Seller. Purchaser's only legal obligation to Seller in connection with Seller's intention to seek a tax deduction for the donation is for Purchaser to execute an accurately, properly and fully prepared Internal Revenue Service Form 8283 which has been signed by Seller's appraiser, which contains an accurate description of and value for such donated property, and which recites any consideration, goods or services which were received by Seller, including any quid pro quo, from any person or entity for or as a result of the sale of the Property. Seller shall provide Purchaser with a copy of Seller's appraisal for review prior to Purchaser's execution of the I.R.S. Form 8283. If the Purchaser has significant concerns about the Seller's tax deduction, the accuracy of the Form 8283 or the adequacy of Seller's appraisal, Purchaser shall so advise the Seller in writing and Purchaser shall not be obligated to execute the Form 8283 until Purchaser's issues are resolved to Purchaser's reasonable satisfaction. Each party acknowledges and agrees that it has not received and is not relying upon tax or legal advice from any other party hereto, and that it has and will continue to consult its own advisors. Seller warrants and

represents that except the consideration described herein no goods, services or other things of value, including any quid pro quo, were received for or, as a result of the sale of the Property.

2. **EARNEST MONEY DEPOSITS.** Purchaser shall TEN THOUSAND DOLLARS (\$10,000) (the "Initial Deposit") into escrow with in escrow with First American Title, 7710 NE Greenwood Drive, #160, Vancouver, Washington 98662, attention: Shelly Opdycke (the "Title Company"). Upon execution of this Agreement the Initial Deposit shall be released from escrow to Seller and deemed non-refundable to Purchaser. Within seven (7) business days of the execution of this Agreement, Purchaser shall deliver the sum of TWENTY THOUSAND DOLLARS (\$20,000) (the "Due Diligence Deposit") into escrow with the Title Company. In the event Purchaser does not approve the Due Diligence, the Due Diligence Deposit shall be refunded to Purchaser. In the event Purchaser approves the Due Diligence for the Property and elects to move forward with the purchase then said \$20,000 Due Diligence Deposit shall be deemed non-refundable to Purchaser but shall remain in escrow until the conditions and contingencies to the sale are approved or waived by Purchaser and Seller. On approval or waiver of all conditions and contingencies to the sale the Due Diligence Deposit in escrow shall be released from escrow to Seller. Any Deposits released from Escrow to Seller and together with any accrued interest shall be credited against the Purchase Price at Closing.

3. **BARGAIN SALE PURCHASE PRICE; CLOSING FUNDS.** The bargain sale purchase price for the Property, including the Deposit, shall be shall be eighty-eight percent (88%) of the Fair Market Value as determined by an independent appraisal (the "Purchase Price"). Provided, however, that the Purchase Price shall not exceed \$2,500,000. If the Fair Market Value is not within the range of \$2,556,818.18 to \$2,840,909.09, and either party objects to the Fair Market Value, then the objecting party will have the right to have a review appraisal done and the appraisal corrected, if warranted. The value of the Property will be determined between the appraiser and review appraiser. If the Fair Market Value is lower than \$2,556,818.18, the Seller may terminate the contract at its discretion. If the Fair Market Value is higher than \$2,840,909.09, the Purchase Price shall be capped at \$2,500,000 and the amount of the Fair Market Value exceeding \$2,840,909.09 shall be deeded to the Purchaser by Seller for no additional cost. Seller may, at its discretion, elect to claim the difference between the actual sales price and the appraised fair market value as a "bargain sale" charitable deduction. The appraisal of the Property shall be ordered by Purchaser at its cost and expense. Purchaser shall choose the appraiser to be used from a list of appraisers agreed upon with the Seller.



4. **CLOSING DATE - FUNDING.** The closing of the transaction contemplated hereunder (the "Closing") shall be held at the office of the Title Company on or before 10 days from waiver of all Contingencies by Purchaser and Seller but in no event later than August 15, 2019. The Closing Date may be extended by mutual agreement of Purchaser and Seller. At Closing, the Purchase Price, less the Deposit, shall be paid to Seller by Purchaser in cash, certified funds, or by wire transfer of other immediately available funds.

5. **SATISFACTORY INSPECTION AND REVIEW.** The Seller and Purchaser expressly covenant and agree that Purchaser's satisfaction upon the review and inspection provided for herein is a specific condition precedent to the obligation of Purchaser to purchase the Property. Purchaser shall have a period in which to review the documents and to make the inspections described below. The period of inspection (the "Inspection Period") shall terminate on the earlier of: (i) Receipt by Seller of notice from Purchaser that the Property is suitable for purchase; or (ii) Midnight, Prevailing Eastern Time, on March 1, 2018.

5.1. **Documents; Evidence of Title.** Not later than ten (10) days after the Effective Date, Purchaser shall request from the Title Company: (a) a title commitment to be issued to Purchaser, together with legible copies of the deed or deeds by which Seller holds title to the Property, legible copies of any instruments listed in the legal description for the Property, and legible copies of all exceptions to title, pursuant to which the Title Company shall issue to Purchaser a standard coverage owner's policy of title insurance, including "gap" and mechanic's lien coverage, insuring title to the Property, including legal access, as described in Section 7 hereof, as of the Closing Date in the amount of the Purchase Price, (b) a Certificate of Taxes Due evidencing that the current installment of all taxes owing on the Property have been paid in full; and (c) a copy of the current and previous year's Notice of Assessment, or other satisfactory evidence of the current and previous year's assessed value and assessment category for the Property. To the extent in Seller's possession or under its control, Seller shall, at Seller's expense, provide to Purchaser copies of any surveys or maps of the Land, plans relating to the building improvements, and studies and reports regarding the soils on or under the Land.

5.2. **Inspection; Right of Entry.** Purchaser, at reasonable times, at its sole cost and expense (except as otherwise provided herein), and for its sole use, shall have the right to enter upon the Property for mapping, surveying, physical and environmental inspections, conducting appraisals, and other reasonable purposes related to the transaction contemplated hereunder. Purchaser hereby indemnifies and holds harmless Seller from and against any and all claims, liens, damages, losses, and causes of action which may be asserted by Purchaser or Purchaser's employees, agents, or any third party who enters upon the

Property or conducts tests related to the Property at the request of or on behalf of Purchaser or its agents, provided that such indemnification and hold harmless shall not apply to claims arising out of the willful or wanton conduct of Seller.

6. **ELECTION AT THE END OF THE INSPECTION PERIOD.** During the Inspection Period, Purchaser may make the above-described inspections, applications, reviews, studies, evaluations or surveys required to satisfy itself as to the acceptability and suitability of the Property for purchase. Should, for any reason or no reason and in its sole discretion, Purchaser not be satisfied that the Property is acceptable or suitable, Purchaser shall notify Seller writing on or before the expiration of the Inspection Period of its dissatisfaction, at which time the Deposit shall be promptly returned to Purchaser, and then this Agreement shall be considered null and void and of no further force and effect; provided, however, if the objections of Purchaser are to title or other defects that Seller can reasonably cure within a twenty (20) day period following the receipt of notice from Purchaser, Seller shall have such period to cure such defects to the reasonable satisfaction of Purchaser. Purchaser shall, at any time, have the right to waive the conditions precedent to its performance under this Agreement before the end of the Inspection Period and if Purchaser elects to waive the conditions precedent to its performance and to terminate the Inspection Period, this Agreement will remain in full force and effect and the Deposit shall become non-refundable except as otherwise provided herein. Failure of Purchaser to notify Seller of its dissatisfaction prior to the expiration of the Inspection Period shall be deemed a waiver of this condition precedent and acceptance of the Property as suitable for purchase. Upon termination of the Agreement, Purchaser agrees to return to Seller all data previously delivered to Purchaser under the terms of this Agreement.

7. **TITLE.** At Closing, Seller shall execute and deliver to Purchaser or it's assigns a good and sufficient general warranty deed in a form acceptable to Purchaser, conveying good, marketable and insurable title to the Property, free and clear of all liens, encumbrances and other exceptions, except such easements, restrictions and other exceptions as are of record and are approved by Purchaser during the Inspection Period. Title shall include deeded legal access, from a public way, appropriate to the Purchaser's intended uses for the Property, to be determined by Purchaser in its sole discretion.

8. **CONDITION OF THE PROPERTY, REPRESENTATIONS.**

8.1. Seller is the record owner of the Property to be conveyed hereunder. Upon the Closing Date, Purchaser shall have delivered good marketable and insurable title to the Property.

8.2. There are no actions, suits, proceedings or investigations pending or, to Seller's



knowledge threatened, against or affecting the Property, or arising out of Seller's conduct on the Property.

8.3. To the best of Seller's knowledge, Seller is in substantial compliance with the laws, orders, and regulations of each governmental department, commission, board, or agency having jurisdiction over the Property in those cases where noncompliance would have a material adverse effect on the Property.

8.4. Seller is not party to nor subject to or bound by any agreement, contract or lease of any kind relating to the Property, except for two residential leases previously disclosed to Purchaser.

8.5. The Property, to the best of Seller's knowledge, is not in violation of any federal, state or local law ordinance or regulation relating to environmental conditions on, under or about the Property, including, but not limited to, soil and groundwater conditions. Neither Seller nor, to the best of Seller's knowledge, any third party, has used, generated, manufactured, refined, produced, processed, stored or disposed of on, or under the Property or transported to or from the Property any Hazardous Materials nor does Seller intend to use the Property prior to the Closing Date for the purpose of generating, manufacturing, refining, producing, storing, handling, transferring, processing, transporting or disposing Hazardous Materials. For the purposes hereof, "Hazardous Materials" shall mean any flammable explosives, radioactive materials, asbestos, petroleum, organic compounds known as polychlorinated biphenyls, chemicals known to cause cancer or reproductive toxicity, pollutants, contaminants, hazardous wastes, toxic substances or related materials, including, without limitation, any substances defined as or included in the definition of "hazardous substances", "hazardous material" or "toxic substances" in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. § 9601, et seq., the Hazardous Materials Transportation Act, 49 U.S.C. § 1801, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. § 6901 et seq., or any other federal, state or local statute, law, ordinance, code, rule, regulation, order, decree or other requirement of governmental authority regulating, relating to or imposing liability or standard of conduct concerning any hazardous, toxic or dangerous substance or material, as now or at any time hereafter in effect, and in the regulations adopted, published and/or promulgated pursuant to said laws. There are no underground storage tanks situated in the Property nor have such tanks been previously situated thereon.

8.6. No representation, warranty, or statement made herein by Seller contains any untrue statement of any material fact or omits to state any material fact necessary to make such representation, warranty, or statement not misleading.

8.7. Seller is duly authorized and has taken all necessary actions to execute and perform this Agreement and this Agreement is enforceable against Seller in accordance with its terms.

9. **INDEMNIFICATION.** Seller agrees to indemnify and hold harmless Purchaser, Purchaser's successors by operation of law, and assigns against and in respect of, any and all damages, claims, losses, liabilities and expenses, including without limitation, reasonable legal, accounting, consulting, engineering and other expenses, which may be imposed upon or incurred by Purchaser such successors by operation of law or assigns, by any other party or parties (including, without limitation, a governmental entity), arising out of or in connection with Seller's use, ownership, and operation of the Property through the Closing Date and/or any "Hazardous Materials" situated therein as of or prior to the Closing Date, including the exposure of any person to any such "Hazardous Materials", or exposure resulting from activities of Seller or Seller's predecessors in interest. This indemnity shall survive the closing of this transaction and shall be in addition to Seller's obligation for breach of any representation or warranty. After three years from closing of the sale from Seller to Purchaser this indemnification from Seller to buyer shall expire.

10. **REAL PROPERTY TAXES.** Purchaser shall assume and pay when due all deferred open space, timber or other deferred taxes or assessments for the Property including, but not limited to, so-called "Rollback" or "Recapture" taxes which may become due upon transfer of the Property. At Closing, excepting the deferred taxes and assessments being assumed by Purchaser, all general and special taxes, assessments, fees and charges of any type (including without limitation, any for water, sewer, irrigation and special districts) including Real Property taxes and assessments shall be prorated between Purchaser and Seller as of the date of Closing.

11. **PRESERVATION OF PROPERTY; RISK OF LOSS.** Except as otherwise set forth herein, Seller agrees that the Property shall remain as it now is until Closing, that no timber, crops, sand, gravel, minerals, improvements or any other part of the Property shall be sold or removed from the Property, and that Seller shall neither use nor consent to any use of the Property for any purpose or in any manner which would adversely affect Purchaser's intended use of the Property as a conservation area or similar use. This covenant expressly precludes any timber cutting on the Property. In the event Seller shall use or consent to such use of the Property, Purchaser may, without liability, refuse to accept the conveyance of title, in which event the Deposit plus all accrued interest shall be refunded; or it alternatively may elect to accept



the conveyance of title to the Property or any portion thereof, in which case there shall be an equitable adjustment of the Purchase Price based on the change in circumstances.

12. **COSTS AND FEES.** State and County real estate excise taxes, title work, and deed preparation costs shall be paid by Seller. The premium for the title insurance policy described herein and recording fees shall be paid for by Purchaser. All other Closing costs shall be borne by the parties in accordance with local custom. Each party shall be responsible for its own attorneys' fees.

13. **LIQUIDATED DAMAGES; DEFAULT.**

13.1. In the event that: (i) all of the conditions to this Agreement for the benefit of Purchaser shall have been satisfied, or waived by Purchaser; and (ii) Seller shall have fully performed or tendered performance of its obligations under this Agreement, and (iii) Purchaser shall be unable or shall fail to perform its obligations under this Agreement, then the entire amount of the Deposit shall be retained by Seller as liquidated damages under this Agreement, and Purchaser shall have no further liability to Seller. Purchaser and Seller hereby acknowledge and agree that Seller's damages would be difficult or impossible to determine and that the amount of the Deposit is the parties' best and most accurate estimate of the damages Seller would suffer in the event the transaction provided for in this Agreement fails to close and is reasonable under the circumstances existing as of the date of this Agreement. Purchaser and Seller agree that Seller's right to retain the Deposit shall be the sole remedy of Seller in the event of a breach of this Agreement by Purchaser.

13.2. If Seller shall fail to consummate the transaction contemplated hereunder for any reason, or if such transaction shall fail to close for any reason other than default by Purchaser, Purchaser may elect, at Purchaser's sole option: (i) to terminate this Agreement and be released from its obligations hereunder, in which event the Deposit shall be returned to Purchaser; or (ii) to proceed against Seller for specific performance of this Agreement. In either event, Purchaser shall have the right to seek and recover from Seller all damages suffered by Purchaser as a result of Seller's default in the performance of its obligations hereunder.

14. **NOTICES.** All notices required or permitted hereunder will be deemed to have been delivered upon sending of such notice. All notices required or permitted hereunder shall be given by hand delivery, sent by email followed by US Mail, or sent by Federal Express or other courier, directed as follows, or to such other address as either party may designate by giving notice to the other party as provided herein:

Bargain Sale

Mills to The Conservancy Fund

If to Seller: THE MILLS FAMILY LLC  
1930 SW River Drive, #506  
c/o Michael Mills  
Phone: \_\_\_\_\_  
Fax: \_\_\_\_\_  
Email: \_\_\_\_\_

If to Buyer: THE CONSERVATION FUND  
77 Vilcom Center Drive, Suite 340  
Chapel Hill, North Carolina, Suite 340  
Attn: Paul F. Hurt Esquire  
Phone: (919) 967-2223  
Email: [phurt@conservationfund.org](mailto:phurt@conservationfund.org)

15. MISCELLANEOUS.

15.1. **Broker's Commission.** Seller and Purchaser each represents to the other that they have not contracted with any broker or finder regarding this transaction except Kimbal Logan Real Estate Investment Co., 4901 NW Camas Meadows Drive, Suite 200, Camas, Washington 98607, Phone: (360) 844-6636, who shall be paid by Seller under separate agreement. Buyer and Seller agree to indemnify, defend, and hold harmless the each other from and against any and all liability, claims, demands, damages and costs of any kind arising out of or in connection with any broker's or finder's fee, commission or charges claimed to be due any person in connection with such person's conduct respecting this transaction except as set forth herein.

15.2. **Certificate.** The Conservation Fund is an organization described in Section 501(c)(3) of the Internal Revenue Code and as such it is required to file certain reports pertaining to the purchase or sale of the Property with the Internal Revenue Service. Seller represents that its federal tax identification or social security number is \_\_\_\_\_ and authorizes the Title Company to release to Purchaser any tax identification or transaction information as is requested by Purchaser and necessary for such reporting. At or prior to Closing, Seller shall furnish to Purchaser a duly executed Certificate of Non-Foreign Status in the form attached to this Agreement as Exhibit "B". Seller hereby declares and represents to Purchaser that it is not a "foreign person" for purposes of withholding of federal tax as described in such Certificate.

15.3. **Assignment.** With approval of Seller, which shall not be unreasonably withheld Purchaser may assign its rights and obligations as Purchaser under this Agreement by entering into a duly executed Assignment of Contract, wherein the assignee assumes all the obligations of Purchaser



hereunder. Upon entry into such Assignment of Contract, Purchaser shall be relieved of all liability and obligations of Purchaser under this Agreement, arising from and after the date of the Assignment of the Contract.

Purchaser may also require that the Seller directly deed the Property to an alternative identified entity or organization approved by Seller which approval shall not be unreasonably withheld, including, but not limited to, the City of Camas, Washington.

Without limiting the generality of the foregoing, the Purchaser's right to assign its rights and obligations under this Agreement shall specifically include the Purchaser's right to assign this Agreement to Sustainable Conservation, Inc., a supporting organization of The Conservation Fund under Internal Revenue Code Section 509(a)(3) ("SCI") or other subsidiary organization related to the Purchaser and organized for conservation purposes or to otherwise direct the Seller to convey title to SCI or other related subsidiary organization.

Any assignment of this Agreement or designation of an alternative entity to hold title shall only be to an organization or entity that is qualified to accept tax-deductible gifts under the Internal Revenue Code.

15.4. **Binding Effect.** The terms and conditions of this Agreement shall be binding upon and shall inure to the benefit of Seller's heirs, executors, administrators, successors and assigns.

15.5. **Exhibits.** The exhibits hereto constitute an integral part of this Agreement and are hereby incorporated herein.

15.6. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument. All facsimile or electronic transmissions of this Agreement shall be deemed original signatures for all purposes.

15.7. **Severability.** If any provision of this Agreement shall be held invalid, the other provisions hereof shall not be affected thereby and shall remain in full force and effect.

15.8. **Entire Agreement.** This Agreement represents the entire agreement of the parties and may not be amended except by a writing signed by each party thereto.

15.9. **Authority.** Each party to this Agreement warrants to the other that the respective signatories have full right and authority to enter into and consummate this Agreement and all related documents.

15.10. **Merger.** The obligations, covenants, representations, warranties and remedies set forth in this Agreement shall not merge with transfer of title but shall remain in effect during the period of the ownership of the Property by Purchaser.

15.11. **Further Actions.** Each party shall execute and deliver or cause to be executed and delivered any and all instruments reasonably required to convey the Property to Purchaser and to vest in each party all rights, interests and benefits intended to be conferred by this Agreement.

15.12. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Washington.

15.13. **Offer.** When signed and delivered to the Seller by Purchaser, this Agreement will constitute an offer to the Seller that can be accepted only by the Seller signing and delivering to Purchaser an executed original or legal equivalent of this Agreement on or before five business days from delivery by Purchaser. Purchaser may withdraw such offer in writing at any time prior to its acceptance.

15.14. **Labor and Material.** Seller shall deliver to Purchaser at settlement an affidavit, on a form acceptable to Purchaser's Title Company or local counsel, if applicable, signed by Seller that no labor or materials have been furnished to the Property within the statutory period for the filing of mechanics' or materialmen's liens against the Property. If labor or materials have been furnished during the statutory period, Seller shall deliver to Purchaser an affidavit signed by Seller and the person or persons furnishing the labor or materials that the costs thereof have been paid.

15.15. **1099 Reporting.** The Title Company is designated as the party responsible for filing a Form 1099 with the Internal Revenue Service promptly after Closing, to the extent required by the Internal Revenue Code and Treasury Regulations.

15.16. **Delivery of Property.** All improvements, including, but not limited to, dwellings, outbuildings, barns, sheds, etc., shall be vacant and broom clean. Seller shall be responsible for the removal of all personal property items left on the Property, which Purchaser does not want, or which Purchaser wishes to have removed. The improvements shall be subject to an inspection by Purchaser and/or its contractors or representatives prior to Closing. Purchaser shall advise Seller of all defects, which Buyer wants Seller to repair. Seller shall complete all repairs agreed upon with Purchaser prior



to the time of final Closing. In the event Seller does not agree to make certain repairs requested by Purchaser, Purchaser shall have the right to terminate this Agreement.

16. **SATURDAYS, SUNDAYS, HOLIDAYS.** If the final date of any time period of limitation set out in any provision of this agreement falls on a Saturday, Sunday or a legal holiday under the laws of the state in which the Property is situated, then the time of such period shall be extended to the next day which is not a Saturday, Sunday or legal holiday.

17. **WAIVERS OF APPLICATION OF TITLE 42 U.S.C.A. SECTION 4601 AND/OR JUST COMPENSATION UNDER APPLICABLE STATE STATUTES.** With approval of Seller Not to be unreasonably withheld, Purchaser may assign this Agreement and its rights as Purchaser hereunder including the Deposit by written assignment to a governmental agency or entity, which assumes the obligations of Purchaser hereunder. In addition, recognizing that this Agreement is made in order to procure lands for public ownership and that condemnation will not be used in any way as part of this transaction or in securing the Property, Seller hereby knowingly waives any potential right to receive compensation for the Property consistent with the requirements of either (i) Title II and Title III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, Title 42 U.S.C.A. Section 4601, et seq. (Public Law 91-646, as amended) including those provisions relating to incidental expenses incurred by Seller and/or (ii) applicable state statutes and regulations. Seller makes this waiver knowing that a governmental agency or entity will ultimately own the Property and/or that a governmental agency or entity may be an assignee of this Agreement.

18. **COMPLIANCE WITH FEDERAL LAW.** Each party hereby represents and warrants to the other that (A) neither the party making the representation, nor any persons or entities holding any legal or beneficial interest whatsoever in the party making the representation, are (i) the target of any sanctions program that is established by Executive Order of the President or published by the Office of Foreign Assets Control, U.S. Department of the Treasury ("OFAC"); (ii) designated by the President or OFAC pursuant to the Trading with the Enemy Act, 50 U.S.C. App. § 5, the International Emergency Economic Powers Act, 50 U.S.C. §§ 1701-06, the Patriot Act, Public Law 107-56, Executive Order 13224 entitled "Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support

Terrorism" (September 23, 2001) or any executive order of the President issued pursuant to such statutes; or (iii) persons or entities with whom U.S. persons or entities are restricted from doing business under regulations of OFAC (including those named on OFAC's Specially Designated and Blocked Persons List) or under any statute, executive order (including Executive Order 13224) or other governmental action; and (B) the activities of the party making the representation do not violate the International Money Laundering Abatement and Financial Anti-Terrorism Act of 2001 or the regulations or orders promulgated thereunder. Each party further covenants and agrees to promptly deliver to the other any documentation that the other party may reasonably request to confirm the accuracy of the representations and warranties made in this paragraph.

**19. CONDITIONS AND CONTINGENCIES TO THE SALE:** This Agreement is subject to and contingent upon the approval of the City of Camas of the following conditions of Seller and Purchaser prior to August 1, 2019:

**19.1. Creation of Public and Private Parcels.** Approval and creation of the three separate land Parcels depicted in the attached Exhibit 1 as; 1) the Public Land Parcels (containing a total of approximately 33 acres and having two different zonings. (Commercial - for the existing Leadbetter House and Pomaria House Properties and BP for the remainder property); 2) the MF-10 Parcel (containing approximately 36 acres and zoned MF-10); and 3) the MF-18 Parcel (containing approximately 21 acres and zoned MF-18). These parcels shall be approved by the City of Camas through administrative or other processes as dictated by the City of Camas including a Comprehensive Plan Change if required. If the City does require a Comprehensive Plan Change the Seller working with the approval of the Purchaser agrees to make full submittal for the comprehensive plan change in November and December of 2018. The Public Parcel to be created shall include the two existing Commercially zoned Properties commonly described as the Leadbetter house Property and the Pomaria House Property. These two properties shall remain commercially zoned and the remainder of the Public Property shall be zoned BP. The approval and creation of the Public Land Parcel shall create three legally saleable parcels of land to be sold to the Purchaser and later transferred to the City of Camas. The creation of the MF-10 and MF-18 Parcels will provide the Seller with legal parcels to sell to other prospective Buyers. The City of Camas shall have until August 1, 2019 to work with the Purchaser and Seller to complete the approval of the creation of said legal Parcels.

**19.2. Approval of New Unit Caps in the Private Parcels.** Approval by the City of



Camas of an increase in the unit caps limiting the number of units that can be built on the Private Parcels. The new Unit cap for the MF-10 Parcel shall be 200 units. The new unit cap for the MF-18 parcel shall be 275 units. The City of Camas shall have until August 1, 2019 to work with the Seller to approve the new unit caps.

**19.3. Approval of Right to Access N. Fargo Street.** Subject to normal traffic planning requirements, the City of Camas shall approve the design, right to improve, and future use of North Fargo Street as currently depicted in the CJ Dens Subdivision plat approval attached hereto as Exhibit 2. On approval of the City of Camas either the owners of the CJ Dens Property or its successor or the owner of the Mills Family Property or its successor or both those owners working together shall have the right to improve and use North Fargo Street for access to their properties as they develop in the future. The owners of the Mills Family Property or its successors shall agree that the right to use North Fargo Street for access to Leadbetter Road and the Camas Road System shall be temporary until such time as roads to the North serving the two MF-10 and MF-18 Parcels are built that provide adequate access to the MF-10 and MF-18 Parcels as envisioned by the City of Camas Road Plan. Once the access roads from the North into the Private Parcels are completed, the access to N. Fargo Street from the Private Parcels will be eliminated. This Agreement is made in anticipation of Leadbetter Road being closed to all traffic going west of the Boat Launch Property and Gun Club Property at some point in the future. The City of Camas shall have until August 1, 2019 to work with the Seller to approve the design and future use of North Fargo Street.

**19.4. Best Efforts.** Working together The City of Camas and Seller agree to proceed in good faith and with best efforts to complete the approvals necessary for the creation of the new master plan for the Mills Property as depicted in Exhibit A to this agreement. On the Seller's, part this will include immediate effort to gain approval of an Amendment to the existing Development Agreement including the Mills Family Property to create a new Development Agreement that is in concert with the new master plan for the Property as depicted in Exhibit A.

**19.5. Survey.** Purchaser shall arrange and pay for a survey of the Public Property to be created. The Public Property survey shall conform as close as is reasonably possible to the Public Property map shown in Exhibit A attached hereto. The parcels to be created and surveyed shall keep the existing Leadbetter House an Pomaria House properties (containing approximately 7 acres) plus include a remaining approximate 26 acres of property zoned BP.

**19.6. Appraisal Basis.** Purchaser and Seller agree that the appraisal of the Property shall be based on existing zoning.

**20. Alternative Financing.** The Purchaser's plan for accumulating the funds necessary to complete this purchase includes funding from Washington Wildlife and Recreation Program state funding, Clark County Conservation Futures, and City of Camas funds. In the event Purchaser is unable to raise all the funds necessary to close the transaction for cash in the time frame allowed, then Seller and Purchaser agree that Purchaser may, at its election, close the sale with a cash down payment and Seller carry-back financing on the following terms:

**20.1. Cash Down Payment.** Purchaser shall pay Six Hundred Twenty-Five Thousand in cash on closing to Seller.

**20.2. Remaining Balance Due.** The remaining balance due of Five Million Eight Hundred Seventy-Five Thousand Dollars (\$5,875,000) shall be payable on a Promissory Note due from Purchaser to Seller (the "Note"). The Note shall bear interest at 5% per annum payable at not less than interest only monthly (\$24,479.17 per month). There shall be no prepayment penalty in the event of any early principal payment. The Note shall be secured by a Statutory First Deed of Trust against the Property. The Note shall be payable in full on or before the date 12 months from the closing of the sale.

**20.3. Insurance.** Purchaser will keep all improvements on the Property insured for fire and hazard with full replacement cost insurance. In addition, Purchaser will carry liability insurance on the Property for a minimum of \$1,000,000 per occurrence and \$2,000,000 in aggregate. The Seller will be named as an additional insured on all insurance policies.

**20.4. Property Taxes and Assessments.** In addition to other costs Purchaser will pay all property taxes and other governmental assessments when due.

**20. LEADBETTER HOUSE AND POMARIA HOUSE.** Seller shall have the right to negotiate and work with the eventual owner of the Leadbetter and Pomaria Houses to confirm that the future use and maintenance of the Properties meet with the intentions of the Mills Family in selling the properties to public minded entities. Use by City of Camas for retreats, rentals, and outdoor recreation is pre- approved.

[ SIGNATURE PAGES FOLLOW ]



**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement as of the date first above written.

**SELLER: THE MILLS FAMILY LLC**

\_\_\_\_\_  
By John Mills  
Its Member

\_\_\_\_\_  
Date

\_\_\_\_\_  
By Michael Mills  
Its Member

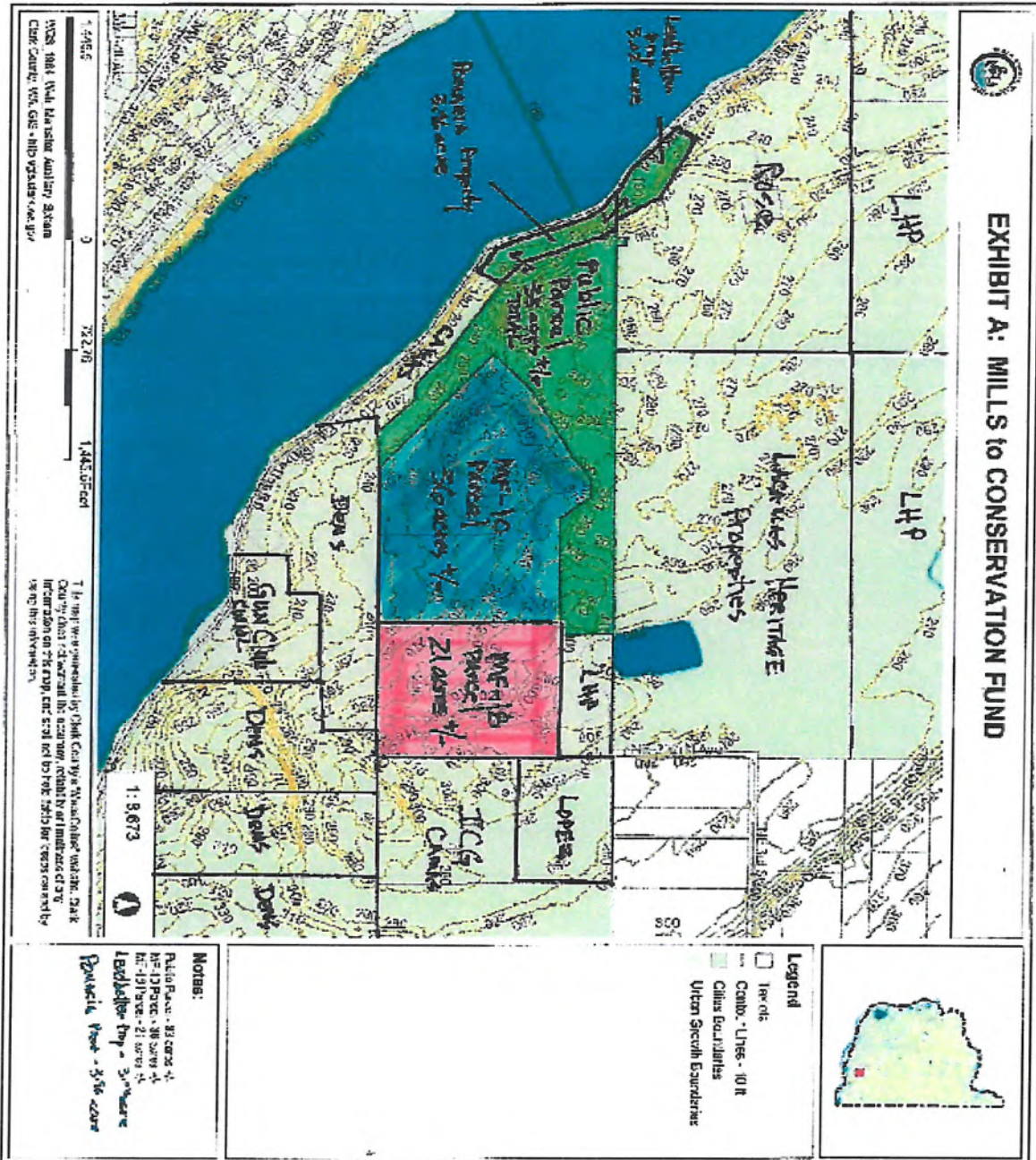
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Date

**PURCHASER: THE CONSERVATION FUND  
a Maryland non-profit corporation**

\_\_\_\_\_  
By \_\_\_\_\_  
Its \_\_\_\_\_

\_\_\_\_\_  
Date

**Exhibit "A" Property Description**





LOT 27; TAX ID 177903

LEGAL DESCRIPTION

CAMAS, WASHINGTON

The purpose of this legal description is to describe LOT 27 shown on Exhibit B Concept Master Plan Land Use Zoning as prepared by WH Pacific, Inc. and dated June 17, 2013. The described lands being a portion of Parcels B and C as described in Bargain and Sale Deed to Mills Family, LLC, an Oregon limited liability company, recorded as document number 3367753, dated September 12, 2001 in the Clark County Deed Records. Said lands also lie within the North half of Section 34, Township 2 North, Range 3 East, Willamette Meridian, Clark County Washington being more particularly described as follows:

Commencing at the North Quarter Corner of Section 34, Township 2 North, Range 3 East, Willamette Meridian; thence along the North Section line of said Section 34, North 88° 55' 51" West 790.36 feet to THE TRUE POINT OF BEGINNING; thence South 29° 26' 23" East 91.74 feet; thence South 19° 42' 41" East 512.81 feet; thence South 56° 05' 37" East 137.19 feet; thence South 32° 46' 57" West 200.04 feet; thence North 56° 05' 39" West 189.24 feet to a point on the Northerly Shoreline of Lacamas Lake; thence along said Northerly Shoreline of Lacamas Lake, North 29° 29' 12" West 61.48 feet; thence North 19° 42' 41" West 515.10 feet; thence North 29° 26' 23" West 91.60 feet; thence North 43° 21' 27" West 35.84 feet; thence North 56° 32' 27" West 114.63 feet; thence departing said Northerly Shoreline, South 88° 55' 51" East 302.76 feet to THE TRUE POINT OF BEGINNING.

**EXCEPT** any portion thereof in public roads and highways.

CONTAINS: 3.96 acres or 172,627 square feet more or less

The Basis of Bearing for this legal description is **South 01° 13' 20" West** 2632.95 feet between the Section Corner common to Section 21, 22, 27 and 28, Township 2 North, Range 3 East, Willamette Meridian and the West ¼ Corner of Section 27, Township 2 North, Range 3 East, Willamette Meridian.

LOT 38; TAX ID 175720

LEGAL DESCRIPTION

CAMAS, WASHINGTON

The purpose of this legal description is to describe LOT 38 as shown on Exhibit B Concept Master Plan Land Use Zoning as prepared by WHPacific, Inc. and dated June 17, 2013. The described lands being parcel as described in Bargain and Sale Deed to Mills Family, LLC, an Oregon limited liability company, recorded as document number 3367753, dated September 12, 2001 in the Clark County Deed Records. Said lands also lie within the Southeast Quarter of Section 27, Township 2 North, Range 3 East, Willamette Meridian, Clark County Washington being more particularly described as follows:

Commencing at the North Quarter Corner of Section 34, Township 2 North, Range 3 East, Willamette Meridian; thence along the North Section line of said Section 34, North 88° 55' 51" West 877.50 feet to THE TRUE POINT OF BEGINNING; thence continuing along said Section line, North 88° 55' 51" West 215.61 feet to a point on the Northerly Shoreline of Lacamas Lake; thence along said Northerly Shoreline, North 56° 32' 27" West 144.90 feet; thence North 48° 33' 35" West 340.16 feet; thence departing said Northerly Shoreline, North 29° 14' 10" East 179.86 feet; thence South 54° 07' 51" East 145.10 feet; thence South 60° 55' 51" East 138.00 feet; thence South 67° 05' 51" east 173.60 feet; thence South 24° 25' 51" East 283.20 feet to THE TRUE POINT OF BEGINNING.

**EXCEPT** any portion thereof in public roads and highways.

CONTAINS: 3.02 acres or 131,716 square feet more or less

The Basis of Bearing for this legal description is **South 01° 13' 20" West** 2632.95 feet between the Section Corner common to Section 21, 22, 27 and 28, Township 2 North, Range 3 East, Willamette Meridian and the West ¼ Corner of Section 27, Township 2 North, Range 3 East, Willamette Meridian.



**Affidavit of Non-Foreign Status**

Section 1445 and Section 6045 of the Internal Revenue Code provide that the Transferee of a real property interest must withhold tax if the Transferor is a foreign person and must provide certain sales related information to the Internal Revenue Service. To inform **THE CONSERVATION FUND** (the "Transferee") that withholding of tax is not required upon its disposition of a U.S. real property interest, more particularly described in the Agreement annexed hereto The Mills Family LLC (the "Transferor"), hereby certifies that:

1. Transferor is not a non-resident alien for purposes of U.S. income taxation as defined in the Internal Revenue Code and Income Tax Regulations.

2. Transferor's tax identification/ social security number is/are:

\_\_\_\_\_.

3. Transferor's principal address is:

\_\_\_\_\_  
\_\_\_\_\_.

4. The gross sales price of this transfer is: \$2,500,000.

Transferor understands that this affidavit and information contained herein will be disclosed to the Internal Revenue Service by the Transferee and, that any false statement made herein by Transferor could be punished by fine, imprisonment, or both.

Under penalties of perjury, Transferor declares that Transferor has examined this affidavit, and, to the best of Transferor's knowledge and belief, it is true, correct and complete and further declares that he/she is duly authorized to execute this affidavit or has the authority to execute on behalf of Transferor.

**TRANSFEROR: MILLS FAMILY LLC**

\_\_\_\_\_  
By: John Mills  
Its: Member

\_\_\_\_\_  
Date

\_\_\_\_\_  
By: Michael Mills  
Its: Member

\_\_\_\_\_  
Date