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Verizon Northwest Inc.

P.O. Box 1003
Everett, WA 98206-1003
Fax: 425-261-5262

October 11, 2006

Ms. Carole J. Washburn,
Executive Secretary
Washington Utilities and
Transportation Commission
Chandler Plaza Building
1300 S. Evergreen Park Drive SW
Olympia, Washington 98504

Subject: COMPLIANCE FILING for DOCKET UT-041757

Dear Ms. Washburn:

Enclosed for filing with the Commission, in compliance with Ordering Paragraph (2) of Order No. 1 in this matter, are verified copies of sale contract documents for a transaction addressed by the Order, which has closed, and statements describing the proceeds and related accounting entries.

Please call me at 425-261-5006 if you have any questions.

Very truly yours,

A handwritten signature in black ink that reads "Richard E. Potter".

Richard E. Potter
Director
Public Policy Affairs, Policy & Communications

Enclosure

VERIFICATION

I verify that the enclosed are true copies of the sale contract documents for the property located at 7311 148th Ave. NE, Redmond, Washington that was addressed by Order No. 1 in Washington Utilities and Transportation Commission Docket No. UT-041757 and a statement of the related financial details.

Richard E. Potter Date: 10/11/06

Richard E. Potter
Director
Verizon Northwest Inc.

**SECOND AMENDMENT OF AGREEMENT OF PURCHASE AND SALE
AND ESCROW INSTRUCTIONS**

This Second Amendment of Agreement of Purchase and Sale and Escrow Instructions (the "Amendment") is entered into as of August 10, 2006 (the "Amendment Effective Date"), by and between Verizon Northwest Inc., a Washington corporation ("Seller"), CamWest Development, Inc., a Washington corporation ("Original Buyer"), and CamWest 121. LLC, a Washington limited liability company ("Assignee"), with reference to the following facts:

A. Seller is the owner of approximately 9.31 acres of improved land, commonly referred to as 7311 148th Avenue NE, Redmond, Washington (the "Master Parcel"). Original Buyer and Seller previously entered into that certain Agreement of Purchase and Sale and Escrow Instructions dated October 22, 2003, as modified by that certain Amendment of Agreement of Purchase and Sale and Escrow Instructions dated June 2, 2004 (collectively, the "Agreement"), in which Seller has agreed to sell and Original Buyer has agreed to purchase a portion of the Master Parcel consisting of approximately 7.56 acres of unimproved land, as described in the Purchase Agreement (the "Property"). Terms used herein not otherwise defined shall have the meanings set forth in the Agreement.

B. Pursuant to this Amendment, Original Buyer assigns its interest under the Agreement to Assignee, Assignee assumes the obligations under the Agreement, Seller consents to such assignment, the Closing Date of the Agreement is extended, and certain additional issues are addressed as set forth below, all upon the terms of this Amendment.

NOW, THEREFORE, the parties agree as follows:

1. **Assignment.** Original Buyer hereby transfers and assigns to Assignee as of the Amendment Effective Date all of Original Buyer's right, title and interest to and under the Agreement and the Agreement Fees (as defined below), and Assignee hereby accepts such assignment, subject to the terms and conditions set forth herein.

2. **Assumption.** Subject to the terms and conditions of this Amendment, as of the Amendment Effective Date, Assignee hereby takes subject to all terms and conditions of the Agreement, assumes all of Original Buyer's obligations under the Agreement and agrees fully and faithfully to pay, perform and discharge, as and when payment, performance and discharge are due, all of Buyer's obligations under the Agreement. Assignee further agrees to comply with and be bound by all of the covenants, conditions, provisions, commitments, terms, obligations and agreements specified in the Agreement, to be kept and performed on the part of Original Buyer on or after the Amendment Effective Date, including, without limitation, the obligations contained in the Indemnity and Release provisions as set forth in Paragraphs 6.6 and 6.7 of the Agreement. Assignee acknowledges and agrees that it is both primarily and jointly and severally liable with Original Buyer for such obligations under the Agreement as amended, including without limitation, the obligations contained in the Indemnity and Release provisions as set forth in Paragraphs 6.6 and 6.7 of the Agreement.

3. **Consent to Assignment.** Pursuant to Paragraph 28 of the Agreement, Seller hereby consents to the assignment of Original Buyer's interest in the Agreement to

Assignee. Notwithstanding any other provision of this Amendment or the Agreement, Original Buyer (i) disclaims any claim it may have to the deposit or any other costs or fees of Original Buyer that are identified in the Agreement (collectively, the "Agreement Fees"), (ii) consents to the assignment of its rights, if any, to the Agreement Fees to Assignee, (iii) acknowledges and agrees that it shall be both primarily and jointly and severally liable with Assignee for the continuing obligations of Assignee under the Agreement as amended, including without limitation, the obligations contained in the Indemnity and Release provisions as set forth in Paragraphs 6.6 and 6.7 of the Agreement, and (iv) shall not be released from any claims that Seller may have against Original Buyer or Assignee in connection with the Agreement, as amended.

4. Representations and Warranties of Assignee. Assignee hereby represents and warrants to Seller that at the date of execution hereof and at and as of the Closing Date, Assignee is a limited liability company (i) validly existing and in good standing under the laws of the State of Washington; and (ii) duly authorized, qualified and licensed under any and all laws, ordinances, rules, regulations and requirements of all governmental authorities to do all things required of it under or in connection with the Agreement and this Amendment. The Agreement, this Amendment, and all agreements, instruments and documents herein provided to be executed or to be caused to be executed by Assignee are duly executed and binding on Assignee. Assignee and Original Buyer hereby represent and warrant to Seller that Assignee is an affiliated entity of Original Buyer.

5. Representations and Warranties of Original Buyer. Original Buyer hereby represents and warrants to Seller that at the date of execution hereof (i) the Agreement is in full force and effect and, except for this Amendment, has not been modified, assigned, supplemented or amended subsequent to its original execution, nor are there any other agreements between Seller and Original Buyer concerning the Property, whether oral or written, (ii) no default by Seller currently exists under the Agreement, and (iii) Original Buyer has no setoffs, credits, claims or defenses against Seller.

6. Notices. The notice address for Seller's attorney referenced in Paragraph 15 of the Agreement, which was "Van Etten Suzumoto & Becket, 1620 26th Street, Suite 6000 North, Santa Monica, CA 90404, Attention: Michael J. Brill, Esq." is hereby deleted in its entirety and replaced with the following:

McGuireWoods LLP
1800 Century Park East, 8th Floor
Los Angeles, CA 90067
Attention: Michael J. Brill, Esq.

The notice address for Assignee is:

CamWest 121 LLC
9720 NE 120th Place, #100
Kirkland, WA 98034
Attention: Mr. Eric Campbell

7. Extension of Closing Date. The Closing Date of the Agreement is hereby extended to August 22, 2006, or such earlier date as is agreed to by the parties.

8. Deed. The form of Bargain and Sale Deed attached to the Agreement as Exhibit "2.3" is hereby replaced by the form attached hereto as Exhibit "1."

9. Full Force and Effect. All terms and provisions of the Agreement shall remain in full force and effect, except as expressly amended or modified hereby, and are hereby ratified and reaffirmed.

10. Effectiveness of Amendment. This Amendment shall be of no force and effect unless and until it is executed by Assignee, Original Buyer and Seller.

11. Headings. The headings used herein are for convenience only and are not to be construed to be part of this Agreement.

12. Counterparts and Facsimile. This Amendment may be executed in one or more counterparts, each of which shall be deemed an original but all of which taken together shall constitute one and the same instrument. The parties acknowledge the validity of signatures by facsimile.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the date first set forth above.

SELLER:

VERIZON NORTHWEST INC.,
a Washington corporation

By: 

Title: Manager - Transactions

ASSIGNEE:

CAMWEST 121 LLC,
a Washington limited liability company

By: _____

Title: _____

ORIGINAL BUYER:

CAMWEST DEVELOPMENT INC., a
Washington corporation

By: _____

Title: _____

RECEIVED:

FIDELITY NATIONAL TITLE COMPANY

Dated: _____, 2006.

By: _____
Julia Davis, Escrow Holder

**SECOND AMENDMENT OF AGREEMENT OF PURCHASE AND SALE
AND ESCROW INSTRUCTIONS**

EXHIBIT "1"

BARGAIN AND SALE DEED

AFTER RECORDING, RETURN TO:

CamWest 121 LLC
Attn: Mr. Eric Campbell
9720 NE 120th Place, #100
Kirkland, WA 98034

BARGAIN AND SALE DEED

GRANTOR corporation: West Coast Telephone, now known as Verizon Northwest Inc., a Washington corporation

GRANTEE: CamWest 121 LLC, a Washington limited liability company

Abbreviated Legal Description: Lot 2 SP20060810900005

Full Legal Description Located on Exhibit "A"

Assessor's Property Tax Parcel Account Number: _____

After recording mail to:

CamWest 121 LLC.
Attn: Mr. Eric Campbell
9720 NE 120th Place, #100
Kirkland, WA 98034

W.O. # _____

Tax Account Number

Legal Description

BARGAIN AND SALE DEED

THE GRANTOR, West Coast Telephone, now known as Verizon Northwest Inc., a Washington corporation, for and in consideration of Ten Dollars (\$10.00) and other good and valuable consideration in hand paid, bargains, sells and conveys to CamWest 121 LLC, a Washington limited liability company, the real estate described in Exhibit "A" attached hereto and incorporated herein, situated in the County of King, and State of Washington.

The foregoing grant of real property is subject to non-delinquent taxes, all easements, covenants, conditions and restrictions, and all other matters of record affecting title to such property, and is further subject to the covenants, conditions and restrictions set forth in Exhibit "B" attached hereto.

DATED this 10th day of August, 2006.

Executed as of the date herein above set forth.

VERIZON NORTHWEST INC., a
Washington corporation

By: _____

Title: _____

STATE OF CALIFORNIA)
) ss.
COUNTY OF _____)

On _____, before me, _____,
personally appeared _____, personally known to me (or proved to
me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to
the within instrument and acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Notary Public

(Seal)

BARGAIN AND SALE DEED

EXHIBIT "A"

THE PROPERTY

LOT 2 OF CITY OF REDMOND SHORT PLAT RECORDED UNDER
KING COUNTY RECORDING NUMBER 20060810900005, RECORDS
OF KING COUNTY WASHINGTON;
SITUATE IN THE COUNTY OF KING, STATE OF WASHINGTON.

BARGAIN AND SALE DEED

EXHIBIT "B"

COVENANTS, CONDITIONS AND RESTRICTIONS

COVENANTS REGARDING CONTINUED USE AND NON-INTERFERENCE WITH COMMUNICATIONS FACILITY

1. These Covenants Regarding Continued Use and Non-Interference With Communications Facility are attached to and made part of that certain Bargain and Sale Deed dated August 10, 2006 ("Deed") executed by Verizon Northwest Inc., a Washington corporation ("Verizon"), in favor of CamWest 121 LLC, a Washington limited liability company ("CamWest"). The covenants, conditions and restrictions contained herein (collectively, "Covenants") are for the benefit of that certain property owned by Verizon located in the City of Redmond, County of King, State of Washington, more particularly described as Lot 1 of City of Redmond Short Plat recorded under King County recording number 20060810900005, records of King County Washington (the "Verizon Parcel"), and encumber all the property transferred by the Deed ("CamWest Parcel").
2. All successive owners of the CamWest Parcel are to be bound by the Covenants contained herein for so long as they shall own any portion of the CamWest Parcel. The Covenants are for the benefit of the Verizon Parcel. It is the intent of Verizon and CamWest that such parties and their successors are to be bound by the Covenants contained herein and that such Covenants operate as covenants running with the land for the benefit of the Verizon Parcel. Notwithstanding the foregoing, upon receipt of written request from CamWest, Verizon shall record a quitclaim deed or such other document as required to remove the Covenants from the CamWest Parcel if all four of the following conditions are satisfied: (a) the Verizon Parcel is not then being used for any communications purposes whatsoever, (b) the Verizon Parcel has not been used for communications purposes for two years prior to the date of such request, (c) all communications related equipment and improvements have been removed from the Verizon Parcel, and (d) Verizon intends to permanently abandon the Verizon Parcel.
3. CamWest and all successor owners of any interest in all or any part of the CamWest Parcel hereby acknowledge and agree that the Verizon Parcel is and shall continue to be used, maintained, improved and operated as a communications facility ("Facility"). This Facility is a strategic communications facility operating 24 hours a day, seven days a week, and includes without limitation 911 emergency services and other communications-related services of national, state and local interest. The Facility includes air conditioners one or more back-up generators and related fuel supply. Company vehicles and trucks use the Verizon Parcel. Such generators are run periodically for maintenance and repair. CamWest and its successors agree that they shall take no action of any kind which shall challenge or interfere with the continued

right of Verizon and its successors to operate and improve the Verizon Parcel in such manner. Without limitation of the foregoing, CamWest and its successors agree not to initiate or support any national, state or local ordinance, rule or regulation which would serve in any way to limit the communications-related operations of the Verizon Parcel, which operations include, but are not limited to the operation of the above-referenced generators, use of air conditioning units and access by company vehicles and trucks. In addition, CamWest and its successors agree, to refrain from taking any action on all or any part of the CamWest Parcel which shall substantially interfere with the operation of the Facility on the Verizon Parcel. CamWest and its successors agree that the Covenants contained herein specifically relate to the use, repair, maintenance or improvement of the land herein described, or some part thereof. The Covenants shall not, however, be interpreted to prevent the owners of the CamWest Parcel from voting in elections. Nothing contained in this paragraph shall be deemed to permit Verizon to restrain the constitutional free speech rights or other constitutional rights of the owners of the CamWest Parcel, and their respective successors and assigns to the extent such restraint would violate the United States or Washington Constitution or other applicable laws.

4. A breach of any of the provisions contained herein and the continuation of any such breach may be enjoined, abated or remedied by appropriate legal proceedings instituted by Verizon or any of its successors-in-interest. Any judgment rendered in any action or proceeding pursuant hereto shall include a sum for attorneys' fees in an amount as the court may deem reasonable in favor of the prevailing party. The remedies herein provided for breach of the provisions contained herein shall be deemed cumulative and none of such remedies shall be deemed exclusive. The failure of Verizon or its successors to enforce any of the provisions contained herein shall not constitute a waiver of the right to enforce the same thereafter. Without limiting any other remedies, in the event of a breach of the Covenants contained herein, Verizon or its successors may obtain injunctive relief enjoining or restraining such breach without posting a bond or other security and without proving damages, it being expressly recognized by CamWest and its successors that any such breach will cause irreparable harm to Verizon and its successors which cannot be fully compensable by damages.

ACKNOWLEDGED AND AGREED

Dated: _____

CAMWEST 121 LLC, a Washington limited liability company

By: _____

Title _____

By: _____

Title _____

STATE OF _____)
) ss.
COUNTY OF _____)

On _____, before me, _____,
personally appeared _____, personally known to me (or proved to
me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to
the within instrument and acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Notary Public

(Seal)

**AMENDMENT OF AGREEMENT OF PURCHASE
AND SALE AND ESCROW INSTRUCTIONS**

This Amendment of Agreement of Purchase and Sale and Escrow Instructions (the "Amendment") is entered into as of June 2, 2004 by and between Verizon Northwest Inc., a Washington corporation ("Seller"), and CamWest Development, Inc., a Washington corporation ("Buyer"), with reference to the following facts and objectives:

A. Seller is the owner of the real property consisting of approximately 9.31 acres of improved land, including a building located at 7311 148th Avenue NE, Redmond, Washington (the "Master Parcel"). Buyer and Seller previously entered into that certain Agreement of Purchase and Sale and Escrow Instructions dated as of October 22, 2003 (the "Agreement") for the sale by Seller and purchase by Buyer of an unimproved portion of the Master Parcel consisting of approximately 7.56 acres, as more particularly described in the Agreement. Terms used herein not otherwise defined shall have the meanings set forth in the Agreement.

B. The parties now desire to amend certain terms of the Agreement on the terms and conditions set forth herein.

NOW, THEREFORE, the parties agree as follows:

1. Purchase Price. The Purchase Price for the Property is hereby reduced to the sum of One Million Nine Hundred Thirty-Two Thousand Dollars (\$1,932,000). The Balance is hereby reduced to the sum of One Million Seven Hundred Eighty-Two Thousand Dollars (\$1,782,000).

2. Closing Date.

2.1 Initial Closing Date. The first sentence of Paragraph 2.2 of the Agreement is modified to provide that the Closing Date shall be the earlier of (a) thirty (30) days after the date the City of Redmond approves the Plat for the Real Property for recordation, or (b) August 15, 2005.

2.2 Buyer's Extension Options. Buyer shall continue to have the twelve (12) consecutive one month Extension Options, as set forth in Paragraph 2.2.1 of the Agreement; provided, however, that the exercise of such Extension Options by Buyer shall extend the Closing Date to September 15, 2005, October 15, 2005, November 15, 2005, December 15, 2005, January 15, 2006, February 15, 2006, March 15, 2006, April 15, 2006, May 15, 2006, June 15, 2006, July 15, 2006, and August 15, 2006, respectively. Any such extensions of the Closing Date shall be subject to the requirements of Paragraphs 2.2.1 and 2.2.2 of the Agreement, including without limitation the requirement to pay Extension Option Consideration.

2.3 Seller's Extension Options. In addition to Buyer's Extension Options, as set forth in Paragraph 2.2 above, Seller shall have the right to extend the Closing Date to a date no later than January 15, 2006 on notice to Buyer to be given at least seven (7) days prior to the original Closing Date, as it may have been previously extended by Buyer ("Seller's Option"). Buyer shall not be entitled to a refund of any Extension Option Consideration paid by Buyer if



Seller exercises the Seller's Option. Buyer shall not be obligated to pay Extension Option Consideration for any period the Closing Date is extended solely by reason of the exercise of Seller's Option; provided, however, that if Buyer exercises any further Extension Options, Extension Option Consideration shall again be due and payable to Seller.

3. Feasibility Period. Buyer acknowledges and agrees that the Feasibility Period has expired, and that Buyer has completed and approved its evaluation of the Property and other due diligence matters according to Paragraph 2.9 of the Agreement, and has satisfied or waived all of its conditions to the Close of Escrow. Buyer hereby authorizes and instructs Escrow Holder to immediately release the Deposit to Seller pursuant to terms of Paragraph 1.3.1 of the Agreement.

4. Full Force and Effect. Except as modified by this Amendment, the Agreement shall remain in full force and effect.

5. Counterparts and Facsimile. This Amendment may be executed in one or more counterparts, each of which shall be deemed an original but all of which taken together shall constitute one and the same instrument. The parties acknowledge the validity of signatures by facsimile.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the date first set forth above.

SELLER:

VERIZON NORTHWEST INC.,
a Washington corporation

By: [Signature]
Title: Executive Director - Port Solutions Management

By: _____
Title: _____

BUYER:

CAMWEST DEVELOPMENT, INC., a
Washington corporation

By: [Signature] 6/3/04
Title: President

By: _____
Title: _____

APPROVED AS TO FORM
VAN ETTEN SUZUMOTO & BECKET LLP
By: [Signature]
Date: 6-9-04



Van Etten Suzumoto & Becket LLP
Attorneys at Law

JOAN A. WOLFF
WRITER'S DIRECT DIAL NUMBER
(310) 315-8275
JWOLFF@VSBLLAW.COM

FILE NO. 1105-0098

November 19, 2003

OVERNITE EXPRESS

Mr. Jim Pobanz
Verizon Real Estate Services
112 S. Lakeview Canyon Rd.
CA501CW
Thousand Oaks, CA 91362

Re: Verizon Northwest Inc.
7311 148th Ave. NE, Redmond, WA

Dear Jim:

Enclosed for review and execution are three originals of the Agreement of Purchase and Sale and Escrow Instructions (the "Agreement") for the above-referenced property that have been executed by CamWest Development ("Buyer"). As you review the Agreement in preparation for execution by Verizon, please note the issues set forth below. All capitalized terms not defined herein shall have the meanings set forth in the Agreement:

1. Closing Date. Escrow is scheduled to close on the earlier of 30 days after the date the City of Redmond approves the proposed Plat subdividing the Property from Verizon's retained parcel, or December 15, 2004. In addition, the Buyer has 12 one-month Extension Options and can therefore extend the Close of Escrow to no later than December 15, 2005. Buyer must pay \$20,000 in order to exercise each Extension Option. All Extension Option Consideration is non-refundable, but applicable to the Purchase Price at the Close of Escrow.

2. Processing of Plat. Buyer is responsible for the processing of the Plat and expressly assumes the risk that the Plat may not record. Verizon has agreed to bear all costs of internal review and approval of the proposed Plat, including costs for consultants retained by Verizon. Verizon is required to communicate its approval or disapproval of any application, responses and other documents and correspondence relating to the Plat within seven business days after receipt.

3. Delivery of Work Product. Within ten business days after execution of the Agreement, Verizon is required to use commercially reasonable efforts to deliver to the Buyer

150679.1

1620 26TH STREET • SUITE 6000 NORTH • SANTA MONICA • CA • 90404

PHONE: (310) 315-8200 • FAX: (310) 315-8210

www.vsbllaw.com

Mr. Jim Pobanz
November 19, 2003
Page 2

the originals of all work product in its possession relating to the proposed subdivision of the Property. Please note that Verizon is not required to deliver appraisals or other proprietary information.

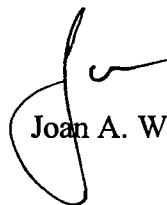
4. Representations and Warranties. At Buyer's request, Verizon has made the following representations and warranties to the actual knowledge of Jim Tousignant: (a) Seller has not been served or threatened in connection with any litigation or other proceeding respecting the Property; (b) Seller has not instituted any proceeding for bankruptcy; and (c) Seller has not been served or received any claims in writing in connection with any condemnation.

5. Covenants. As you know, Verizon will retain ownership of the telecommunications facility adjacent to the Property. Therefore, the Agreement provides that as a condition to the Close of Escrow, Buyer will provide proof that Buyer and any subsequent purchasers of all or a portion of the Property will be subject to certain covenants, conditions and restrictions regarding the existing of an operating telecommunications facility on the Verizon Parcel.

6. Exhibits. Please note that the attached exhibits showing the Master Parcel, the Verizon Parcel and the Property have been furnished by Mike Morgan and were prepared in connection with the original Plat application by Verizon.

I hope this summary has been helpful for you. Please call me if you have any questions or need additional information.

Sincerely,



Joan A. Wolff

JAW:pp
Encl.

cc: Diana C. Robinson, Esq. (w/encl.)

AFTER RECORDING, RETURN TO:

CamWest 121 LLC
Attn: Mr. Eric Campbell
9720 NE 120th Place, #100
Kirkland, WA 98034

BARGAIN AND SALE DEED

GRANTOR corporation: West Coast Telephone, now known as Verizon Northwest Inc., a Washington corporation

GRANTEE: CamWest 121 LLC, a Washington limited liability company

Abbreviated Legal Description: Lot 2 SP20060810900005

Full Legal Description Located on Exhibit "A"

Assessor's Property Tax Parcel Account Number: 102505-9027-04

After recording mail to:

CamWest 121 LLC.
Attn: Mr. Eric Campbell
9720 NE 120th Place, #100
Kirkland, WA 98034

BARGAIN AND SALE DEED

THE GRANTOR, West Coast Telephone, now known as Verizon Northwest Inc., a Washington corporation, for and in consideration of Ten Dollars (\$10.00) and other good and valuable consideration in hand paid, bargains, sells and conveys to CamWest 121 LLC, a Washington limited liability company, the real estate described in Exhibit "A" attached hereto and incorporated herein, situated in the County of King, and State of Washington.

The foregoing grant of real property is subject to the covenants, conditions and restrictions set forth in Exhibit "B" attached hereto and is further subject to all matters set forth in Exhibit "C" attached hereto.

DATED this 10th day of August, 2006.

Executed as of the date herein above set forth.

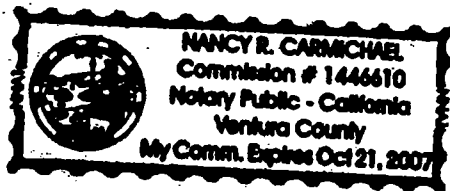
VERIZON NORTHWEST INC., a
Washington corporation

By: 
Title: Manager - Transactions

STATE OF CALIFORNIA)
) ss.
COUNTY OF Ventura)

On August 18, 2006, before me, Nancy R. Carmichael, Notary Public, personally appeared Jim ToussigANT, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.



Nancy R. Carmichael
Notary Public

(Seal)

BARGAIN AND SALE DEED

EXHIBIT "A"

THE PROPERTY

LOT 2 OF CITY OF REDMOND SHORT PLAT RECORDED UNDER
KING COUNTY RECORDING NUMBER 20060810900005, RECORDS
OF KING COUNTY WASHINGTON;
SITUATE IN THE COUNTY OF KING, STATE OF WASHINGTON.

BARGAIN AND SALE DEED

EXHIBIT "B"

COVENANTS, CONDITIONS AND RESTRICTIONS

COVENANTS REGARDING CONTINUED USE AND NON-INTERFERENCE WITH COMMUNICATIONS FACILITY

1. These Covenants Regarding Continued Use and Non-Interference With Communications Facility are attached to and made part of that certain Bargain and Sale Deed dated August 10, 2006 ("Deed") executed by Verizon Northwest Inc., a Washington corporation ("Verizon"), in favor of CamWest 121 LLC, a Washington limited liability company ("CamWest"). The covenants, conditions and restrictions contained herein (collectively, "Covenants") are for the benefit of that certain property owned by Verizon located in the City of Redmond, County of King, State of Washington, more particularly described as Lot 1 of City of Redmond Short Plat recorded under King County recording number 20060810900005, records of King County Washington (the "Verizon Parcel"), and encumber all the property transferred by the Deed ("CamWest Parcel").
2. All successive owners of the CamWest Parcel are to be bound by the Covenants contained herein for so long as they shall own any portion of the CamWest Parcel. The Covenants are for the benefit of the Verizon Parcel. It is the intent of Verizon and CamWest that such parties and their successors are to be bound by the Covenants contained herein and that such Covenants operate as covenants running with the land for the benefit of the Verizon Parcel. Notwithstanding the foregoing, upon receipt of written request from CamWest, Verizon shall record a quitclaim deed or such other document as required to remove the Covenants from the CamWest Parcel if all four of the following conditions are satisfied: (a) the Verizon Parcel is not then being used for any communications purposes whatsoever, (b) the Verizon Parcel has not been used for communications purposes for two years prior to the date of such request, (c) all communications related equipment and improvements have been removed from the Verizon Parcel, and (d) Verizon intends to permanently abandon the Verizon Parcel.
3. CamWest and all successor owners of any interest in all or any part of the CamWest Parcel hereby acknowledge and agree that the Verizon Parcel is and shall continue to be used, maintained, improved and operated as a communications facility ("Facility"). This Facility is a strategic communications facility operating 24 hours a day, seven days a week, and includes without limitation 911 emergency services and other communications-related services of national, state and local interest. The Facility includes air conditioners one or more back-up generators and related fuel supply. Company vehicles and trucks use the Verizon Parcel. Such generators are run periodically for maintenance and repair. CamWest and its successors agree that they shall take no action of any kind which shall challenge or interfere with the continued

right of Verizon and its successors to operate and improve the Verizon Parcel in such manner. Without limitation of the foregoing, CamWest and its successors agree not to initiate or support any national, state or local ordinance, rule or regulation which would serve in any way to limit the communications-related operations of the Verizon Parcel, which operations include, but are not limited to the operation of the above-referenced generators, use of air conditioning units and access by company vehicles and trucks. In addition, CamWest and its successors agree, to refrain from taking any action on all or any part of the CamWest Parcel which shall substantially interfere with the operation of the Facility on the Verizon Parcel. CamWest and its successors agree that the Covenants contained herein specifically relate to the use, repair, maintenance or improvement of the land herein described, or some part thereof. The Covenants shall not, however, be interpreted to prevent the owners of the Cam West Parcel from voting in elections. Nothing contained in this paragraph shall be deemed to permit Verizon to restrain the constitutional free speech rights or other constitutional rights of the owners of the Cam West Parcel, and their respective successors and assigns to the extent such restraint would violate the United States or Washington Constitution or other applicable laws.

4. A breach of any of the provisions contained herein and the continuation of any such breach may be enjoined, abated or remedied by appropriate legal proceedings instituted by Verizon or any of its successors-in-interest. Any judgment rendered in any action or proceeding pursuant hereto shall include a sum for attorneys' fees in an amount as the court may deem reasonable in favor of the prevailing party. The remedies herein provided for breach of the provisions contained herein shall be deemed cumulative and none of such remedies shall be deemed exclusive. The failure of Verizon or its successors to enforce any of the provisions contained herein shall not constitute a waiver of the right to enforce the same thereafter. Without limiting any other remedies, in the event of a breach of the Covenants contained herein, Verizon or its successors may obtain injunctive relief enjoining or restraining such breach without posting a bond or other security and without proving damages, it being expressly recognized by CamWest and its successors that any such breach will cause irreparable harm to Verizon and its successors which cannot be fully compensable by damages.

ACKNOWLEDGED AND AGREED

Dated: 8-14-06

CAMWEST 121 LLC, a Washington limited liability company

By: *[Signature]*

Title *V.P. Finance of managing member*

By: _____

Title _____

STATE OF)
) ss.
COUNTY OF KING)

On 8-14-06, before me, Linda S. Gulick,
personally appeared Ralph H. Nickman, personally known to me (or proved to
me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to
the within instrument and acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.



Linda S. Gulick
Notary Public

BARGAIN AND SALE DEED

EXHIBIT "C"

The lien of property taxes not yet due and payable.

Notice of Water and Sewer Connection Charge City of Redmond, Washington, and the terms and conditions thereof, recorded June 4, 1981, as Recording No. 8106040664.

Easement in favor of Frank Ferrell and Cornelia Ferrell, his wife, recorded as Recording No. 5124516.

Easement in favor of City of Redmond, recorded as Recording No. 5845376.

Easement in favor of Puget Sound Power & Light Company, recorded December 13, 1978, as Recording No. 5124516.

Right to make necessary slopes for cuts or fills as granted by deed recorded as Recording No. 7307110440.

Covenants, conditions, restrictions, rights and easements contained in a declaration of short plat, recorded August 10, 2006, as Recording No. 20060810900005.

AFTER RECORDING, RETURN TO:

CamWest 121 LLC
Attn: Mr. Eric Campbell
9720 NE 120th Place, #100
Kirkland, WA 98034

BARGAIN AND SALE DEED

GRANTOR corporation: West Coast Telephone, now known as Verizon Northwest Inc., a Washington corporation

GRANTEE: CamWest 121 LLC, a Washington limited liability company

Abbreviated Legal Description: Lot 2 SP20060810900005

Full Legal Description Located on Exhibit "A"

Assessor's Property Tax Parcel Account Number: _____

After recording mail to:

CamWest 121 LLC.
Attn: Mr. Eric Campbell
9720 NE 120th Place, #100
Kirkland, WA 98034

W.O. # _____

Tax Account Number

Legal Description

BARGAIN AND SALE DEED

THE GRANTOR, West Coast Telephone, now known as Verizon Northwest Inc., a Washington corporation, for and in consideration of Ten Dollars (\$10.00) and other good and valuable consideration in hand paid, bargains, sells and conveys to CamWest 121 LLC, a Washington limited liability company, the real estate described in Exhibit "A" attached hereto and incorporated herein, situated in the County of King, and State of Washington.

The foregoing grant of real property is subject to the covenants, conditions and restrictions set forth in Exhibit "B" attached hereto and is further subject to all matters set forth in Exhibit "C" attached hereto.

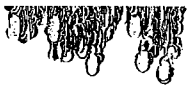
DATED this 10th day of August, 2006.

Executed as of the date herein above set forth.

VERIZON NORTHWEST INC., a
Washington corporation

By: _____

Title: _____



STATE OF CALIFORNIA)
) ss.
 COUNTY OF _____)

On _____, before me, _____,
 personally appeared _____, personally known to me (or proved to
 me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to
 the within instrument and acknowledged to me that he/she/they executed the same in
 his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the
 person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

 Notary Public

(Seal)

BARGAIN AND SALE DEED

EXHIBIT "A"

THE PROPERTY

LOT 2 OF CITY OF REDMOND SHORT PLAT RECORDED UNDER
KING COUNTY RECORDING NUMBER 20060810900005, RECORDS
OF KING COUNTY WASHINGTON;
SITUATE IN THE COUNTY OF KING, STATE OF WASHINGTON.

BARGAIN AND SALE DEED

EXHIBIT "B"

COVENANTS, CONDITIONS AND RESTRICTIONS

**COVENANTS REGARDING CONTINUED USE AND
NON-INTERFERENCE WITH COMMUNICATIONS FACILITY**

1. These Covenants Regarding Continued Use and Non-Interference With Communications Facility are attached to and made part of that certain Bargain and Sale Deed dated August 10, 2006 ("Deed") executed by Verizon Northwest Inc., a Washington corporation ("Verizon"), in favor of CamWest 121 LLC, a Washington limited liability company ("CamWest"). The covenants, conditions and restrictions contained herein (collectively, "Covenants") are for the benefit of that certain property owned by Verizon located in the City of Redmond, County of King, State of Washington, more particularly described as Lot 1 of City of Redmond Short Plat recorded under King County recording number 20060810900005, records of King County Washington (the "Verizon Parcel"), and encumber all the property transferred by the Deed ("CamWest Parcel").
2. All successive owners of the CamWest Parcel are to be bound by the Covenants contained herein for so long as they shall own any portion of the CamWest Parcel. The Covenants are for the benefit of the Verizon Parcel. It is the intent of Verizon and CamWest that such parties and their successors are to be bound by the Covenants contained herein and that such Covenants operate as covenants running with the land for the benefit of the Verizon Parcel. Notwithstanding the foregoing, upon receipt of written request from CamWest, Verizon shall record a quitclaim deed or such other document as required to remove the Covenants from the CamWest Parcel if all four of the following conditions are satisfied: (a) the Verizon Parcel is not then being used for any communications purposes whatsoever, (b) the Verizon Parcel has not been used for communications purposes for two years prior to the date of such request, (c) all communications related equipment and improvements have been removed from the Verizon Parcel, and (d) Verizon intends to permanently abandon the Verizon Parcel.
3. CamWest and all successor owners of any interest in all or any part of the CamWest Parcel hereby acknowledge and agree that the Verizon Parcel is and shall continue to be used, maintained, improved and operated as a communications facility ("Facility"). This Facility is a strategic communications facility operating 24 hours a day, seven days a week, and includes without limitation 911 emergency services and other communications-related services of national, state and local interest. The Facility includes air conditioners one or more back-up generators and related fuel supply. Company vehicles and trucks use the Verizon Parcel. Such generators are run periodically for maintenance and repair. CamWest and its successors agree that they shall take no action of any kind which shall challenge or interfere with the continued

right of Verizon and its successors to operate and improve the Verizon Parcel in such manner. Without limitation of the foregoing, CamWest and its successors agree not to initiate or support any national, state or local ordinance, rule or regulation which would serve in any way to limit the communications-related operations of the Verizon Parcel, which operations include, but are not limited to the operation of the above-referenced generators, use of air conditioning units and access by company vehicles and trucks. In addition, CamWest and its successors agree, to refrain from taking any action on all or any part of the CamWest Parcel which shall substantially interfere with the operation of the Facility on the Verizon Parcel. CamWest and its successors agree that the Covenants contained herein specifically relate to the use, repair, maintenance or improvement of the land herein described, or some part thereof. The Covenants shall not, however, be interpreted to prevent the owners of the CamWest Parcel from voting in elections. Nothing contained in this paragraph shall be deemed to permit Verizon to restrain the constitutional free speech rights or other constitutional rights of the owners of the CamWest Parcel, and their respective successors and assigns to the extent such restraint would violate the United States or Washington Constitution or other applicable laws.

4. A breach of any of the provisions contained herein and the continuation of any such breach may be enjoined, abated or remedied by appropriate legal proceedings instituted by Verizon or any of its successors-in-interest. Any judgment rendered in any action or proceeding pursuant hereto shall include a sum for attorneys' fees in an amount as the court may deem reasonable in favor of the prevailing party. The remedies herein provided for breach of the provisions contained herein shall be deemed cumulative and none of such remedies shall be deemed exclusive. The failure of Verizon or its successors to enforce any of the provisions contained herein shall not constitute a waiver of the right to enforce the same thereafter. Without limiting any other remedies, in the event of a breach of the Covenants contained herein, Verizon or its successors may obtain injunctive relief enjoining or restraining such breach without posting a bond or other security and without proving damages, it being expressly recognized by CamWest and its successors that any such breach will cause irreparable harm to Verizon and its successors which cannot be fully compensable by damages.

ACKNOWLEDGED AND AGREED

Dated: _____

CAMWEST 121 LLC, a Washington limited liability company

By: _____

Title _____

By: _____

Title _____

STATE OF _____)
) ss.
COUNTY OF _____)

On _____, before me, _____,
personally appeared _____, personally known to me (or proved to
me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to
the within instrument and acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Notary Public

(Seal)

BARGAIN AND SALE DEED

EXHIBIT "C"

The lien of property taxes not yet due and payable and those certain matters disclosed by the following Schedule C Exceptions in the A.L.T.A. Commitment (Title Order Number 0171220) dated August 7, 2006, as supplemented by Supplemental Commitment No. 1 dated August 10, 2006:

Exception No. 3, that certain Notice of Water and Sewer Connection Charge City of Redmond, Washington, and the terms and conditions thereof, recorded June 4, 1981, as Recording No. 8106040664.

Exception No. 8, that certain instrument granting an easement in favor of Frank Ferrell and Cornelia Ferrell, his wife, recorded as Recording No. 5124516.

Exception No. 9, that certain instrument granting an easement in favor of City of Redmond, recorded as Recording No. 5845376.

Exception No. 10, that certain instrument granting an easement in favor of Puget Sound Power & Light Company, recorded December 13, 1978, as Recording No. 5124516.

Exception No. 11, a deed recorded as Recording No. 7307110440.

Exception No. 12, covenants, conditions, restrictions, rights and easements contained in a declaration of short plat, recorded August 10, 2006, as Recording No. 20060810900005.

AFTER RECORDING, RETURN TO:

CamWest 121 LLC
Attn: Mr. Eric Campbell
9720 NE 120th Place, #100
Kirkland, WA 98034

BARGAIN AND SALE DEED

GRANTOR corporation: West Coast Telephone, now known as Verizon Northwest Inc., a Washington corporation

GRANTEE: CamWest 121 LLC, a Washington limited liability company

Abbreviated Legal Description: Lot 2 SP20060810900005

Full Legal Description Located on Exhibit "A"

Assessor's Property Tax Parcel Account Number: _____

CITY OF REDMOND RESTRICTIONS

1. NO FURTHER RECORDING OF ANY LOT SHALL BE PERMITTED WITHOUT APPROVAL OF AN APPROPRIATE SURVEYOR PROCEDURE BY THE CITY OF REDMOND.

2. THIS SHORT PLAT IS BASED UPON THE CITY OF REDMOND TECHNICAL COMMITTEE'S FEBRUARY 27, 2006 RESOLUTION APPROVING THE SAID SHORT PLAT, WHICH IS ON FILE WITH THE CITY OF REDMOND PLANNING DEPARTMENT UNDER FILE NUMBER L00072.

LEGAL DESCRIPTION

THE SOUTH 1/4 OF THE NORTH 1/4 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF SECTION 10, TOWNSHIP 20 NORTH, RANGE 3 EAST, W4M, EXCEPT THE EAST 50 FEET FOR 14891 AVENUE, SITUATE IN THE COUNTY OF KING, STATE OF WASHINGTON.

DECLARATION

I, THE UNDERSIGNED, BEING A LICENSED SURVEYOR, KNOW ALL THE CONTENTS OF THIS INSTRUMENT, AND THAT I AM A MEMBER OF THE SURVEYING BOARD OF THE STATE OF WASHINGTON, AND THAT I AM NOT PROVIDING ANY SERVICES TO THE CLIENT UNDER THIS INSTRUMENT.

I, WITNESSE HEREOF, BE SET OUR HANDS AND SEALS THIS 1st DAY OF JULY, 2006.

WEST COAST SURVEYING COMPANY
A SURVEYING CORPORATION

[Signature]
PRESIDENT

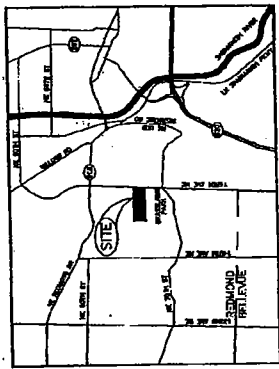
ACKNOWLEDGEMENT

STATE OF WASHINGTON)
COUNTY OF KING)

I, COUNTY CLERK, DO HEREBY CERTIFY THAT THE FOREGOING INSTRUMENT WAS FILED FOR RECORD IN THE PUBLIC RECORDS OF THIS COUNTY, WASHINGTON, ON THIS 1st DAY OF JULY, 2006, AT 10:00 AM. THE INSTRUMENT IS CORRECTLY INDEXED IN THE PUBLIC RECORDS OF THIS COUNTY, WASHINGTON, UNDER THE INDEXING NUMBER L00072.



DATED: 2006 JUL 01 10:00 AM
[Signature]
NOTARY PUBLIC IN AND FOR THE STATE OF WASHINGTON
BY APPOINTMENT ORDER, 05-00000000-00000000



VICINITY MAP
1"=200'



CORE DESIGN
ENGINEERING • PLANNING • SURVEYING
JOB NO. 03049

14711 NE 29th Place Suite 101
Bellevue, Washington 98007
CERTIFICATE FOR 02862793

APPROVALS

CITY OF REDMOND
EXAMINED AND APPROVED PER S.W. 0617.00(3) THIS 1st DAY OF August 2006

[Signature]
CITY ENGINEER, CITY OF REDMOND



EXAMINED AND APPROVED THIS 1st DAY OF August 2006

[Signature]
DIRECTOR OF PLANNING AND COMMUNITY DEVELOPMENT

EXAMINED AND APPROVED THIS 7th DAY OF August 2006

[Signature]
DIRECTOR OF PUBLIC WORKS

EXAMINED AND APPROVED THIS 10th DAY OF August 2006

KNOW COUNTY DEPARTMENT OF ASSESSMENTS

[Signature]
COUNTY ASSESSOR

VERIZON

SHORT PLAT FILED THIS 20th DAY OF JULY, 2006
A PORTION OF THE S.W. 1/4 OF SECTION 10, TOWNSHIP 20 NORTH, RANGE 3 EAST, W4M
CITY OF REDMOND, KING COUNTY, WASHINGTON
CITY OF REDMOND FILE NO. L00072
THE LOT NO. 10200-007

SURVEYOR'S CERTIFICATE

ISSUED ON: 07/01/06
DATE OF: 07/01/06

RECORDING CERTIFICATE

ISSUED ON: 07/01/06
DATE OF: 07/01/06

2006081090005

WEST COAST SURVEYING COMPANY
14711 NE 29th Place Suite 101
Bellevue, WA 98007
CERT. NO. 03049

RESTRICTIONS OF RECORD

1. THE CITY OF REDMOND HAS REVIEWED THIS INSTRUMENT FOR COMPLIANCE WITH THE CITY OF REDMOND POLYLINE ADDRESSING SYSTEM, AND HAS FOUND IT TO BE IN COMPLIANCE WITH THE CITY OF REDMOND POLYLINE ADDRESSING SYSTEM. THE CITY OF REDMOND POLYLINE ADDRESSING SYSTEM IS A SYSTEM OF ADDRESSING DESIGNED BY THE CITY OF REDMOND FOR THE PURPOSE OF PROVIDING A SYSTEM OF ADDRESSING THAT IS CONSISTENT WITH THE CITY OF REDMOND POLYLINE ADDRESSING SYSTEM AND THE CITY OF REDMOND POLYLINE ADDRESSING SYSTEM. THE CITY OF REDMOND POLYLINE ADDRESSING SYSTEM IS A SYSTEM OF ADDRESSING DESIGNED BY THE CITY OF REDMOND FOR THE PURPOSE OF PROVIDING A SYSTEM OF ADDRESSING THAT IS CONSISTENT WITH THE CITY OF REDMOND POLYLINE ADDRESSING SYSTEM AND THE CITY OF REDMOND POLYLINE ADDRESSING SYSTEM.
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NOTES

1. ALL UTILITIES AND RECORDS ON THIS MAP HAS BEEN PROVIDED BY THE CITY OF REDMOND FOR THE POLYLINE ADDRESSING SYSTEM. THE CITY OF REDMOND POLYLINE ADDRESSING SYSTEM IS A SYSTEM OF ADDRESSING DESIGNED BY THE CITY OF REDMOND FOR THE PURPOSE OF PROVIDING A SYSTEM OF ADDRESSING THAT IS CONSISTENT WITH THE CITY OF REDMOND POLYLINE ADDRESSING SYSTEM AND THE CITY OF REDMOND POLYLINE ADDRESSING SYSTEM.
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REFERENCES

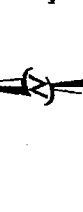
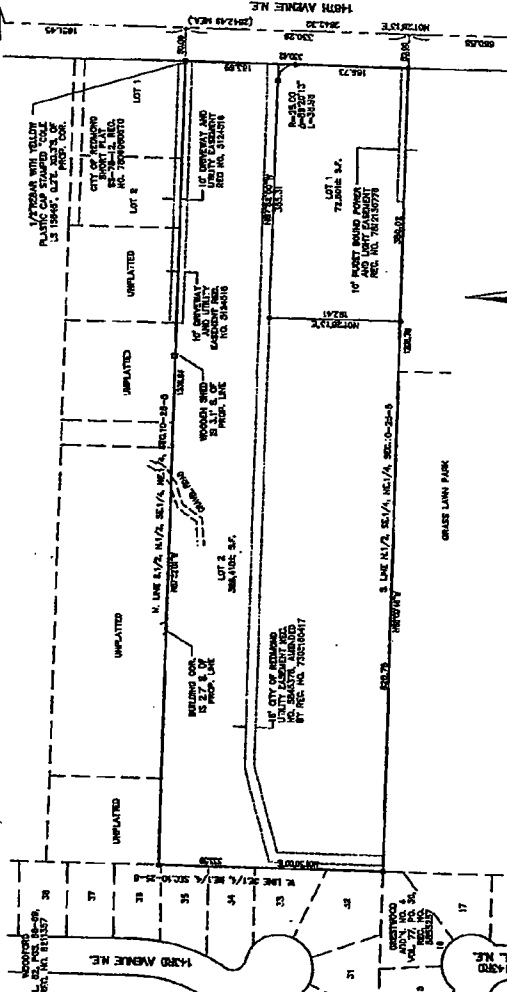
1. CITY OF REDMOND POLYLINE ADDRESSING SYSTEM, INSTRUMENT NO. 9804.
2. CITY OF REDMOND POLYLINE ADDRESSING SYSTEM, INSTRUMENT NO. 9804.
3. CITY OF REDMOND POLYLINE ADDRESSING SYSTEM, INSTRUMENT NO. 9804.
4. CITY OF REDMOND POLYLINE ADDRESSING SYSTEM, INSTRUMENT NO. 9804.
5. CITY OF REDMOND POLYLINE ADDRESSING SYSTEM, INSTRUMENT NO. 9804.

CITY OF REDMOND ADDRESSING SYSTEM

1. AVENUE: EAST AND WEST (AVE.)
2. STREETS: EAST AND WEST (ST.)
3. PLACE: PARALLEL AVENUE
4. CITY: PARALLEL STREET
5. COURT: ROAD END STREETS
6. LOOP: PARALLEL AVENUES - WEST AND SOUTH
7. OVER: UNIMPROVED AVENUES - NORTH AND EAST
8. WALKWAY: DIST. LANEWAY WEST, WEST, NORTH AND EAST
9. ALL DISTANCES OF LOT OR MORE SHALL BE SHOWN ON THE INSTRUMENT ADDRESS STREET



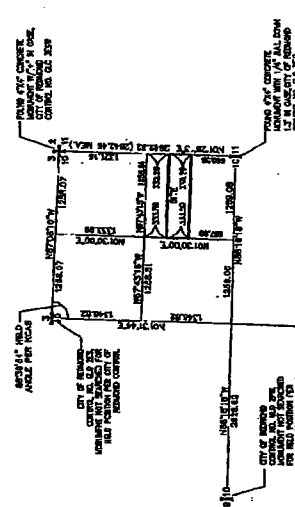
ENGINEERING • PLANNING • SURVEYING
JOB NO. 03049



SCALE: 1" = 100'
BASIS OF BEARINGS
LEGEND
O FOUND CORNER MONUMENT AS NOTED.



VERIZON
A PORTION OF THE S.W. 1/4, S.W. 1/4, S.W. 1/4, SEC. 24, T. 38 N., R. 12 E., N.W. 1/4, CITY OF REDMOND, WASHINGTON COUNTY, WASHINGTON
TAX LOT NO. 10269-1027



SECTION DIAGRAM
1" = 100'
SECTION MONUMENT WITH THE CITY OF REDMOND INSTRUMENT CONTROL, (102.1)

**AGREEMENT OF PURCHASE AND SALE
AND ESCROW INSTRUCTIONS**

This Agreement of Purchase and Sale and Escrow Instructions (the "Agreement") is made as of October 22, 2003 by and between Verizon Northwest Inc., a Washington corporation ("Seller"), and CamWest Development, Inc., a Washington corporation ("Buyer").

Recitals

A. Seller is the owner of the real property consisting of approximately 9.31 acres of improved land, including a building located at 7311 148th Avenue NE, Redmond, Washington (the "Master Parcel").

B. Seller desires to sell an unimproved portion of the Master Parcel consisting of approximately 7.56 acres (the "Land") to Buyer and Buyer desires to purchase the Land from Seller on the terms and conditions contained in this Agreement. Buyer intends to process and obtain the subdivision of the Land from the balance of the Master Parcel. The Master Parcel and the Land are generally shown on the Site Plan set forth in Exhibit "A" attached hereto ("Site Plan"), the Master Parcel is described in Exhibit "A-1" attached hereto, and the Land is generally described in Exhibit "A-2" attached hereto. Seller shall retain the balance of the Master Parcel (including all improvements located thereon) (the "Verizon Parcel"). The Verizon Parcel is generally described in Exhibit "A-3" attached hereto.

THE PARTIES AGREE AS FOLLOWS:

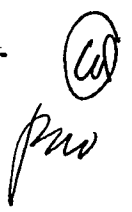
1. Sale of Property; Purchase Price.

1.1 Sale of Property. Seller shall sell to Buyer and Buyer shall purchase from Seller, at the price and upon the terms and conditions set forth in this Agreement: (i) the Land, (ii) any improvements situated on the Land (the "Improvements"), excluding the building located at 7311 148th Avenue NE, Redmond, Washington; and (iii) all appurtenances to the Land owned by Seller, including, without limitation, all development rights, air rights, mineral rights, water, water rights and water stock relating to the Land (the "Appurtenant Rights"). The Land, the Improvements, and the Appurtenant Rights are collectively referred to herein as the "Real Property." The final legal description of the Land will be established by the Plat (as defined in Paragraph 2.10.2 below). The Real Property, and the Personal Property, if any, as described in Paragraph 1.2 below are collectively referred to herein as the "Property."

1.2 Sale of Personal Property. Buyer acknowledges that no personal property ("Personal Property") is being conveyed to Buyer pursuant to this Agreement.

1.3 Purchase Price. Buyer shall pay to Seller as the total purchase price for the Property (the "Purchase Price") the sum of Three Million One Hundred Thousand Dollars (\$3,100,000.00) payable as follows:

1.3.1 Deposit. Buyer shall deliver the sum of One Hundred Fifty Thousand Dollars (\$150,000.00) (the "Deposit") to "Escrow Holder" (as defined in



Paragraph 2.1 below) in immediately available funds concurrently with the delivery of this Agreement executed by Buyer. Buyer acknowledges and agrees that notwithstanding the initial execution of the Agreement, no agreement shall exist between Seller and Buyer until the Deposit is delivered to Escrow Holder, and Seller shall have no obligations to Buyer with respect to the Property until the Deposit is delivered. Escrow Holder is irrevocably authorized and instructed to deliver the Deposit to Seller upon the expiration of the "Feasibility Period" (as defined in Paragraph 2.9.1 below) if Buyer has not terminated this Agreement prior to such expiration date. Buyer agrees to execute all documentation reasonably required by Escrow Holder to effectuate the release of funds in accordance with the terms of this Paragraph 1.3.1.

1.3.2 Balance. The sum of Two Million Nine Hundred and Fifty Thousand Dollars (\$2,950,000) (less any Extension Option Consideration (as defined in Paragraph 2.2.2 below) previously released to Seller) (the "Balance"), constituting the balance of the Purchase Price, shall be deposited by Buyer in immediately available funds into Escrow no later than one (1) business day before the Closing Date (as defined in Paragraph 2.2 below).

2. Escrow; Closing Conditions.

2.1 Escrow. No later than five (5) business days after the execution of this Agreement by Buyer and Seller, Buyer and Seller shall open an escrow (the "Escrow") with Fidelity National Title Company (the "Escrow Holder") and shall deliver a fully executed copy of this Agreement to Escrow Holder. The deposit with Escrow Holder of (1) a fully executed original of this Agreement and (2) the Deposit by Buyer shall constitute the opening of Escrow (the "Opening of Escrow") and authorization to Escrow Holder to act in accordance with the terms of this Agreement. Escrow Holder's standard provisions are attached hereto as Exhibit "2.1" and shall become a part hereof; provided, however that if there is any conflict or inconsistency between such standard provisions and this Agreement, then this Agreement shall control.

2.2 Closing Date. Subject to the Extension Option(s) set forth in Paragraph 2.2.1 below, the Escrow shall close on the earlier of (a) thirty (30) days after the date the City of Redmond approves the Plat (as defined in Paragraph 2.10.2 below) for the Real Property for recordation, or (b) December 15, 2004 (the "Closing Date"). Notwithstanding the foregoing, the "Closing" (as defined in Paragraph 2.7 below) or Close of Escrow shall not occur unless the conditions to the Close of Escrow set forth in this Agreement have been satisfied or waived, including, without limitation, (i) the conditions set forth in Paragraphs 2.9 and 2.10 below, (ii) the condition that all items described in Paragraphs 2.5 and 2.6 below shall have been deposited with Escrow Holder, and (iii) the condition that the "Title Company" (as defined in Paragraph 2.3 below) has unconditionally committed to issue the "Title Policy" (as defined in Paragraph 2.3 below). If any of such conditions have not been satisfied or waived on or before the Closing Date, this Agreement and the Escrow shall terminate; provided, however that such termination shall not affect any claims that either party may have against the other for any breach of this Agreement. If neither party is in default hereunder, upon any termination of this Agreement, the provisions of Paragraph 2.11 below shall apply. In no event shall Buyer's obtaining the Plat be a condition to Buyer's obligation to proceed to the Close of Escrow and Buyer shall be obligated to proceed to the Close of Escrow by no later than the Closing Date (as it may be extended) whether or not Buyer has obtained the Plat.

aw
pmw

2.2.1 Extension of Closing Date. Buyer shall have twelve (12) consecutive one (1) month options to extend the Closing Date (collectively, the "Extension Options") to January 14, 2005, February 15, 2005, March 15, 2005, April 15, 2005, May 16, 2005, June 15, 2005, July 15, 2005, August 15, 2005, September 15, 2005, October 14, 2005, November 15, 2005 and December 15, 2005, respectively, on the terms and conditions of this Paragraph. Buyer may, but shall not be obligated to, exercise each Extension Option in sequence by providing Seller and Escrow Holder notice of Buyer's intent to exercise such Extension Option at least ten (10) days prior to the original Closing Date as it may have been previously extended ("Extension Notice"). Together with the Extension Notice, Buyer shall also deliver the Extension Option Consideration (as defined in Paragraph 2.2.2 below) to Escrow Holder. The Extension Notice shall irrevocably authorize Escrow Holder to release the Extension Option Consideration to Seller in accordance with Paragraph 2.2.2 below.

2.2.2 Extension Option Consideration. In consideration for the exercise of each Extension Option, Buyer shall deliver to Escrow Holder, in immediately available funds, concurrently with the applicable Extension Notice the amount of Twenty Thousand Dollars (\$20,000) (the "Extension Option Consideration"). An Extension Notice shall be of no force or effect unless it is accompanied by the Extension Option Consideration. Escrow Holder is hereby irrevocably authorized and instructed to deliver the Extension Option Consideration to Seller immediately upon receipt of the applicable Extension Notice and the Extension Option Consideration. The Extension Option Consideration shall be retained by Seller, and deemed earned by Seller as of the date the applicable Extension Option is exercised by Buyer as consideration for Seller's extension of the Closing Date. The Extension Option Consideration shall be retained by Seller, provided, however, that if Escrow closes, all Extension Option Consideration shall be credited against the Purchase Price. Buyer agrees to execute all documentation reasonably required by Escrow Holder to effectuate the release of funds in accordance with the terms of this Paragraph 2.2.2.

2.3 Title and Title Insurance. Seller shall convey title to the Real Property to Buyer by a bargain and sale deed in the form of Exhibit "2.3" attached hereto and incorporated herein (the "Bargain and Sale Deed"). At the "Close of Escrow," Fidelity National Title Company (the "Title Company"), shall issue through Escrow a Standard Washington Owner's Policy of Title Insurance (the "Title Policy"), unless Buyer elects extended coverage and pays the additional cost of such coverage pursuant to Paragraph 2.4.2 below, in which event the Title Company shall issue the Title Policy with extended coverage, with liability in the amount of the Purchase Price, insuring fee title to the Real Property vested in Buyer, subject only to the following exceptions (the "Permitted Exceptions"):

- (a) the standard printed exceptions set forth in the Title Policy;
- (b) general and special taxes and assessments not then delinquent or payable over time;
- (c) those certain exceptions which have been approved by Buyer as provided in Paragraph 2.9.4 below; and
- (d) any exceptions to title created by or made through Buyer.

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2.4 Costs.

2.4.1 Escrow Holder's fees with respect to the Escrow shall be shared equally by Seller and Buyer.

2.4.2 Seller shall pay the premium for the Title Policy. The additional cost for any extended coverage, if selected by Buyer, and any endorsements to the Title Policy requested by Buyer shall be paid for by Buyer. Buyer shall pay all costs and expenses, if any, incurred in connection with its obtaining a survey of the Property.

2.4.3 All expenses and charges incurred in connection with the discharge of delinquent taxes, if any, or monetary liens or monetary encumbrances on the Property, other than (a) those created by or made through Buyer, (b) bonds, taxes and assessments payable over time, except to the extent payable by Seller under Paragraph 2.4.4 below, (c) interests granting royalties to third parties, (d) liens arising out of any legal proceedings encumbering the Property, notwithstanding the fact that such liens could be discharged by the payment of money, and (e) any exception to title that cannot expressly, by its terms, be discharged by payment of money, shall be paid by Seller.

2.4.4 All installments of bonds, special taxes or assessments which are a lien on the Property and due and payable in full prior to the time of Closing shall be prorated in the manner set forth in Paragraph 2.8.1 below; provided, however, that in determining any amount payable by Seller, such assessments shall be amortized over the longest period of time permitted by the taxing authority to make such payment, even if the assessment is assessed as a lump sum.

2.4.5 Each party shall be responsible for payment of the fees and expenses of its counsel relating to this Agreement and the transactions contemplated hereby.

2.4.6 Any county documentary or transfer taxes and recording fees shall be paid by Seller. Any city documentary or transfer taxes shall be paid one-half by Buyer and one-half by Seller.


2.4.7 Any other closing costs or charges shall be paid by the party that customarily pays such costs or charges in the County of King, Washington.

2.5 Deposit of Documents and Funds by Seller. Seller shall deposit with Escrow Holder the following items no later than one (1) business day prior to the Closing Date, duly executed and acknowledged where required:

2.5.1 The Bargain and Sale Deed.

2.5.2 An affidavit certifying that Seller is not a "foreign person" as defined in the Internal Revenue Code.

2.5.3 All other documents as may reasonably be required by Escrow Holder or the Title Company to close the Escrow in accordance with this Agreement.

Handwritten signature and initials in the bottom right corner of the page.

2.6 Deposit of Documents and Funds by Buyer. Buyer shall deposit with Escrow Holder the following items no later than one (1) business day prior to the Closing Date, duly executed and acknowledged where required:

2.6.1 The Balance plus such additional funds as are required to pay Buyer's costs and proration as provided in Paragraph 2.4 above and Paragraph 2.8 below, less any credits Buyer is entitled to hereunder.

2.6.2 All other funds and documents as may be reasonably required by Escrow Holder to close the Escrow in accordance with this Agreement.

2.7 Delivery of Documents and Funds at Closing. The performance of the acts set forth in this Paragraph shall constitute the "Closing" or the "Close of Escrow" as such terms are used in this Agreement. The Escrow Holder shall conduct the Closing by recording and distributing the following described documents and funds in the following manner:

2.7.1 Deliver to Seller on the Closing Date immediately available funds in the sum of the Balance, and such other funds, if any, due Seller by reason of proration, less Seller's closing costs and proration, if any, as provided in Paragraph 2.4 above and Paragraph 2.8 below, and any credits Buyer is entitled to hereunder.

2.7.2 Pay the costs referred to in Paragraph 2.4 above.

2.7.3 Record the Bargain and Sale Deed in the Office of the County Recorder of King County.

2.7.4 Obtain and deliver the original Title Policy to Buyer and a copy to Seller.

2.8 Prorations.

2.8.1 Taxes. Escrow Holder shall prorate on a 365-day basis the ad valorem taxes on the Real Property for the current fiscal year and all installments of bonds, special taxes, and assessments payable over time as of the Close of Escrow based upon the most current real estate tax information available. Buyer acknowledges that Seller is obligated to pay to the Washington State Board of Equalization the ad valorem taxes on the Real Property for the entire tax fiscal year during which the Close of Escrow occurs even though (a) Seller will own the Property for less than the entire fiscal year, and (b) such payment may be due following the Close of Escrow. Therefore, Buyer agrees that at the Close of Escrow Seller shall be credited and Buyer shall be debited an amount equal to that portion of the ad valorem taxes on the Real Property attributable to the period from the Close of Escrow to the end of the tax fiscal year in which the Close of Escrow occurs. Any bill for supplemental ad valorem taxes ("Supplemental Taxes") on the Real Property which is issued after the Close of Escrow shall be prorated by Buyer and Seller outside of Escrow after the Close of Escrow. Each party shall remit its pro rata share of any such Supplemental Taxes, as reasonably determined by Seller, to the requesting party outside of Escrow within ten (10) days after such party's receipt of a copy of the bill for such Supplemental Taxes from the requesting party. Notwithstanding the proration procedure described above, Buyer shall assume and shall pay all taxes and assessments (including all roll-

back taxes and assessments) levied or assessed against any portion of the Real Property as the result of a change in the use or ownership of the Real Property occurring from and after the Closing Date, and shall defend, indemnify, and hold Seller harmless from any cost, expense, liability, or obligation (including, without limitation, reasonable attorneys' fees and costs) with respect to any such taxes or assessments. This provision shall survive the Close of Escrow.

2.8.2 Utilities. Escrow Holder shall prorate through Escrow, on a 365-day basis, all water, gas, electric and other utility services, if any, on the Property.

2.9 Buyer's Conditions to Closing. Buyer shall not be obligated to proceed to the Close of Escrow and the Closing shall not occur unless and until, in addition to all other conditions contained in this Agreement, the following conditions have been satisfied or waived in writing by Buyer:

2.9.1 Evaluation of Property. On or before the expiration of the period ending (60) days after the full execution of this Agreement (the "Feasibility Period"), Buyer, in Buyer's sole discretion, shall have approved the Property, including, without limitation, the results of all inspections, tests or studies of the Property conducted by or on behalf of Buyer. Buyer shall deliver to Seller, promptly upon receipt, copies of all written inspection results, tests and studies of the Property conducted by or on behalf of Buyer. Further, without limiting the generality of the foregoing, Buyer shall have approved the feasibility of its obtaining such governmental approvals and permits as may be required for Buyer's proposed development and use of the Property, including, without limitation, any changes in zoning (collectively, the "Zoning Approvals"), and shall have delivered written notice thereof to Seller and Escrow Holder. Buyer's failure to notify Seller or Escrow Holder prior to the expiration of the Feasibility Period of Buyer's disapproval of the Property or any of Buyer's feasibility studies shall constitute Buyer's election to proceed to the Close of Escrow. All inspections, tests and studies conducted by Buyer shall be at Buyer's sole cost and expense. Buyer shall deliver to Seller copies of all applications, plans and specifications, environmental reports and other documentation for Zoning Approvals for Seller's information concurrently with Buyer's submission thereof to any applicable government authority and shall invite Seller to attend all public meetings and hearings related to such Zoning Approvals. Buyer agrees that Buyer shall keep Seller reasonably informed as to the status of Buyer's progress in obtaining all Zoning Approvals. Seller shall cooperate with Buyer as reasonably requested by and at the sole expense of Buyer (and to the extent possible) for the purpose of obtaining all Zoning Approvals and permits required in connection with Buyer's proposed development and use of the Property; provided, however, that the effectiveness of any such Zoning Approvals affecting the Property shall be expressly conditioned upon the occurrence of the Close of Escrow and shall not be binding upon Seller.

2.9.2 Related Documents. Promptly following the execution of this Agreement by Buyer and Seller, Seller shall have delivered to Buyer copies of any technical studies or reports in Seller's possession and which are located at the office of (1) Seller's Broker (defined in Paragraph 12 below), (2) Verizon Northwest Inc. Building Services Department, and (3) Verizon Northwest Inc. Environmental Compliance Department regarding the environmental, seismic, or geological condition of the Property. Seller shall not be required to deliver any appraisal(s) of the Property or any other documents relating to the value of the Property to



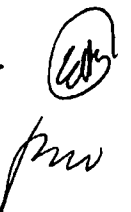
Buyer. Seller (a) has not independently investigated any information included in such studies or report; and (b) has not made and does not make any representations or warranty regarding the truth, accuracy or completeness of the information made available to Buyer. Seller shall use commercially reasonable efforts to deliver the documentation described above to Buyer; provided, however that Buyer acknowledges and agrees that despite Seller's commercially reasonable efforts to deliver to Buyer the documentation described herein, documents may inadvertently not be provided to Buyer, and Buyer shall make its own independent inspection of the Property in the manner set forth in Paragraph 5 below. Notwithstanding anything to the contrary contained in this Paragraph 2.9.2, Seller does not represent or warrant that any such studies or reports exist or are in Seller's possession, and Buyer assumes the entire risk of any inadvertent failure by Seller to deliver any documents to Buyer.

2.9.3 Evaluation of Title Report. Promptly following the execution of this Agreement by Buyer and Seller, the Title Company shall have delivered to Buyer a preliminary title report issued by the Title Company (the "Preliminary Report") for the Property (as well as copies of all title documents referred to therein).

2.9.4 Title Review.

2.9.4.1 Approval. Buyer shall not have disapproved the Preliminary Report within fifteen (15) calendar days after the receipt of the Preliminary Report and copies of all documents referenced therein. Buyer shall provide to Seller and Escrow Holder written notice of Buyer's disapproval of any title exception (the "First Notice"). Any title exception not so disapproved shall be deemed approved, provided that if a supplemental report is issued showing any exception not shown on the Preliminary Report, Buyer shall have an additional ten (10) calendar days after receipt of such supplemental report and copies of all documents referred to therein (not previously provided to Buyer) to approve or disapprove any such title exception. Notwithstanding anything to the contrary contained in this Paragraph, Buyer shall not be entitled to extend the title review beyond the expiration of the Feasibility Period for any supplemental title report issued in connection with a survey of the Property obtained on behalf by Buyer. Buyer shall not be entitled to disapprove liens for current non-delinquent property taxes or any exception to title created or made through Buyer.

2.9.4.2 Disapproval. Should Buyer disapprove any matters of title, then within ten (10) calendar days after Seller's receipt of such First Notice (the "Second Notice Period"), Seller shall provide notice to Buyer and Escrow Holder whether Seller is willing or able, in Seller's sole discretion, to attempt to cause such disapproved items to be eliminated prior to or at Closing (the "Second Notice"); provided, however, that if Seller does not provide such Second Notice, Seller shall be deemed to have elected not to attempt to remove the disapproved title exceptions. If the Second Notice states that Seller will attempt to cause such disapproved title exceptions to be removed from title to the Real Property prior to or at Closing, then Seller covenants to use commercially reasonable efforts to so remove them. If the Second Notice states that Seller is unable or unwilling to remove such disapproved title exceptions (or if Seller fails to send the Second Notice), then within ten (10) calendar days after (a) receipt of such Second Notice, or (b) expiration of the Second Notice Period if Seller fails to send the Second Notice, Buyer shall provide a notice to Seller and Escrow Holder stating whether Buyer will waive, in Buyer's sole discretion, Seller's inability or unwillingness to



remove all the specified disapproved title exceptions from title to the Real Property (the "Third Notice"); provided, however, Buyer's failure to give such Third Notice shall be deemed to be a refusal to waive Buyer's disapproval of the title exceptions. If Buyer's Third Notice specifies that Buyer waives prior disapprovals except as to those matters Seller has eliminated or will eliminate prior to or at the Closing, the condition contained in this Paragraph 2.9.4 shall be deemed satisfied, so long as any disapproved title exceptions which Seller has agreed to eliminate prior to or at the Closing have been eliminated prior to or at the Closing. If the Third Notice specifies that Buyer refuses to waive its prior disapprovals (or if the Third Notice is not provided), this Agreement and the Escrow shall terminate in accordance with Paragraph 2.11 herein.

2.9.5 Issuance of Title Policy. The Title Company shall have issued the Title Policy as of the Close of Escrow.

2.9.6 Waiver. The foregoing conditions set forth in Paragraphs 2.9.1 through 2.9.5 above are for the benefit of Buyer, and may be waived by Buyer in writing delivered to Seller and Escrow Holder. In satisfying the foregoing conditions, Buyer and Seller shall each exercise good faith, reasonableness and diligence. However, decisions authorized to be made in the sole discretion of either Buyer or Seller shall be final and not subject to review or challenge on any basis.

2.10 Seller's Conditions to Closing. Seller shall not be obligated to proceed to the Close of Escrow and the Closing shall not occur unless and until, in addition to all other conditions contained in this Agreement, the following conditions have been satisfied or waived in writing by Seller:

2.10.1 Property Deeds. Buyer acknowledges and agrees that as an additional condition to the Seller's obligation to proceed to the Close of Escrow, Buyer shall have provided to Seller evidence satisfactory to Seller that Buyer and all subsequent purchasers of all or a portion of the Property, including purchasers of individual home parcels (collectively, the "Subsequent Owners"), will be subject to covenants, conditions and restrictions (the "Covenants"), in form and content satisfactory to Seller, pursuant to which all such Subsequent Owners shall (a) acknowledge that the Property is adjacent to an operating telecommunications facility on the Remainder Parcel, and (b) agree that such Subsequent Owners shall not take any actions to challenge the existence, maintenance, expansion or operation of such facility on the Remainder Parcel.

2.10.2 Plat. Buyer has obtained all necessary governmental approvals, and has caused the Plat to record on or before the Close of Escrow in compliance with all applicable statutes and ordinances, thereby creating a modified separate legal lot for (a) the Verizon Parcel and (b) the Real Property. Buyer agrees to use its best efforts to cause the Plat to record prior to the Closing, as it may be extended. Buyer expressly assumes the risk that the Plat may not record. The Plat (including any conditions) (a) shall be satisfactory to Seller in its sole and absolute discretion as it pertains to or in any way affects the Verizon Parcel or any operations thereon, and (b) shall have been processed and recorded at Buyer's sole cost and expense. Notwithstanding the foregoing, Seller shall bear all costs of its internal review and approval of the proposed Plat, including costs for consultants retained by Seller. Buyer shall be

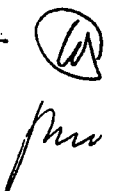
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responsible, at Buyer's sole cost and expense, for complying with all conditions in connection with the Plat. For the purposes of this Agreement, the "Plat" means that certain map to be submitted by Buyer to the City of Redmond that legally divides (a) the Real Property from the Verizon Parcel, and (b) the Real Property into multiple legal lots for construction of single family residences. Seller shall cooperate in timely reviewing and commenting on the aspects of the Plat that pertain to or affect the Verizon Parcel or any operations thereon.

2.10.2.1 Processing of Plat. Buyer shall deliver to Seller copies of all applications for the Plat for Seller's review and approval at least seven (7) business days before Buyer's submission thereof to any applicable governmental authority. Buyer shall invite Seller to attend any and all meetings and hearings relating to the Plat. Within five (5) business days after any meeting or hearing relating to the Plat at which a representative of Seller is not present, Buyer shall deliver to Seller a reasonably detailed report of what took place at such meeting or hearing. Buyer shall keep Seller reasonably informed as to the status of Buyer's progress in obtaining the Plat and Buyer shall use its best efforts to obtain the Plat in a form satisfactory to Seller. In order to keep the processing of the Plat on schedule and provided that Buyer has continuously kept Seller informed about the status of the Plat, Seller shall, within seven (7) business days after receipt, communicate its approval and/or disapproval of any application, responses and other documents and correspondence relating to the Plat to Buyer. Once Seller has approved an aspect of the Plat, Seller shall not later withdraw its approval of same; provided, however, that if any new issues, conditions or restrictions are raised with regard to such approved matter, Seller shall have the opportunity to withdraw or condition its prior approval. Notwithstanding anything to the contrary contained in this Paragraph, Buyer and Seller have approved the proposed boundary line separating the Real Property from the Master Parcel as set forth in the Site Plan. Provided the Plat complies with the terms of this Agreement and that all aspects that pertain to or affect the Verizon Parcel or any operations thereon have been pre-approved by Seller, Seller shall not fail to execute or deliver any instrument necessary to create the Plat.

2.10.2.2 Failure to Obtain the Plat. Notwithstanding anything to the contrary contained in this Agreement, Buyer's failure to obtain the Plat shall constitute a breach of this Agreement and shall entitle Seller to the remedies described in Paragraph 13 below.

2.10.2.3 Delivery of Work Product. Within ten (10) business days after execution of this Agreement by Buyer and Seller, Seller shall use commercially reasonable efforts to deliver to Buyer the originals of all work product in its possession relating to the proposed subdivision of the Real Property from the Master Parcel, such as short plat applications, surveys, engineering, traffic, wetland or environmental studies, feasibility analyses, or comments from the permitting jurisdiction, if any, for Buyer's use in processing and obtaining the Plat; provided, however, that Seller shall not be required to deliver any financial appraisals or other proprietary information to Buyer. Seller does not make any representation or warranty regarding the truth, accuracy or completeness of the information delivered to Buyer pursuant to this Paragraph. Seller shall remain solely responsible for the cost of the work product incurred by it prior to the execution of this Agreement. Notwithstanding anything to the contrary contained in this Paragraph, Seller does not represent or warrant that any



such studies or reports exist or are in Seller's possession, and Buyer assumes the entire risk of any inadvertent failure by Seller to deliver any documents to Buyer.

2.10.3 Performance of Obligations. At or prior to the Closing Date, Buyer shall have performed all of Buyer's obligations herein that are to be performed prior to the Closing.

2.10.4 Waiver. It is hereby understood that the conditions set forth in Paragraphs 2.10.1 through 2.10.3 are for the benefit of Seller and may be waived by Seller in writing delivered to Buyer and Escrow Holder. In satisfying the conditions in this Paragraph 2.10, Seller and Buyer shall each exercise good faith, reasonableness, and diligence. However, decisions authorized to be made in the sole discretion of either Buyer or Seller shall be final and not subject to review or challenge on any basis.

2.11 Termination. Upon any termination of this Agreement and the Escrow (if applicable) for any reason, other than either party's default hereunder (i) each party shall execute such documents as Escrow Holder may reasonably require to evidence such termination, (ii) Escrow Holder shall charge its fees and expenses to both parties equally, (iii) subject to the provisions of Subparagraph (ii) above, Escrow Holder shall return all documents and funds to the party who deposited them, (iv) Buyer shall return to Seller all documents delivered to it by Seller relating to the Property, (v) Buyer shall deliver to Seller all Documents Relating to the Property, as defined in Paragraph 11 below, (vi) Seller shall return to Buyer any portion of the Deposit previously delivered to Seller, and (vii) all obligations of either party relating to this Agreement and the Property shall terminate.

3. Seller's Representations and Warranties. Seller hereby represents and warrants to Buyer that, unless otherwise provided, at the date of execution hereof and at and as of the Closing Date:

3.1 Corporate Existence and Authority. Seller is a corporation (i) validly existing under the laws of the State of Washington; and (ii) duly authorized, qualified and licensed under any and all laws, ordinances, rules, regulations and requirements of all governmental authorities to do all things required of it under or in connection with this Agreement. This Agreement and all agreements, instruments and documents herein provided to be executed or to be caused to be executed by Seller are duly executed by and binding upon Seller. Each individual executing this Agreement on behalf of Seller represents and warrants that he or she is duly authorized to execute and deliver this Agreement on Seller's behalf.

3.2 Non-Foreign Person. Seller is not a "foreign person" within the meaning of Internal Revenue Code §1445.

3.3 No Litigation. To Seller's actual knowledge, Seller has not been served or threatened in connection with any litigation or other proceeding respecting the Property.

3.4 No Bankruptcy. To Seller's actual knowledge, Seller has not instituted any proceeding for dissolution or liquidation or filed any petition for bankruptcy.



3.5 No Condemnation. To Seller's actual knowledge, Seller has not been served nor has received any claims in writing in connection with any current taking or eminent domain proceeding respecting the Property.

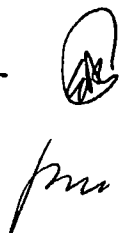
The phrase "to Seller's actual knowledge," as used herein, shall mean the present actual knowledge, without duty of inquiry of Mr. James Tousignant, Manager, Real Estate Services. If Buyer becomes aware of any existing or new item, fact or circumstance which renders one or more of the above representations or warranties made to Seller's actual knowledge incorrect or untrue and Buyer nevertheless proceeds to the Closing, then provided each such representation and warranty was true when made by Seller, each such representation or warranty of Seller shall be automatically limited to account for such item, fact or circumstance.

4. Buyer's Representations and Warranties. Buyer hereby represents and warrants to Seller that at the date of execution hereof and at and as of the Closing Date, Buyer is a corporation (i) validly existing under the laws of the state of its formation and the State of Washington; and (ii) duly authorized, qualified and licensed under any and all laws, ordinances, rules, regulations and requirements of all governmental authorities to do all things required of it under or in connection with this Agreement. This Agreement and all agreements, instruments and documents herein provided to be executed or to be caused to be executed by Buyer are duly executed and binding on Buyer. Each individual executing this Agreement on behalf of Buyer represents and warrants that he or she is duly authorized to execute and deliver this Agreement on Buyer's behalf

5. Buyer's Examination of the Property. Except as provided in Paragraph 3 of this Agreement, Seller makes no representation or warranty respecting the Property, or any portion thereof, or otherwise in connection with the transaction contemplated hereby. Without limiting the generality of the foregoing, Buyer hereby acknowledges and agrees that Buyer will be purchasing the Property "AS IS" with all faults, without representation, warranty or guarantee of any kind, either express or implied, including, without limitation, any warranty of condition, merchantability, habitability or fitness for a particular use or purpose or the value, accuracy of information, marketability, prospects for future development, use or occupancy, except as provided in Paragraph 3 above, and more specifically that:

(a) Prior to the Close of Escrow, Buyer will have made its own independent investigation of the Property and all other aspects of this transaction, including, without limitation, the financial value of the Property and projected future income and expenses for the Property, and has relied entirely thereon and on the advice of its independent consultants (if any) in entering into this Agreement, and not on any information or material supplied by or on behalf of Seller.

(b) Prior to the Close of Escrow, Buyer will have reviewed all instruments, records and documents which Buyer deemed appropriate or advisable to review in connection with the Property and this transaction, and Buyer will have determined that the information and data contained therein or evidenced thereby was satisfactory to Buyer.



(c) Seller makes no representation or warranty with respect to the zoning or permitted use of any portion of the Property.

(d) Prior to the Close of Escrow, Buyer will be fully satisfied that the Purchase Price is fair and adequate consideration for the Property.

(e) Subject to the conditions, covenants, representations and warranties of the parties set forth herein, notwithstanding any adverse effect on the marketability, desirability or value of the Property or any portion thereof which occurs between the execution of this Agreement and the Closing Date, including, without limitation, any adverse effect arising from or related to any changes or proposed changes to any governmental laws, ordinances, statutes, rules or regulations, the transactions contemplated by this Agreement shall be consummated on the terms and conditions contained herein.

(f) Buyer acknowledges receipt of that certain Standard Flood Hazard Determination prepared by FNIS Flood Services, dated April 16, 2003.

6. Hazardous Material.

6.1 Definition of Hazardous Material. As used herein, the term "Hazardous Material" means any hazardous or toxic substance, material, or waste which is or becomes regulated by any local governmental authority, the State of Washington or the United States Government. The term "Hazardous Material" includes, without limitation, any material or substance which is (i) defined as a "hazardous waste," "hazardous substance" or similar term under the Federal Water Pollution Control Act (33 U.S.C. §1317), (ii) defined as a "hazardous waste" pursuant to Section 1004 of the Federal Resource Conservation and Recovery Act, 42 U.S.C. §6901 et seq. (42 U.S.C. §6903), (iii) defined as a "hazardous substance" pursuant to Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. §9601 et seq. (42 U.S.C. §9601), (iv) petroleum, (v) asbestos or (vi) which requires investigation or remediation under any federal, state or local statute, regulation, ordinance, order, action, policy or common law,

6.2 Presence of Hazardous Material. Buyer acknowledges that the Property may or may not contain certain Hazardous Materials and that Seller makes no representation or warranty to Buyer regarding the presence or absence of any Hazardous Materials on or under the Property. It shall be Buyer's responsibility under this Paragraph 6 to examine the Property and to review such reports or other documents it deems necessary to satisfy itself as to the presence or absence of any such Hazardous Materials.

6.3 Right to Inspect. Prior to the expiration of the Feasibility Period, Buyer shall have the right, at its cost and expense, to conduct such physical inspections of the Property as Buyer deems reasonably necessary in order to determine the presence or absence of Hazardous Material on or under the Property (including a Phase I and Phase 2 environmental site assessment). Such inspections by Buyer shall not interfere with the ongoing operations at the Property, shall be conducted at reasonable times and under reasonable circumstances and shall be subject to the prior approval of Seller. Buyer shall promptly deliver the results of such inspections to Seller.



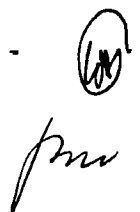
6.4 Cleanup of Hazardous Material. If, prior to the expiration of the Feasibility Period, either Seller or Buyer determines that a legally unacceptable level, according to applicable governmental standards, of Hazardous Material exists on or under the Property, then Buyer may, in Buyer's sole discretion, terminate this Agreement. In such case, Buyer shall bear its own inspection costs, and the provisions of Paragraph 2.11 shall apply. If Buyer elects not to so terminate this Agreement, then Seller may, in Seller's sole discretion, either (1) terminate this Agreement, in which event the provisions of Paragraph 2.11 shall apply, or (2) commence to remove such Hazardous Material from the Property in which event the Close of Escrow shall be delayed until following Seller's completion of such removal. If Seller commences to remove such Hazardous Material, Seller shall thereafter diligently proceed with such removal at Seller's sole cost and expense, and in accordance with all applicable laws, rules, and regulations.

6.5 Buyer's Inspection. If Seller elects to remove such Hazardous Material pursuant to Paragraph 6.4 above, upon completion of such removal, Seller shall deliver to Buyer and to Escrow Holder notice stating that such removal has been completed. Within thirty (30) days following Buyer's receipt of such notice, Buyer shall inspect the Property in order to determine the presence or absence of Hazardous Material on or under the Property; provided, however, that Seller shall have the right to reasonably approve Buyer's agent who is to conduct such inspection. If such inspection reveals that the level of Hazardous Material remaining on or under the Property is at or less than the allowable level under applicable governmental rules or regulations, then Buyer shall be obligated to proceed to the Close of Escrow, and the Close of Escrow shall occur upon the first to occur of (1) the Closing Date, if such removal of Hazardous Material is completed at such time, or (2) within two (2) weeks following Buyer's inspection.

6.6 Indemnification. If the parties proceed to the Close of Escrow, Buyer shall indemnify, defend and hold Seller harmless from any and all claims, demands (including demands by any governmental agency), liabilities, costs, expenses, penalties, damages, losses and liens, including without limitation reasonable attorneys' fees, arising out of or with respect to (1) Hazardous Material on or under the Property, or migrating to or from the Property at the Close of Escrow or released on or under the Property subsequent thereto, and (2) any clean-up of any and all Hazardous Material which might remain or subsequently be placed on or under the Property. The indemnity provided for herein shall survive the Close of Escrow hereunder and shall not be merged into the Bargain and Sale Deed.

6.7 Release. If the parties proceed to the Close of Escrow, then:

6.7.1 Buyer and its employees, contractors, agents, and each of them, and its successors, assigns, heirs, devisees and executors, agree to forever release, discharge and acquit Seller and its parent, subsidiary and/or affiliate corporations, partnerships (general and limited), partners, directors, officers, shareholders, and employees, and each of them (collectively, "Releasees"), of and from any and all claims, demands, obligations, liabilities, indebtedness, breaches of duty of any relationship, acts, omissions, misfeasance, malfeasance, cause or causes of action, costs, sums of money, accounts, compensations, contracts, controversies, promises, damages, costs, losses and expenses, of every type, kind, nature, description or character (including without limitation reasonable attorneys' fees)



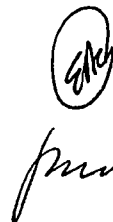
(collectively "Claims"), and irrespective of how, why or by reason of what facts, whether heretofore or now existing, or which could, might or may be claimed to exist in the future, whether known or unknown, suspected or unsuspected, liquidated or unliquidated, including all Claims for nondisclosure, or unsuitable recommendation, each as if fully set forth herein at length, which in any way arise out of, or are connected with or relate to (1) any Hazardous Material on or under the Property, or migrating to or from the Property, at the Close of Escrow or released on or under the Property subsequent thereto, and (2) any required clean-up of any and all Hazardous Material which might remain or subsequently be placed on or under the Property, including without limitation any personal injuries suffered by any person or persons. The release provided for herein shall survive the Close of Escrow hereunder and shall not be merged into the Bargain and Sale Deed.

6.7.2 Buyer and its successors, assigns, heirs, devisees and executors, agrees, represents and warrants that the matters released in Paragraph 6.7.1 hereof are not limited to matters which are known or disclosed, and hereby waives any and all rights and benefits which it now has, or in the future may have, conferred upon it by virtue of any statutes, rights, remedies or benefits of any jurisdictions, state and federal with regard to releases of unknown or undisclosed claims. In connection with the release contained in Paragraph 6.7.1, Buyer agrees, represents and warrants that it realizes and acknowledges that factual matters now unknown to it may have given or may hereafter give rise to Claims which are presently unknown, unanticipated and unsuspected, and further agrees, represents and warrants that the release contained in Paragraph 6.7.1 has been negotiated and agreed upon in light of that realization and that it nevertheless hereby intends to release, discharge and acquit Seller and Releasees from any such unknown Claims to the extent provided herein.

6.7.3 Buyer hereby agrees, represents and warrants that it has had advice of counsel of its own choosing in negotiations for and the preparation of this Agreement (including, without limitation, Paragraphs 6.7.1 and 6.7.2 herein), that it has read Paragraph 6.7.1 hereof and Paragraph 6.7.2, that it has had such Paragraphs fully explained by such counsel, and that it is fully aware of their contents and legal effect.

6.7.4 Buyer acknowledges and agrees that no employee, agent, legal counsel, or other representative of Seller, including Seller's Broker (as defined below) has been authorized to make, and in executing this Agreement Buyer has not relied upon, any statement of Seller, Seller's employees, agents, Seller's Broker, or legal counsel, and should Buyer be mistaken in its belief with regard to some issue of fact or law regarding the matters herein released, it specifically agrees to assume the risk of such mistake, if any exists. Buyer hereby acknowledges that Buyer is capable of performing or causing to be performed a thorough and independent investigation, analysis and evaluation of the Property and all other aspects of the transaction contemplated by this Agreement, and that it has had an opportunity to make, and to have its experts make its and their investigation regarding the matters herein released and all laws, rules and regulations related thereto.

7. Removal of Personal Property. Prior to the Close of Escrow, Seller shall remove from the Property any items of personal property owned by Seller. Such removal shall not affect the amount of the Purchase Price or any other terms or conditions of this Agreement.

Handwritten signature and initials in the bottom right corner of the page.

8. Entry.

8.1 Right of Entry. Buyer and its representatives, employees, contractors, agents and designees shall have the right to enter upon the Property, at Buyer's sole cost and expense, in order to inspect and investigate the Property and to conduct any and all surveys, tests and studies Buyer deems necessary or convenient, provided that Buyer shall immediately restore any damage done to the Property as the result of any such tests, surveys or studies. Prior to any entry upon the Property, Buyer shall designate in writing to Seller one or more representatives of Buyer who shall accompany any of such persons each time they enter upon the Property. Such entry or review shall be made only after reasonable advance written notice to Seller by Buyer (in no event less than 24 hours' advance notice) and at times reasonably acceptable to Seller. Buyer shall indemnify and defend Seller against and hold Seller and the Property free and harmless from any and all claims, demands, liabilities, costs, expenses, penalties, damages, losses and liens, including without limitation, reasonable attorneys' fees, arising out of any such entry by Buyer or its representatives, employees, agents, contractors or designees. The indemnity provided for herein shall survive the termination of this Agreement or the Close of Escrow hereunder and shall not be merged into the Bargain and Sale Deed. The inspections of the Property shall be subject to the terms of this Paragraph 8.1 and shall be considered entries upon the Property for the purposes of this Paragraph 8.1.

8.2 Insurance. Commencing with Buyer's execution of this Agreement and at all times prior to the Close of Escrow, Buyer shall have in effect worker's compensation and employer's liability insurance with statutory limits of coverage as required by law, and with a limit of liability for coverage B of at least \$1,000,000/\$2,000,000 each occurrence/aggregate, and commercial general liability insurance naming Seller as an additional insured, with limits of not less than \$1,000,000 each occurrence, with \$2,000,000 aggregate for bodily injury, including death resulting therefrom, and broad form property damage, including collapse and underground property damage, and (b) waiver of subrogation. Prior to entering the Property, Buyer shall deliver to Seller certificates of insurance evidencing such coverage and further evidencing that such coverage may only be terminated or modified upon thirty (30) day's prior written notice to Seller. These covenants in this Paragraph 8.2 shall survive the Close of Escrow and shall not be merged into the Bargain and Sale Deed.

9. Condemnation. If condemnation proceedings are commenced against all or a portion of the Property (or if a public announcement or written notice is issued contemplating such proceeding) between the date this Agreement is executed by both parties and the Closing Date, Buyer may terminate this Agreement upon notice to Seller within ten (10) days after Seller notifies Buyer of the condemnation, the provisions of Paragraph 2.11 shall apply, and the Deposit shall be returned to Buyer. If Buyer does not terminate this Agreement, then the parties shall proceed to the Closing, and all proceeds and condemnation awards payable by reason of such condemnation shall be paid to Buyer or credited to Buyer at Closing. Seller shall give to Buyer prompt written notice of any condemnation that is commenced or of which Seller receives actual notice. Any condemnation shall be governed by the foregoing provisions, and not by any contrary statute or legal rule.

10. Delivery of Possession. Subject to the rights of all tenants on the Property, if any, Seller shall deliver possession of the Property to Buyer at the Close of Escrow.



11. Delivery of Documents Relating to the Property. Within ten (10) days after the termination of this Agreement and the Escrow (if applicable) for whatever reason, Buyer shall deliver to Seller, without warranty and to the extent assignable by Buyer, at no cost to Seller, (a) all technical data prepared or obtained by Buyer, its agents or contractors in connection with the Property, including, but not limited to, land plans, maps, engineering studies, soils studies, geological studies and other engineering information in Buyer's possession or under Buyer's control, (b) all written documentation prepared or obtained by Buyer or filed with the applicable governmental authority in connection with the Zoning Approvals, including without limitation, applications, plans and specifications and environmental reports, and (c) all other written information relating to the Property in any manner whatsoever that is in Buyer's possession or under Buyer's control, including without limitation, appraisals, drawings and sketches, memoranda, construction documents, reports, studies and other technical or business information ((a), (b), and (c) are collectively referred to herein as, "Documents Relating to the Property"). All Documents Relating to the Property shall be the property of Seller; provided, however, that Buyer hereby confirms to Seller that all Documents Relating to the Property prepared by Buyer's independent consultants are assignable to Seller. Buyer shall keep and shall require its agents to keep all such information confidential both prior to and after any termination of this Agreement. Notwithstanding anything to the contrary contained in this Agreement, if this Agreement is terminated in accordance with Paragraph 2.11 above, Seller shall deliver any portion of the Deposit previously delivered to Seller or any other funds to which Buyer is entitled and Escrow Holder is irrevocably authorized and instructed not to deliver the Deposit or any other funds to which Buyer is entitled until Buyer has complied with the obligations set forth in this Paragraph 11.

12. Commissions. Buyer and Seller represent and warrant to one another that no broker, salesman or finder has been engaged by them in connection with the transactions contemplated by this Agreement other than CB Richard Ellis, Inc. representing Seller ("Seller's Broker"), and Bill Andrews of Windermere Real Estate/Bellevue Commons, Inc. representing Buyer ("Buyer's Broker"). Seller shall pay Seller's Broker a commission in accordance with a separate agreement. Buyer shall pay Buyer's Broker a commission in accordance with a separate agreement. In the event of a claim for brokers' or finders' fees or commissions in connection with the negotiation or execution of this Agreement or the transactions contemplated hereby, Seller shall indemnify, hold harmless and defend Buyer from and against such claim if it shall be based upon any statement, representation, or agreement alleged to have been made by Seller (including any claim asserted by Seller's Broker), and Buyer shall indemnify, hold harmless and defend Seller if such claim shall be based upon any statement, representation, or agreement alleged to have been made by Buyer (excluding any claim asserted by Seller's Broker).

13. LIQUIDATED DAMAGES.

13.1 BUYER'S DEFAULT. NOTWITHSTANDING ANY OTHER PROVISION HEREIN CONTAINED, IN THE EVENT THE BUYER FAILS WITHOUT LEGAL EXCUSE TO COMPLETE THE PURCHASE OF THE PROPERTY, THEN THE DEPOSIT IN THE AMOUNT OF ONE HUNDRED FIFTY THOUSAND DOLLARS (\$150,000) AND ANY INTEREST ACCRUED THEREON, SHALL BE FORFEITED TO THE SELLER AS THE SOLE AND EXCLUSIVE REMEDY FOR SUCH FAILURE. THE PARTIES AGREE SUCH SUM IS A REASONABLE ESTIMATE OF THE DAMAGES TO

Windmere Re \$57,960
CPRE \$28,980



BE INCURRED BY SELLER AS A RESULT OF SUCH DEFAULT, CONSIDERING ALL OF THE CIRCUMSTANCES EXISTING ON THE DATE OF THIS AGREEMENT, INCLUDING THE RELATIONSHIP OF SUCH SUM TO THE RANGE OF HARM TO SELLER THAT REASONABLY COULD BE ANTICIPATED, THE ANTICIPATION THAT PROOF OF ACTUAL DAMAGES WOULD BE COSTLY, DIFFICULT AND IMPRACTICABLE, AND THE INCONVENIENCE OR NONFEASIBILITY OF SELLER OTHERWISE OBTAINING AN ADEQUATE REMEDY. THE PARTIES, IN DETERMINING THE BASIS FOR THE LIQUIDATED DAMAGES AMOUNT, HAVE CONSIDERED POTENTIAL ELEMENTS OF DAMAGE, INCLUDING THE FOLLOWING: (1) LOSS OF USE OF THE PURCHASE PRICE FUNDS; (2) ATTORNEYS' FEES INCURRED IN NEGOTIATING AND DOCUMENTING THE PROPOSED TRANSACTION; (3) REAL ESTATE TAXES; (4) INSURANCE COSTS; (5) UTILITY COSTS; (6) RISK OF LOSS DUE TO POSSIBLE ADVERSE CHANGES IN THE REAL ESTATE MARKET; AND (7) RISK OF LOSS DUE TO POSSIBLE ADVERSE CHANGES IN APPLICABLE TAX LAWS.


SELLER'S RIGHT TO LIQUIDATED DAMAGES DESCRIBED IN THIS PARAGRAPH SHALL BE SELLER'S SOLE REMEDY AS A RESULT OF A FAILURE BY BUYER TO CLOSE THE ESCROW DESCRIBED IN THIS PARAGRAPH. BY PLACING THEIR INITIALS AT THE PLACES PROVIDED, EACH PARTY SPECIFICALLY CONFIRMS THE ACCURACY OF THE STATEMENTS MADE ABOVE AND THE FACT THAT EACH PARTY WAS REPRESENTED BY COUNSEL WHO EXPLAINED THE CONSEQUENCES OF THIS LIQUIDATED DAMAGES PROVISION AT THE TIME THIS AGREEMENT WAS MADE.

SELLER AND BUYER ACKNOWLEDGE THAT THEY HAVE READ AND UNDERSTAND THE PROVISIONS OF THIS PARAGRAPH 13.1 AND BY THEIR INITIALS IMMEDIATELY BELOW AGREE TO BE BOUND BY ITS TERMS.

THE PROVISIONS OF THIS PARAGRAPH 13.1 ARE NOT INTENDED AND SHALL NOT BE CONSTRUED TO LIMIT OR NEGATE BUYER'S INDEMNIFICATION OBLIGATIONS AS SET FORTH ELSEWHERE IN THIS AGREEMENT. NOTHING CONTAINED IN THIS SECTION SHALL AFFECT OR LIMIT THE RIGHTS OF SELLER WITH RESPECT TO (A) ANY CAUSE OF ACTION ARISING FROM ANY OTHER BREACH OR DEFAULT BY BUYER UNDER THIS AGREEMENT (EXCEPT FOR A BREACH OR DEFAULT BY BUYER OF BUYER'S OBLIGATION TO OBTAIN THE PLAT PURSUANT TO PARAGRAPH 2.10.2 AND PARAGRAPH 16); OR (B) THE RECOVERY OF ATTORNEYS' FEES IN ANY ACTION COMMENCED WITH RESPECT TO THIS AGREEMENT.

MJB

Seller's Initials



Buyer's Initials

13.2 SELLER'S DEFAULT. NOTWITHSTANDING ANY OTHER PROVISION HEREIN CONTAINED, IF THE SALE OF THE PROPERTY IS NOT CONSUMMATED BY REASON OF ANY DEFAULT BY SELLER, THEN BUYER SHALL BE ENTITLED, AS ITS SOLE AND EXCLUSIVE REMEDY, WHETHER AT LAW OR IN



EQUITY, EITHER (A) TO TERMINATE THIS AGREEMENT AND RECOVER ITS DEPOSIT AND ITS ACTUAL, REASONABLE, OUT-OF-POCKET EXPENSES INCURRED IN CONDUCTING ITS DUE DILIGENCE INVESTIGATION OF THE PROPERTY IN AN AMOUNT NOT TO EXCEED ONE HUNDRED FIFTY THOUSAND DOLLARS (\$150,000) (THE "DUE DILIGENCE REIMBURSEMENT"), OR (B) IN LIEU OF TERMINATING THE AGREEMENT AND RECOVERING ITS DEPOSIT AND THE DUE DILIGENCE REIMBURSEMENT, BUYER SHALL BE ENTITLED TO PURSUE SPECIFIC PERFORMANCE OF THIS AGREEMENT WITHOUT RIGHT TO ANY DAMAGES (OTHER THAN A RETURN OF THE DEPOSIT AND THE DUE DILIGENCE REIMBURSEMENT IF SPECIFIC PERFORMANCE IS NOT GRANTED) OR OTHER EQUITABLE RELIEF WHATSOEVER, BUT ONLY IF BUYER FILES SUCH SPECIFIC PERFORMANCE ACTION THIRTY (30) DAYS AFTER THE SCHEDULED CLOSING DATE, AND BUYER'S FAILURE TO INITIATE SUCH ACTION WITHIN SUCH THIRTY (30) DAY PERIOD CONSTITUTES AN ABSOLUTE BAR FROM BUYER'S INSTITUTION OF ANY SUCH PROCEEDINGS. BUYER SHALL NOT BE ENTITLED TO RECORD A LIEN OR LIS PENDENS AGAINST THE PROPERTY OTHER THAN IN CONNECTION AND CONCURRENTLY WITH THE FILING OF SUCH SPECIFIC PERFORMANCE ACTION.

SELLER AND BUYER ACKNOWLEDGE THAT THEY HAVE READ AND UNDERSTAND THE PROVISIONS OF THIS PARAGRAPH 13.2 AND BY THEIR INITIALS IMMEDIATELY BELOW AGREE TO BE BOUND BY ITS TERMS.

MJB

Seller's Initials

(G)

Buyer's Initials

14. Attorneys' Fees. If any action or proceeding shall be brought by either party in order to enforce the provisions of this Agreement, or to collect damages as a result of the breach of any of the provisions of this Agreement, whether or not such action or proceeding is pursued to a judgment, the prevailing party shall be entitled to recover all reasonable attorneys' fees costs incurred in connection therewith, including costs.

15. Notices. Whenever Escrow Holder or any party hereto shall desire to deliver to the other any notice, demand, request or other communication, each such notice, demand, request or other communication shall be in writing, shall be given by personal delivery, by registered or certified United States mail, return receipt requested, or by overnight courier, postage prepaid, addressed as follows:

TO SELLER:

Verizon Northwest Inc.
112 S. Lakeview Canyon Rd. (CA501CW)
Thousand Oaks, CA 91362
Attention: Mr. James Pobanz

WITH COPIES TO: Van Etten Suzumoto & Becket
1620 26th Street, Suite 6000 North
Santa Monica, CA 90404
Attention: Michael J. Brill, Esq.

Ken Ashen
CB Richard Ellis, Inc.
15303 Ventura Blvd., Suite 200
Sherman Oaks, CA 91403

TO BUYER: CamWest Development Inc.
9720 NE 120th Place, #100
Kirkland, WA 98034
Attention: Mr. Eric Campbell

WITH COPY TO: Kantor, Taylor, McCarthy & Britzmann
1501 4th Avenue, Suite 1610
Seattle, WA 98101-16662
Attention: Mr. Joe McCarthy

TO ESCROW HOLDER: Fidelity National Title Company
601 S. Figueroa Street, Suite 2130
Los Angeles, CA 90017
Attention: Julia Davis, Escrow Officer

Any such notice, demand, request or other communication shall be deemed effective on the day of actual delivery or refusal to accept as shown by the addressee's return receipt. If the date on which any notice required to be delivered hereunder falls on a weekend or legal holiday, then such notice may be delivered on the next business day immediately following such weekend or holiday. If the date of Closing, or any other date, such as the expiration of the Feasibility Period fall on a weekend or legal holiday, then such date shall automatically be extended to the next business day immediately following such weekend or holiday. The foregoing addresses may be changed by notice given in accordance with this Paragraph 15.

16. Plat. Buyer shall obtain all necessary governmental approvals, and cause the Plat to record on or before the Close of Escrow in compliance with all applicable statutes and ordinances, thereby creating a modified separate legal lot for (a) the Verizon Parcel and (b) the Real Property. Notwithstanding anything to the contrary contained in this Agreement, Buyer's failure to obtain the Plat shall constitute a breach of this Agreement and shall entitle Seller to the remedies described in Paragraph 13.1 above.

17. Amendment; Complete Agreement. All amendments and supplements to this Agreement must be in writing and executed by Buyer and Seller. All understandings and agreements between the parties (including any printed offer of sale provided by Seller to Buyer) regarding the Property are merged in this Agreement, which alone fully and completely

expresses the agreement of the parties regarding the Property. This Agreement has been entered into after full investigation of the facts by both parties and neither party has relied on any statement or representation not embodied in this document. This Agreement has been drafted through a joint effort of the parties and their counsel and therefore shall not be construed against either of the parties as the draftsman.

18. Covenants. Buyer agrees that the Covenants shall be included and/or referenced in, without limitation, (i) the Bargain and Sale Deed, (ii) the master Covenants, Conditions and Restrictions to be recorded by Buyer with respect to the Property ("Master CC&R's), and (iii) individual deeds to Subsequent Owners. Buyer hereby approves the form of Covenants contained in the Bargain and Sale Deed.

19. Governing Law. This Agreement shall be governed under the laws of the State of Washington.

20. Counterparts, Headings and Defined Terms. This Agreement may be executed in several counterparts each of which shall be an original, but all of such counterparts shall constitute one such Agreement. The headings used herein are for convenience only and are not to be construed to be part of this Agreement. For the purposes of this Agreement, (a) the term "including" means "including without limitation," and (b) when a time period is specified in this Agreement for the performance of an act or the occurrence of an event, "days" shall mean "calendar days," unless otherwise specified herein.

21. No Offer. Submission of this Agreement for examination or signature by Buyer is not effective as an agreement to sell the Property or otherwise until execution by and delivery to both Buyer and Seller of an original of this Agreement.

22. Time of the Essence. Time is of the essence of this Agreement.

23. Waiver. The waiver by one party of performance of any covenant, condition or promise shall not invalidate this Agreement, nor shall it be considered to be a waiver by it of any other covenant, condition or promise. The waiver by either or both parties of the time for performing any act shall not constitute a waiver of the time for performing any other act or an identical act required to be performed at a later time. Except as specifically provided in Paragraph 13 above, the exercise of any remedy provided in this Agreement shall not be a waiver of any other remedy provided by law.

24. Third Parties. Nothing contained in this Agreement, expressed or implied, is intended to confer upon any person, other than the parties hereto and their successors and assigns, any rights or remedies under or by reason of this Agreement.

25. Severability. If any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein, unless such invalidity, illegality or unenforceability materially affects the transactions contemplated by this Agreement or the ability of either party to perform its obligations under this Agreement. In such case, either party may terminate this Agreement and



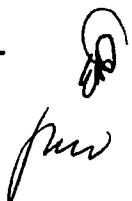
the Escrow on written notice to the other party given no later than ten (10) business days after the party giving such notice becomes aware of such invalidity, illegality or unenforceability, and the provisions of Paragraph 2.11 above shall apply.

26. Tax-Deferred Exchange. Each party shall reasonably cooperate with the other if such other party elects to either acquire the Property or convey the Property in connection with a tax-deferred exchange within the meaning of Section 1031 of the Internal Revenue Code of 1986, as amended, provided that (a) either party's election to effect a tax-deferred exchange shall not create any additional conditions to the Close of Escrow or extend the Closing Date; and (b) Seller shall not be obligated in any event to take or receive title to any other real property in connection with such exchange. Any such exchange shall be accomplished by supplemental instructions, exchange documents and an exchange accommodator, if any, reasonably acceptable to both parties. The party electing to enter into a tax-deferred exchange shall indemnify and hold the other party harmless from and against any and all liens, claims, damages, liabilities, losses, costs and expenses, including reasonable attorneys' fees, arising out of or relating to the cooperating party's participation in the tax-deferred exchange contemplated by this Paragraph. The Close of Escrow shall not be conditioned on the closing of any proposed tax-deferred exchange, and if such proposed tax-deferred exchange is not in a position to close concurrently with the Close of Escrow, Buyer shall nevertheless be obligated to complete the purchase of the Property from Seller on the Closing Date on the terms and conditions of this Agreement.

27. Additional Documents. Each party hereto agrees to perform any further acts and to execute and deliver any further documents which may be reasonably necessary to carry out the provisions of this Agreement.

28. Assignment; Binding Effect. This Agreement shall not be assignable by Buyer to any other party without the prior written consent of Seller, which consent Seller may withhold in its sole discretion. Notwithstanding the foregoing to the contrary, Seller shall not unreasonably withhold its consent to Buyer's assignment of its rights under this Agreement to an entity that is controlled by Buyer, provided that any such entity shall assume all of the obligations of Buyer under this Agreement. No such assignment shall release Buyer from its obligations under this Agreement. For purposes of this Paragraph, any agreement entered into between Buyer and a third party prior to the Close of Escrow to sell or otherwise transfer any interest in the Property, including, without limitation, the execution of escrow instructions contemplating such a sale or transfer shall be deemed an assignment. Any such assignment without Seller's consent as provided herein, shall be deemed a material breach of this Agreement, and Seller, may, in Seller's sole discretion, elect to terminate this Agreement, in which case this Agreement shall be null and void, Buyer shall have no further rights hereunder, and Seller shall be entitled to damages as provided in Paragraph 13. Subject to the foregoing, this Agreement shall be binding upon the heirs, executors, administrators, successors and assigns of Seller and Buyer.

29. Waiver of Trial by Jury. SELLER AND BUYER KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE (TO THE EXTENT PERMITTED BY APPLICABLE LAW) ANY RIGHT THEY MAY HAVE TO A TRIAL BY JURY OF ANY DISPUTE ARISING UNDER OR RELATING TO THIS AGREEMENT, AND THE PARTIES



AGREE THAT ANY SUCH DISPUTE SHALL BE TRIED BEFORE A JUDGE SITTING WITHOUT A JURY.

30. Independent Counsel. Each party acknowledges that it has consulted with and had the opportunity to consult with independent counsel of its own choosing in connection with the negotiation and execution of this Agreement.

31. Backup Offer. Until the Closing, Seller may consider back-up offers for a portion or all of the Property.

32. Limitation of Liability. Buyer acknowledges and agrees that neither the shareholders, officers, employees nor affiliates of Seller shall be liable for obligations entered into by or on behalf of Seller. Seller shall not be liable for any indirect, incidental, speculative, punitive, special, or consequential damages of any kind including, but not limited to, loss of revenue, loss of goodwill, loss of business opportunity, loss of profits, losses related to third party claims or any one or more of them arising in any manner from this Agreement or the performance or nonperformance of obligations related thereto regardless of the foreseeability thereof. Notwithstanding anything to the contrary set forth in Paragraph 13.2 above, if prior to the Closing Date Buyer becomes aware of any existing or new item, fact or circumstance that renders a representation or warranty of Seller set forth herein incorrect or untrue in any material respect (collectively, the "Representation Matter") or that has a material, adverse impact on the value of the Property, then provided such representation or warranty was true when made by Seller, Buyer's sole remedy shall be the right to terminate this Agreement and obtain a refund of the Deposit by providing written notice thereof to Seller no later than seven (7) business days after Buyer learns of such Representation Matter. If Buyer does not timely terminate this Agreement, then Seller's representations and warranties shall be automatically limited to account for the Representation Matter, Buyer shall be deemed to have waived Buyer's right to pursue any remedy for breach of the representation or warranty made untrue on account of such Representation Matter, and the parties shall proceed to the Close of Escrow. Notwithstanding anything to the contrary contained in this Agreement, Buyer hereby agrees that Seller's maximum liability under this Agreement for actual, direct damages shall not exceed One Hundred Fifty Thousand Dollars (\$150,000) in the aggregate and that any action or claim asserted by Buyer against Seller must be filed (if at all) within twelve (12) months following the Closing, and Buyer hereby waives any right to bring any such claim or action thereafter. The provisions of this Paragraph 32 shall survive the Closing and shall not merge with the Bargain and Sale Deed.

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

SELLER:

VERIZON NORTHWEST INC.,
a Washington corporation

By: *Michael J. Baumann*
Michael J. Baumann
Title: Director - Portfolio Management

By: _____
Title: _____

APPROVED AS TO FORM
VAN ETEN SUZUMOTO & BECKET LLP

By: *J. W. [Signature]*
Date: 11-19-03

BUYER:

CAMWEST DEVELOPMENT, INC., a
Washington corporation

By: *Stacy [Signature]*
Title: President

By: _____
Title: _____

[Handwritten signature]

Receipt of the foregoing instructions by Escrow Holder is acknowledged, said escrow holding is accepted and Escrow Holder agrees to hold and dispose of the funds and documents deposited in the escrow in accordance with these instructions.

Dated: 1-9-04, 2003.

Fidelity National Title Company

By: *Julia Davis*
Julia Davis, Escrow Officer

JD

**AGREEMENT OF PURCHASE AND SALE
AND ESCROW INSTRUCTIONS**

LIST OF EXHIBITS

Exhibit A	Site Plan
Exhibit A-1	Legal Description of Master Parcel
Exhibit A-2	Legal Description of The Land
Exhibit A-3	Legal Description of the Verizon Parcel
Exhibit 2.1	Escrow Holder's Standard Provisions
Exhibit 2.3	Bargain and Sale Deed

A handwritten signature or set of initials in the bottom right corner of the page, consisting of a circle with a stylized 'C' inside and a flourish below it.

AGREEMENT OF PURCHASE AND SALE
AND ESCROW INSTRUCTIONS

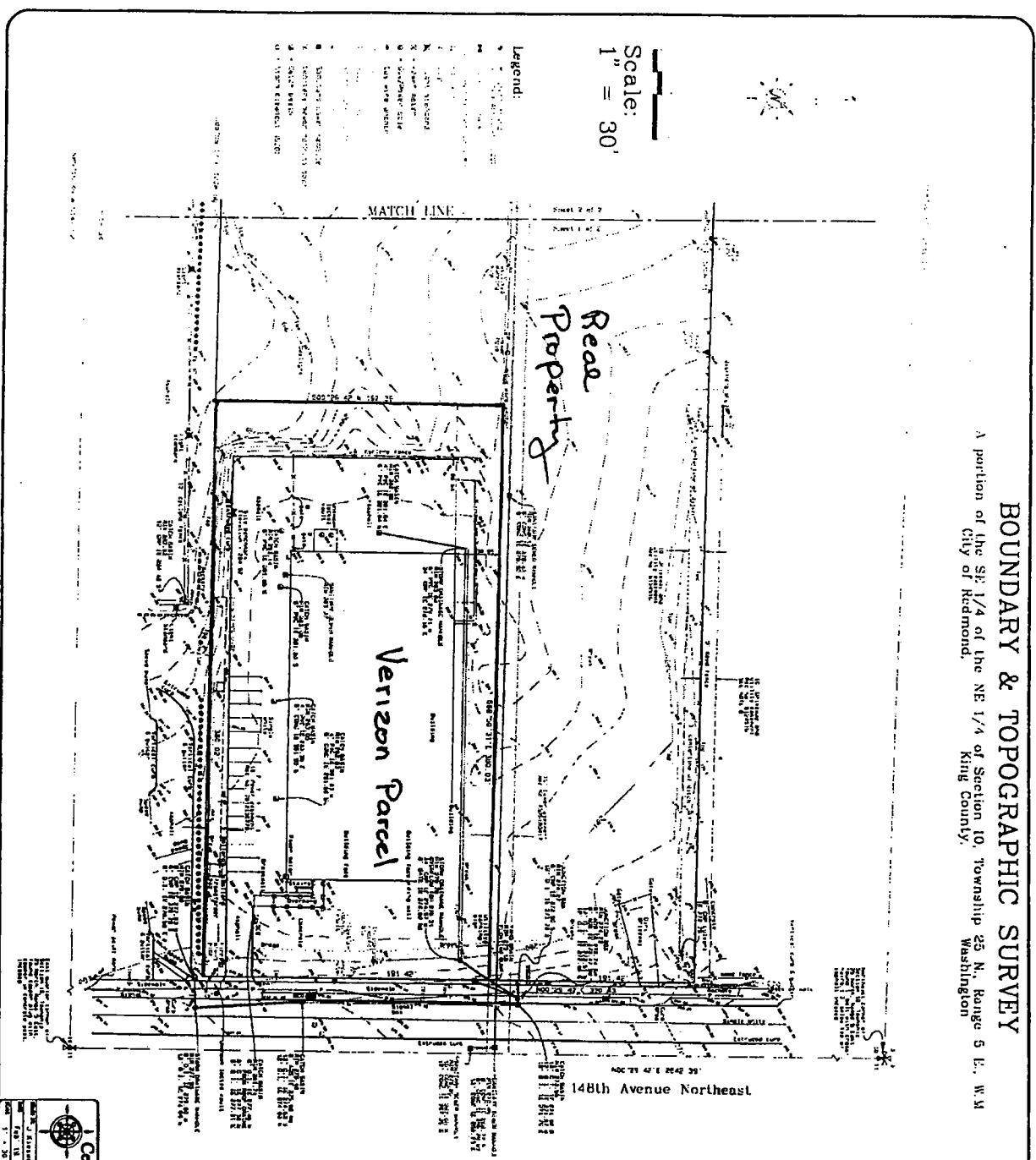
EXHIBIT "A"

SITE PLAN

(see attached)

A handwritten signature in black ink, consisting of a stylized 'C' or 'L' shape above a cursive name that appears to be 'John'.

BOUNDARY & TOPOGRAPHIC SURVEY
 A portion of the SW 1/4 of the NE 1/4 of Section 10, Township 25 N., Range 5 E., W.M.
 City of Redmond, King County, Washington



Centre Pointe Surveying
 2010 1st Avenue South
 Redmond, WA 98053
 (509) 881-1234
 www.centerpointesurveying.com

SE-NE 10, T25N, R5E, W1E
 KING COUNTY, WASHINGTON
 SHEET 1 OF 2

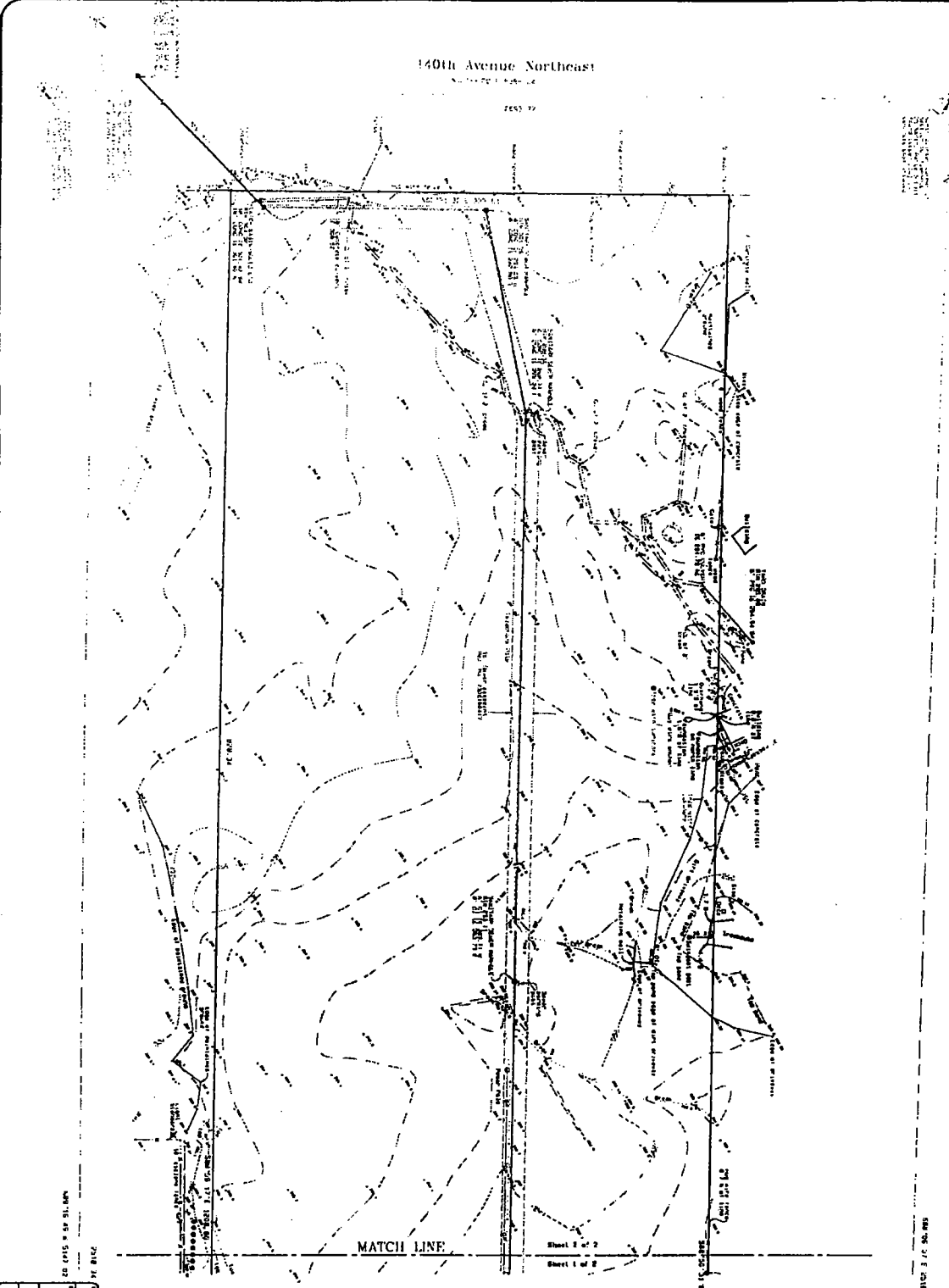
Surveyor's Notes:
 1. The monument bearing shown for this 1:25 scale was determined by a traverse from the 1:25 scale monument to the 1:25 scale monument. The monument bearing was determined by a traverse from the 1:25 scale monument to the 1:25 scale monument. The monument bearing was determined by a traverse from the 1:25 scale monument to the 1:25 scale monument.

Basis of Bearing:
 The bearing was determined by a traverse from the 1:25 scale monument to the 1:25 scale monument. The bearing was determined by a traverse from the 1:25 scale monument to the 1:25 scale monument. The bearing was determined by a traverse from the 1:25 scale monument to the 1:25 scale monument.

Description:
 The monument is a 1:25 scale monument. The monument is a 1:25 scale monument. The monument is a 1:25 scale monument. The monument is a 1:25 scale monument. The monument is a 1:25 scale monument.

Benchmark:
 The benchmark is a 1:25 scale benchmark. The benchmark is a 1:25 scale benchmark. The benchmark is a 1:25 scale benchmark. The benchmark is a 1:25 scale benchmark. The benchmark is a 1:25 scale benchmark.

BOUNDARY & TOPOGRAPHIC SURVEY
 A portion of the SE 1/4 of the NE 1/4 of Section 10, Township 25 N., Range 5 E., W.M.
 King County, Washington



586 795 27 E. 0318.82



Scale:
 1" = 30'

Legend:

- Monument (Wood) 2x, 2002
- Station (Wood) 2x, 2002
- Site boundary
- Temporary boundary (line)
- Well
- Pipe
- Right of way
- River water
- Out/flow water
- Dry river bed
- Stream
- Utility
- Utility (under ground)
- Utility (over ground)
- Utility (over ground) (pole)
- Chain base
- Sign (stone), 1824



Centre
 2008 1st Avenue South
 Poulsbo, WA 98268
Poulsbo
 Surveying
 2008 1st Avenue South
 Poulsbo, WA 98268
 360.888.1144
 360.888.1144
 360.888.1144

2008 1st Avenue South
 Poulsbo, WA 98268
 360.888.1144
 360.888.1144
 360.888.1144
 SE-NE 10, T25N, R5E, W4
 KING COUNTY, WASHINGTON
 SHEET 2 OF 2

(Handwritten signature)

AGREEMENT OF PURCHASE AND SALE
AND ESCROW INSTRUCTIONS

EXHIBIT "A-1"

LEGAL DESCRIPTION OF MASTER PARCEL

THE SOUTH 1/2 OF THE NORTH 1/2 OF THE SOUTHEAST 1/4 OF THE NORTHEAST 1/4
OF SECTION 10, TOWNSHIP 25 NORTH, RANGE 5 EAST W.M.;

EXCEPT THE EAST 50 FEET FOR 148TH AVENUE

SITUATE IN THE COUNTY OF KING, STATE OF WASHINGTON.



AGREEMENT OF PURCHASE AND SALE
AND ESCROW INSTRUCTIONS

EXHIBIT "A-2"

LEGAL DESCRIPTION OF THE LAND

(see attached)



Exhibit A-2

**Verizon Property to be Released
Legal Description**

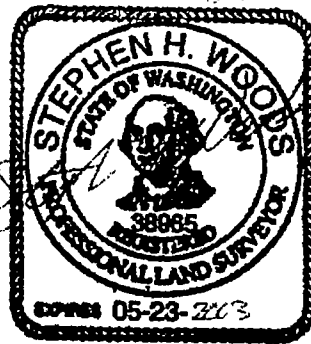
The South 1/2 of the North 1/2 of the Southeast 1/4 of the Northeast 1/4 of Section 10, Township 25 North, Range 5 East, W.M.;

EXCEPT the East 50 feet for 148th Avenue.

AND EXCEPT the following described property:

Beginning at the southeast corner of the above described property;
thence North $88^{\circ}59'17''$ West, along the south line thereof, a distance of 380.02 feet.
thence North $00^{\circ}29'42''$ East, a distance of 192.39 feet;
thence South $88^{\circ}50'31''$ East, a distance of 380.03 feet to the west margin of 148th Avenue;
thence South $00^{\circ}29'42''$ West, along said margin, a distance of 191.42 feet to the Point of Beginning.

Situate in the County of King, State of Washington.



WJ
JW

AGREEMENT OF PURCHASE AND SALE
AND ESCROW INSTRUCTIONS

EXHIBIT "A-3"

LEGAL DESCRIPTION OF THE VERIZON PARCEL

(see attached)

Handwritten signature or initials in the bottom right corner, possibly reading "pm" or similar.

Exhibit A-3

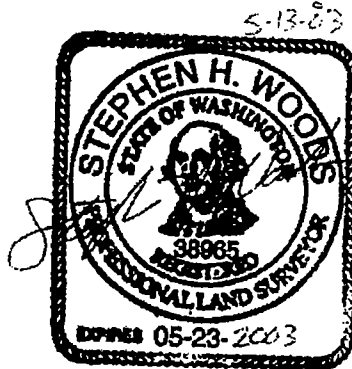
**Verizon Retained Property
Legal Description**

A portion of the following described property:

The South 1/2 of the North 1/2 of the Southeast 1/4 of the Northeast 1/4 of Section 10,
Township 25 North, Range 5 East, W.M.;
EXCEPT the East 50 feet for 148th Avenue.
Situate in the County of King, State of Washington.

Described as follows:

Beginning at the southeast corner of the above described property;
thence North $88^{\circ}59'17''$ West, along the south line thereof, a distance of 380.02 feet.
thence North $00^{\circ}29'42''$ East, a distance of 192.39 feet;
thence South $88^{\circ}50'31''$ East, a distance of 380.03 feet to the west margin of 148th
Avenue;
thence South $00^{\circ}29'42''$ West, along said margin, a distance of 191.42 feet to the Point of
Beginning.



(SN)
Jen

AGREEMENT OF PURCHASE AND SALE
AND ESCROW INSTRUCTIONS

EXHIBIT "2.1"

ESCROW HOLDER'S STANDARD PROVISIONS

TO: FIDELITY NATIONAL TITLE COMPANY

1. Time is of the essence of these instructions. If this escrow is not in a condition to close by the TIME LIMIT DATE as provided for in the foregoing Purchase Agreement and written demand for cancellation is received by you from any principal to this escrow after said date, you shall act in accordance with Paragraph 7 of the General Provisions. If no conflicting instruction or demand for cancellation is made, you will proceed to close this escrow when the principals have complied with the escrow instructions. In the event one or more of the General Provisions are held to be invalid, those remaining will continue to be operative. Any amendments of or supplements to any instructions affecting escrow must be in writing. You are authorized, prior to the close of escrow, to pay from funds on deposit any fees necessary to obtain any demand and/or report as may be required in this escrow and at the close of escrow charge the parties as appropriate. The principals will hand you any funds and instruments required from each respectively to complete this escrow. Interest on any new financing may begin to accrue on the date loan funds/proceeds are disbursed by the new lender, and borrower agrees to pay same in accordance with lender's instructions.

2. You are instructed to deliver and/or record all documents and disburse all funds when you can comply with these instructions and issue any title insurance policy as called for herein. These instructions, together with any amendments and/or supplements, may be executed in counterparts and together shall constitute one and the same document. If these instructions relate to a sale, and if there is no other written agreement between the parties pertaining thereto, buyer agrees to buy and seller agrees to sell upon the terms and conditions hereof. All documents, balances and statements due the undersigned are to be mailed to the respective addresses shown herein, unless otherwise directed. In the event that any party to this escrow utilizes facsimile transmitted signed documents, all parties hereby agree to accept and hereby instruct the escrow holder to rely upon such documents as if they bore original signatures. Buyer and seller further acknowledge that any documents to be recorded bearing non original (facsimile) signatures will not be accepted for recording by the county recorder.

3. The phrase "close of escrow" (or COE) as used in this escrow means the date on which documents are recorded, unless otherwise specified.

4. Assume a 30 day month in any proration herein provided, and unless otherwise instructed, you are to use the information contained in the latest available tax statement, including any supplemental taxes of record, rental statement as provided by seller and beneficiary's or association-statements delivered into escrow for proration purposes.



5. Upon close of escrow you are instructed to charge our respective accounts the costs attributable to each, including but not limited to costs as provided for herein and/or in accordance with our respective estimated statements attached hereto and made a part hereof.

6. Recordation of any instruments delivered through this escrow, if necessary or proper for the issuance of the policy of title insurance called for, is authorized. No examination or insurance as to the amount or payment of personal property taxes is required unless specifically requested.

7. If demand to cancel is submitted after the Time Limit Date, any principal so requesting you to cancel this escrow shall file notice of demand to cancel in your office in writing. You shall within three (3) working days thereafter mail by certified mail one copy of such notice to each of the other principals at the address stated in this escrow. Unless written objection thereto is filed in your office by a principal within fifteen (15) calendar days after the date of such mailing, you are instructed to cancel this escrow. If this is a sale escrow, you may return the lender's papers and/or funds upon lender's demand.

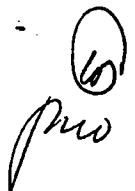
8. In the event that this escrow is canceled, any fees or charges due Fidelity National Title Company including cancellation fees and any expenditures incurred or authorized shall be paid from funds on deposit unless otherwise specifically agreed to or determined by a court of competent jurisdiction. Upon payment thereof, return documents and monies to the parties as set forth in the foregoing Purchase Agreement, or as ordered by the court, and void any executed instruments.

9. If there is no written activity by a principal to this escrow within any six-month period after the Time Limit Date set forth in the Purchase Agreement, Fidelity National Title Company may, at its option, terminate its agency obligation and cancel this escrow, returning all documents, monies or other items held, to the respective parties entitled thereto, less any fees and charges as provided herein.

10. If for any reason, funds are retained or remain in escrow after the closing date, you may deduct therefrom a reasonable charge as custodian, of not less than \$25.00 per month, unless otherwise specified.

11. In the event that you should receive written conflicting demands or claims with respect to this escrow, or with respect to the rights of any of the parties hereto, or with respect to any money or property deposited herein, you shall have the absolute right at your option to discontinue any or all further acts until such conflict is resolved to your satisfaction, including by means of filing an action in interpleader if agreement is not reached within a reasonable time.

12. In the event that any Offer to Purchase, Deposit Receipt, or any other form of Purchase Agreement (collectively, the "Purchase Agreement") is deposited in this escrow, if there is a conflict between the terms of these General Provisions and the Purchase Agreement, the terms of the Purchase Agreement shall control.



13. The parties hereto, by execution of these instructions acknowledge that the escrow holder assumes no responsibility or liability whatsoever for the supervision of any act or the performance of any condition which is a condition subsequent to the closing of this escrow.

14. In the absence of instructions to the contrary, you are hereby authorized to utilize wire services, overnight next day, or other expedited delivery services (as opposed to the regular U.S. Mail) and to charge the respective party's account accordingly.

15. Concerning any real property involved in this transaction you are released from and shall have no liability, obligation or responsibility with respect to (a) withholding of funds pursuant to Section 1445 of the Internal Revenue Code of 1986 as amended, and to Sections 18662 and 18668 of the California Revenue and Taxation Code, (b) advising the parties as to the requirements of said Section 1445, (c) determining whether the transferor is a foreign person or a nonresident under such Section, nor (d) obtaining a non foreign affidavit or other exemption from withholding under said Sections nor otherwise making any inquiry concerning compliance with such Sections by any party to the transaction.

16. If you pay a demand to pay in full a revolving line of credit or equityline loan, you are hereby instructed on my behalf and for my benefit, to request that the lender issuing said demand cancel said revolving line or equityline of credit.

17. You are authorized to furnish to any affiliate of Fidelity National Title Company, any attorney, broker or lender identified with this transaction or any one acting on behalf of such lender any information, instructions, amendments, statements, or notices of cancellation given in connection with this escrow. If any check submitted to escrow is dishonored when presented for payment, you are authorized to notify all principals and/or their respective agents of such non payment.

18. All notices, change of instructions, communications and documents are to be delivered in writing to the office of Fidelity National Title Company, as set forth herein.

19. All funds received in this escrow shall be deposited with other escrow funds in one or more non-interest bearing demand accounts of Fidelity National Title Company in any state or federal bank or any state or federal savings and loan association ("the depository institutions") and may be transferred to any other such accounts.

The parties to this escrow acknowledge that while these accounts do not bear interest, because of these and other banking relationships with the depository institutions, Fidelity National Title Company and its affiliates may receive from some of the depository institutions an array of banking services, accommodations or other benefits. Fidelity National Title Company and its affiliates also may elect to enter into other business transactions with or obtain loans for investment or other purposes from some of the depository institutions. All of such services, accommodations and other benefits shall accrue, directly or indirectly, to Fidelity National Title Company and its affiliates and they shall have no obligation to account to the parties to this escrow for the value of such services, accommodations or other benefits. All disbursements shall be made by Fidelity National Title Company check, unless otherwise instructed.

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Fidelity National Title Company shall not be responsible for any delay in closing if funds received by escrow are not available for immediate withdrawal. Fidelity National Title Company may, at its option, require concurrent instructions from all principals prior to release of any funds on deposit in this escrow.

20. You are authorized to destroy or otherwise dispose of any and all documents, papers, instructions, correspondence and other material pertaining to this escrow at the expiration of six (6) years from the close of escrow or cancellation thereof, without liability and without further notice.

IMPORTANT NOTICE

Except for wire transfers, funds remitted to this escrow are subject to availability requirements imposed by Section 12413.1 of the California Insurance Code. CASHIER'S, CERTIFIED or TELLER'S checks, payable to FIDELITY NATIONAL TITLE COMPANY are generally available for disbursement on the next business day following the date of deposit.

Other forms of payment may cause extended delays in the closing of your transaction pursuant to the requirements imposed by State Law

(Wire transfer information available upon request)

ALL PARTIES TO THIS ESCROW ACKNOWLEDGE THAT FIDELITY NATIONAL TITLE COMPANY DOES NOT PROVIDE LEGAL ADVICE NOR HAS IT MADE ANY INVESTIGATION, REPRESENTATIONS OR ASSURANCES WHATSOEVER REGARDING THE LEGAL ASPECTS OR COMPLIANCE OF THIS TRANSACTION WITH ANY TAX, SECURITIES OR ANY OTHER STATE OR FEDERAL LAWS. IT IS RECOMMENDED THAT THE PARTIES OBTAIN INDEPENDENT LEGAL COUNSEL AS TO SUCH MATTERS.



THE FOREGOING ESCROW INSTRUCTIONS AND GENERAL PROVISIONS HAVE BEEN READ AND ARE UNDERSTOOD AND AGREED TO BY EACH OF THE UNDERSIGNED.

SELLER:

VERIZON NORTHWEST INC.,
a Washington corporation

By: _____

Title: _____

By: _____

Title: _____

BUYER:

CAMWEST DEVELOPMENT, INC., a
Washington corporation

By: *Eric Campbell*

Title: *President*

By: _____

Title: _____

Current Address:

Verizon Northwest Inc.
112 Lakeview Canyon Road (CA501CW)
Thousand Oaks, California 91362
Attention: Jim Tousignant

Current Address:

CamWest Development Inc.
9720 NE 120th Place, #100
Kirkland, WA 98034
Attention: Mr. Eric Campbell

(E) pro

AGREEMENT OF PURCHASE AND SALE
AND ESCROW INSTRUCTIONS

EXHIBIT "2.3"

BARGAIN AND SALE DEED

[See attached.]

(a)
pro

AFTER RECORDING, RETURN TO:

BARGAIN AND SALE DEED

GRANTOR corporation: Verizon Northwest Inc., a Washington corporation

GRANTEE: Camwest Development, Inc., a Washington corporation

Abbreviated Legal Description: _____

Full Legal Description Located on Exhibit "A"

Assessor's Property Tax Parcel Account Number: _____



After recording mail to:

W.O. # _____

Tax Account Number

Legal Description

BARGAIN AND SALE DEED

THE GRANTOR, Verizon Northwest Inc., a Washington corporation, for and in consideration of Ten Dollars (\$10.00) and other good and valuable consideration in hand paid, bargains, sells and conveys to Camwest Development, Inc., a Washington corporation, the real estate described in Exhibit "A" attached hereto and incorporated herein, situated in the County of King, and State of Washington.

The foregoing grant of real property is subject to the covenants, conditions and restrictions set forth in Exhibit "B" attached hereto.

DATED this _____ day of _____, 200__.

Executed as of the date herein above set forth.

VERIZON NORTHWEST INC., a
Washington corporation

By: _____

Title: _____



BARGAIN AND SALE DEED

EXHIBIT "A"

THE PROPERTY

[To be added.]

Handwritten signature or initials in the bottom right corner, consisting of a circled 'E' and the letters 'pw' written below it.

BARGAIN AND SALE DEED

EXHIBIT "B"

COVENANTS, CONDITIONS AND RESTRICTIONS

**COVENANTS REGARDING CONTINUED USE AND
NON-INTERFERENCE WITH COMMUNICATIONS FACILITY**

1. These Covenants Regarding Continued Use and Non-Interference With Communications Facility are attached to and made part of that certain Bargain and Sale Deed dated _____ ("Deed") executed by Verizon Northwest Inc., a Washington corporation ("Verizon"), in favor of CamWest Development, Inc., a Washington corporation ("Cam West"). The covenants, conditions and restrictions contained herein (collectively, "Covenants") are for the benefit of that certain property owned by Verizon located in the City of Redmond, County of King, State of Washington, more particularly described as _____ (the "Verizon Parcel"), and encumber all that certain property located in the City of Redmond, County of King, State of Washington, described as _____ ("CamWest Parcel") which is the property transferred by the Deed.

2. All successive owners of the CamWest Parcel are to be bound by the Covenants contained herein for so long as they shall own any portion of the CamWest Parcel. The Covenants are for the benefit of the Verizon Parcel. It is the intent of Verizon and CamWest that such parties and their successors are to be bound by the Covenants contained herein and that such Covenants operate as covenants running with the land for the benefit of the Verizon Parcel. Notwithstanding the foregoing, upon receipt of written request from CamWest, Verizon shall record a quitclaim deed or such other document as required to remove the Covenants from the CamWest Parcel if all four of the following conditions are satisfied: (a) the Verizon Parcel is not then being used for any communications purposes whatsoever, (b) the Verizon Parcel has not been used for communications purposes for two years prior to the date of such request, (c) all communications related equipment and improvements have been removed from the Verizon Parcel, and (d) Verizon intends to permanently abandon the Verizon Parcel.

3. CamWest and all successor owners of any interest in all or any part of the CamWest Parcel hereby acknowledge and agree that the Verizon Parcel is and shall continue to be used, maintained, improved and operated as a communications facility ("Facility"). This Facility is a strategic communications facility operating 24 hours a day, seven days a week, and includes without limitation 911 emergency services and other communications-related services of national, state and local interest. The Facility includes air conditioners one or more back-up generators and related fuel supply. Company vehicles and trucks use the Verizon Parcel. Such generators are run periodically for maintenance and repair. CamWest and its successors agree

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that they shall take no action of any kind which shall challenge or interfere with the continued right of Verizon and its successors to operate and improve the Verizon Parcel in such manner. Without limitation of the foregoing, CamWest and its successors agree not to initiate or support any national, state or local ordinance, rule or regulation which would serve in any way to limit the communications-related operations of the Verizon Parcel, which operations include, but are not limited to the operation of the above-referenced generators, use of air conditioning units and access by company vehicles and trucks. In addition, CamWest and its successors agree, to refrain from taking any action on all or any part of the CamWest Parcel which shall substantially interfere with the operation of the Facility on the Verizon Parcel. CamWest and its successors agree that the Covenants contained herein specifically relate to the use, repair, maintenance or improvement of the land herein described, or some part thereof. The Covenants shall not, however, be interpreted to prevent the owners of the CamWest Parcel from voting in elections. Nothing contained in this paragraph shall be deemed to permit Verizon to restrain the constitutional free speech rights or other constitutional rights of the owners of the CamWest Parcel, and their respective successors and assigns to the extent such restraint would violate the United States or Washington Constitution or other applicable laws.

4. A breach of any of the provisions contained herein and the continuation of any such breach may be enjoined, abated or remedied by appropriate legal proceedings instituted by Verizon or any of its successors-in-interest. Any judgment rendered in any action or proceeding pursuant hereto shall include a sum for attorneys' fees in an amount as the court may deem reasonable in favor of the prevailing party. The remedies herein provided for breach of the provisions contained herein shall be deemed cumulative and none of such remedies shall be deemed exclusive. The failure of Verizon or its successors to enforce any of the provisions contained herein shall not constitute a waiver of the right to enforce the same thereafter. Without limiting any other remedies, in the event of a breach of the Covenants contained herein, Verizon or its successors may obtain injunctive relief enjoining or restraining such breach without posting a bond or other security and without proving damages, it being expressly recognized by CamWest and its successors that any such breach will cause irreparable harm to Verizon and its successors which cannot be fully compensable by damages.

ACKNOWLEDGED AND AGREED

Dated: _____

CAMWEST DEVELOPMENT, INC., a
Washington corporation

By: _____

Title _____

By: _____

Title _____

A handwritten signature in black ink, appearing to be 'CJ' or similar initials, written over a signature line.

LOG OF CHARGES/PROCEEDS

Property GLC		2560B03
Property Address:	7311 148th, Redmond, WA	
Date	Description	Amount
	<u>Proceeds</u>	
8/22/2006	Property Tax Reimbursement	\$ 509.21
	Deed of Trust	\$ 1,932,000.00
	Total Proceeds	\$ 1,932,509.21
	<u>Closing Costs</u>	
	Commissions	\$ 43,470.00
	Escrow Charges	\$ 1,850.00
	Doc. Transfer Tax/City Transfer Tax/Recording Fee/Courrier	\$ 34,439.60
	Title Charges	\$ 2,797.97
	Total Closing Costs	\$ 82,557.57
	Total Proceeds Received from Escrow	\$ 1,849,951.64
	<u>Net Pre-Tax Gain to Land</u>	
	Net Proceeds To Land	\$ 1,932,000.00
	Closing Costs to Land	\$ 82,557.57
	NBV of Land	\$ 36,669.00
	Total Net Pre-Tax Gain to Land	\$ 1,812,773.43
	<u>Costs Of Sale</u>	
	Appraisal(s)/Lot Line Adjustment Fees/Surveys	\$ 54,821.73
	Legal Fees	\$ 24,725.44
	Total Costs of Sale	\$ 79,547.17
	Net Sale Proceeds	\$ 1,769,895.26
	(Total cash received less Costs of Sale)	
	<u>Overall Net Gain</u>	
	Net Proceeds To Land	\$ 1,932,000.00
	Closing Costs to Land	\$ 82,557.57
	Cost of Sale to Land	\$ 79,547.17
	NBV of Land	\$ 36,669.00
	Total Overall Net Gain Land	\$ 1,733,226.26
	Net Proceeds to Building	\$ -
	Closing Costs to Building	\$ -
	Cost of Sale to Building	\$ -
	NBV of Improvements	\$ -
	Total Overall Net Gain Improvements	\$ -
	Total Overall Net Gain Land and Improvements	\$ 1,733,226.26