

**RESOLUTION NO. 09/16-17
SUMNER SCHOOL DISTRICT NO. 320**

A RESOLUTION OF THE BOARD OF DIRECTORS, SUMNER SCHOOL DISTRICT NO. 320, AUTHORIZING THE SUPERINTENDENT TO EXECUTE A REAL ESTATE PURCHASE AND SALE AGREEMENT FOR THE ACQUISITION OF REAL PROPERTY LOCATED IN THE PLAT OF BERKELEY PARK IN TEHALEH TO SITE ELEMENTARY NO. 9.

WHEREAS, Sumner School District No. 320 (the “District”) has experienced substantial growth and is projected to continue to experience substantial growth District-wide, especially at the elementary school level, as demonstrated by the District’s Demographic Study and Capital Facilities Plan; and

WHEREAS, the District has experienced significant growth in the area known as the Bonney Lake plateau; and

WHEREAS, Tehaleh is a mixed-used Master Planned Community of industrial, commercial, and residential development located in the area of the Bonney Lake plateau of which approximately one-half of the 4,719 acres is located within the boundaries of the District; and

WHEREAS, Tehaleh has continued to develop in phases and has experienced significant growth in the past several years within the boundaries of the District; and

WHEREAS, as part of its Capital Facilities planning and Capital Bond planning, the District Administration determined that the District’s next elementary school should be located in Tehaleh to serve growth; and

WHEREAS, by Resolution No. 9 15-16, the District’s Board of Directors authorized on November 18, 2015, an election for a Capital Projects Bond to provide, among other capital improvements, a new elementary school in Tehaleh; and

WHEREAS, the District’s constituents on February 9, 2016, by a vote in excess of 66% approved the Capital Projects Bond to authorize the construction of a new elementary school in Tehaleh; and

WHEREAS, the District Administration and Nash Cascadia Verde LLC (“NCV”), the owners of Tehaleh, commenced discussions to locate an appropriate site for an elementary school; and

WHEREAS, in consultation with and with evaluation by the District's engineers and the District's legal counsel, the District selected a 14.15 acre site in the Plat of Berkeley Park (the "Berkeley Park Site"); and

WHEREAS, the District Administration has obtained an MAI Appraisal of the Berkeley Park Site consistent with the requirements of RCW 28A.335.090; and

WHEREAS, the District Administration entered into negotiations with NCV for the acquisition of the Berkeley Park Site; and

WHEREAS, the District Administration and NCV have reached agreement on: (i) the purchase price and (ii) the material terms and conditions for acquisition of the Berkeley Park Site; and

WHEREAS, as a condition of the acquisition, NCV has agreed, at NCV's sole cost, to: (i) mass grade the Berkeley Park Site to the District's engineers specifications; (ii) extend and construct all road corridors to the Site, inclusive of curb, gutter, sidewalk, landscaping, and driveway approaches to serve the elementary school design; (iii) install all necessary utility infrastructure to serve the elementary school, inclusive of stormwater, sanitary sewer, water (both potable water and fire flow capacity), electricity, gas, and cabling for telephone, internet, data transfer, and television; and (iv) waived all assessments customarily allocated to development in Tehaleh; and

WHEREAS, the District's legal counsel has prepared a Real Estate Purchase and Sale Agreement (the "Purchase Agreement") and has reviewed and approved revisions requested by NCV, and NCV has agreed to the terms and conditions as set forth under the Purchase Agreement attached hereto as Exhibit 1; and

WHEREAS, the District Administration has determined that it is in the best interests of the District to acquire the Berkeley Park Site to construct Elementary No. 9; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Sumner School District No. 320, that:

1. The Interim Superintendent is authorized to execute, on behalf of the District, the Purchase Agreement, attached hereto as Exhibit 1, for the acquisition of the 14.15 acre Berkeley Park Site located within Tehaleh; and

2. The Interim Superintendent is authorized to implement the terms and conditions of the Purchase Agreement and to execute such Closing Documents, as approved by legal counsel, to complete the transaction to acquire the Berkeley Park Site under the terms and conditions of the Purchase Agreement.

APPROVED by the Board of Directors of Sumner School District No. 320, Pierce County, Washington, this 14th day of December, 2016, in regular, open session.



Board of Directors:

Erin Markquart, President

Deb Norris, Vice President

Casey Chamberlain, Director

Richard Hendricks, Director

Paul Williams, Director

Laurie Dent,
Interim Superintendent/
Secretary to the Board

EXHIBIT 1

**REAL ESTATE PURCHASE AND SALE AGREEMENT
BETWEEN SUMNER SCHOOL DISTRICT
AND NASH CASCADIA VERDE LLC**

REAL ESTATE PURCHASE AND SALE AGREEMENT

This REAL ESTATE PURCHASE AND SALE AGREEMENT (this "Agreement") is made as of this _____ day of December, 2016 ("Reference Date") by and between NASH CASCADIA VERDE LLC, a Delaware limited liability company ("NCV" or "Seller") and SUMNER SCHOOL DISTRICT NO. 320, a Washington municipal corporation (the "District" or "Purchaser"). The Seller and Purchaser shall hereinafter from time to time be referred to herein as a "party" or collectively as the "parties" to this Agreement.

I. RECITALS

A. NCV is the owner and developer of an Employment Based Planned Community ("EBPC") of a mixed use commercial, industrial, and residential development of approximately 4,719 acres commonly known as Tehaleh and f/k/a Cascadia located south of Bonney Lake in unincorporated Pierce County, Washington ("Tehaleh").

B. The District's boundaries lie within a portion of Tehaleh.

C. The purpose of this Agreement is to memorialize in writing the parties' agreement on the terms and conditions for conveyance to the District of the second school site within Tehaleh. The parties further agree that the terms and conditions of this Agreement shall not govern nor control in any respect: (i) the conveyance of future school sites to the District, (ii) the terms and conditions of satisfaction of any school impact fee obligation by Seller, or (iii) the development or environmental review process relating to any amendments to the Tehaleh EPBC.

D. NCV and the District have agreed that the second school site shall be of sufficient acreage to construct a school (the "School Site No. 2"). The parties agree that the intended use of School Site No. 2 is for an elementary school and a future early learning center (the "District's Intended Use" or "Elementary No. 2").

E. The District understands and acknowledges that NCV is still in the process of obtaining necessary site development and utility approvals relating, in part, to School Site No. 2 from the municipalities and utility providers with jurisdiction over Tehaleh. The District is willing to enter into this Agreement with NCV for the conveyance of School Site No. 2 with the understanding that NCV will, at NCV's sole cost and expense: (i) clear and mass grade School Site No. 2 ("Mass Grading") suitable for the District's Intended Use in accordance with the Memorandum of Understanding Relating to Fill and Grading Work Associated with Acquisition of Property by Sumner School District attached hereto as Exhibit C (the "Memorandum of Understanding"); (ii) provide all necessary infrastructure improvements to School Site No. 2, as defined below under Paragraph 8.5, in accordance with all applicable governmental regulations to allow construction and operation of Elementary No. 2 consistent with Elementary No. 2 Opening Date as defined below under Recital F (hereinafter, the "Infrastructure Improvements"); (iii) provide confirmation to the District that the District's Intended Use of School Site No. 2 is treated by Pierce County as encompassed with the existing environmental review under Phase I (and the Major Amendment thereto) of Tehaleh;

and therefore, the District will not be required to complete or be subject to any review under the State Environmental Policy Act ("SEPA Compliance Confirmation"); and (iv) satisfy any and all conditions of approval, including any monetary obligations thereunder, required to be satisfied under the Developer's Agreement between NCV and Pierce County ("Tehaleh Developer Agreement") to allow construction and operation of an elementary school on School Site No. 2 (hereinafter ("Tehaleh Conditions of Approval")).

F. The District is planning, but is not obligated, to open Elementary School No. 2 on or about July 1, 2018 ("Elementary No. 2 Opening Date"). NCV anticipates completion of the Plat of Berkeley Park, the Mass Grading, and the Infrastructure Improvements, and satisfaction of the Tehaleh Conditions of Approval in sufficient time to allow the District to timely commence construction of Elementary No. 2 on about June 1, 2017. In this regard, NCV and the District agree to cooperate with each other and use their best efforts to accomplish conveyance of School Site No. 2 to the District under the terms and conditions set forth under this Agreement.

G. NCV desires to utilize School Site No. 2 as a community resource for home owners residing within Tehaleh. The District is willing to cooperate with NCV relating to utilization of School Site No. 2 for community activities and recreational opportunities consistent with the District's established Board policies and procedures for utilization of its land and facilities for public purposes.

H. This Agreement sets forth the rights and obligations of NCV to assign, transfer, convey, and sell and the District to acquire all right, title and interest of NCV in School Site No. 2 under the terms and conditions set forth below.

II. AGREEMENT

NOW, THEREFORE, the parties covenant and agree as follows:

1. Recitals. The foregoing recitals are incorporated herein as a substantive, contractual part of this Agreement.

2. Acquisition.

2.1 Subject to the terms and conditions of this Agreement, Seller hereby agrees to grant, sell, transfer and assign unto Purchaser and Purchaser hereby agrees to acquire all right, title and interest of Seller in and to the following, at Closing (collectively referred to hereinafter also as the "Property"):

2.1.1 School Site No. 2, known as Lot 276 of the Plat of Berkeley Park recorded under Pierce County Auditor's File No. 201610215001 (hereinafter referred to as the "Plat of Berkeley Park") and containing approximately 14.15 acres, the condition of which shall be suitable for Purchaser's Intended Use as determined by Purchaser, in its sole and absolute discretion, during the Due Diligence Contingency Period (as defined in Section 9.1.3 below) and communicated to Seller in accordance with Section 9.3.. The parties agree that the legal description for School Site No. 2 shall conform to the Title Policy to be issued in

accordance with Paragraph 6 below; however, as of the Reference Date of this Agreement, Exhibit A-1 attached hereto sets forth the legal description for the School Site and Exhibit A-2 attached hereto illustratively shows the location of School Site No. 2 within the Plat of Berkeley Park.

2.1.2 The Mass Grading of School Site No. 2, completed to Purchaser's satisfaction, in the exercise of its reasonable discretion, in accordance with the terms and condition of the Memorandum of Understanding attached hereto as Exhibit C.

2.1.3 An insurable, temporary right of access to School Site No. 2 ("Temporary Right of Access"), under terms and conditions satisfactory to Purchaser as defined under Paragraph 9.1.5 below, in the event that the extension of Cascadia Boulevard East, Feeder C (a/k/a 17th Avenue East), and Collector C (a/k/a Berkeley Parkway East) to School Site No. 2 have not been conveyed to and opened by Pierce County for general public right-of-way purposes (the "Temporary Right of Access"). The Temporary Right of Access shall automatically terminate by its terms upon the date that Feeder C and Collector C have been conveyed to and opened by Pierce County for general public right-of-way purposes. Upon termination of the Temporary Right of Access, Purchaser agrees to execute, in recordable form a release of such Temporary Right of Access as may be requested by Seller.

2.1.4 All rights, privileges and easements appurtenant to School Site No. 2 including all development permits, approvals, zoning approvals, surveys, entitlements, applicable to development of School Site No. 2 for the District's Intended Use (collectively, "Development Entitlements"), including but not limited to those certain Development Entitlements set forth below, except Seller and Purchaser agree that School Site No. 2 and Purchaser shall not be subject to any covenants, conditions and restrictions applicable to Tehaleh except those covenants, conditions relating to the Tehaleh Design Manual ("Design Manual") and the District's use of the Tehaleh Storm Drainage Facilities:

2.1.4(i) Certification by the Tehaleh Architectural Review Committee and to the extent required, that: (a) the site and building plans for Elementary No. 2 and all appurtenances thereto, including but not limited, to parking, gates, landscaping, play sheds, play areas, fields, fencing, signage, and any outbuildings ("Elementary No. 2 Plans") are approved and in full compliance with the Tehaleh Architectural Review Committee and (b) the Elementary No. 2 Plans shall not be subject to any further review or approvals after Closing by the Tehaleh Architectural Review Committee except for any material revisions to the Elementary No. 2 Plans.

2.1.4(ii) Installation by Seller of such infrastructure to School Site No. 2 to permit the commencement of construction of Elementary No. 2, including but limited to such, (a) graded and all-weather surface construction access (b) waterlines and hydrant(s) as required by Tacoma Public Utilities, Water Division, and Pierce County to provide adequate fire flow of not less than 2000 gpm for one and one-half (1-1/2) hours, and (c) electrical facilities as required by Puget Sound Energy, all to the satisfaction of Purchaser in the exercise of its reasonable discretion.

2.1.4(iii) Completion of construction and installation by Seller of the Infrastructure Improvements described on Exhibit D attached hereto to allow the District to open Elementary No. 2 for the 2018-19 school year consistent with the terms and conditions of the Escrow Infrastructure Holdback Agreement (“Escrow Holdback Agreement”) as described under Paragraph 9.2.2 below.

2.1.4(iv) Evidence, satisfactory to Purchaser, in the exercise of its reasonable discretion, of payment by NCV to Pierce County Public Works and Utilities, Sewer Utility Division, of such sewer connection fees, including but not limited to any applicable system development and/or area charges, to provide adequate sanitary sewer service to Elementary No. 2 equivalent to 6 ERUs.

2.1.4(v) Evidence of either an insurable easement or rights, under terms and conditions acceptable to Purchaser as defined under Paragraph 9.1.12, under the Plat of Berkeley Park to provide for adequate stormwater treatment and quantity collection from School Site No. 2 to an off-site, regional stormwater system within Tehaleh commonly known as the R4 Private Storm Drainage Facilities (“Tehaleh Storm Drainage Facilities”) subject only to such maintenance and repair fees as may be reasonably determined by the Tehaleh Homeowners Association relating solely to maintenance and repair obligations associated with the Tehaleh Storm Drainage Facilities and not maintenance or repair of other infrastructure, improvements, facilities or features within Tehaleh, including but not limited to roads, parks, open space areas, allees, trails, greens, or landscaping within Tehaleh. To the extent that any condition(s) under the Plat of Berkeley Park require “maintenance, repair or reconstruction of any infrastructure, utilities, and facilities, Seller shall provide Purchaser with a written instrument, in recordable form, satisfactory to Purchaser, in its sole and absolute discretion, that such Plat obligation shall be enforceable against Purchaser relating solely to the Tehaleh Storm Drainage Facilities.

2.1.4(vi) Receipt of the SEPA Compliance Confirmation satisfactory to the District in the exercise of its reasonable discretion.

2.1.5 Execution of such Closing Agreements set forth under Paragraph 9.2 below.

3. Deposit.

3.1 The date of the last party’s execution of this Agreement shall deemed to be the “Effective Date”.

3.2 Seller shall give Purchaser written notice that the Final Plat for Berkeley Park has been recorded. Within five (5) business days of that notice, Purchaser shall deliver to Closing Agent (as defined under Paragraph 12.2 below) the sum of Twenty-Five Thousand and No/100 Dollars (\$25,000.00), in cash, as security for Purchaser’s obligations under this Agreement (the “Deposit”).

3.3 Unless otherwise noted, as used herein the term "Deposit" collectively shall refer to the Deposit and any interest earned thereon, if Purchaser requests, at its sole

discretion, that the Deposit be placed in an interesting bearing account. The Deposit shall be nonrefundable upon the date of removal of the last the contingency set forth under Paragraphs 9.1 and 9.2 below and absent Seller's default and except as otherwise provided under this Agreement and shall be applied as a credit to the Purchase Price (as defined below) at Closing.

4. Purchase Price of Property.

4.1 Seller and Purchaser agree that the total purchase price for the Property together with all of the entitlements and appurtenances as described under Paragraph 2 of this Agreement shall be Two Million Six Hundred Sixty Thousand and No/100 Dollars (\$2,660,000.00) ("Purchase Price").

4.2 Subject to the terms of an Escrow Holdback Agreement mutually satisfactory to Seller and Purchaser, in their respective sole and absolute discretion, to be executed at Closing in accordance with Paragraph 9.2.2 below, the Purchase Price shall be paid in cash, inclusive of the Deposit, at Closing.

5. Title. Title to the Property shall be conveyed by Statutory Warranty Deed free of encumbrances or defects other than matters of record which have been approved or deemed to have been approved in writing by Purchaser consistent with Paragraph 2.1 (and subparagraphs thereunder) and consistent with Paragraph 6.2 (the "Permitted Exceptions") subject to any Schedule B standard exceptions approved as Permitted Exceptions by Purchaser. Purchaser may request any special endorsements to the Title Policy to be issued by the Title Company (as defined under Paragraph 6.1) at Closing at Purchaser's expense. Title exceptions attributable to the acts or omissions of Purchaser or its agents, employees or contractors shall also be deemed Permitted Exceptions. Encumbrances may be discharged through Escrow out of purchase money at Closing or as otherwise removed by Seller at Closing. For the avoidance of doubt, the Property shall be conveyed free and clear of any and all monetary liens, and (except for the Permitted Exceptions) security interests, and claims of liens or security interests.

6. Title Commitment.

6.1 Purchaser shall cause, at Seller's expense, within five (5) days of the Effective Date, a preliminary commitment (the "Commitment") for an owner's extended form title insurance policy with coverage in the amount of the Purchase Price (the "Title Policy") to be issued by Chicago Title Company of Washington, Tacoma Branch ("Title Company"), as to School Site No. 2, together with a copy of the documents forming the basis for each exception therein.

6.2 Not later than sixty (60) days after the Effective Date, Purchaser shall advise Seller in writing of Purchaser's approval or disapproval thereof, in Purchaser's sole and absolute discretion, setting forth with specificity the item(s) which Purchaser disapproves. If Purchaser indicates its disapproval of the status of title, then Seller shall advise Purchaser within thirty (30) days thereafter whether Seller can and will remove the items Purchaser disapproves. Seller shall have no duty or obligation of any kind or nature to remove items to

which Purchaser objects and may, in its sole and absolute discretion, choose not to remove any or all of such objectionable items. If Seller does not indicate that it will remove all such objectionable items, then, unless within fifteen (15) days thereafter Purchaser advises Seller in writing that Purchaser is waiving its remaining title objections, this Agreement shall thereupon be terminated, and the Deposit shall be returned to Purchaser and all rights and obligations of the parties shall terminate except as otherwise provided under this Agreement. Purchaser's approval or waiver of an exception shall deem such exception to be a "Permitted Exception".

6.3 Purchaser shall pay the additional premium for an extended owner's policy of title insurance and such special endorsements requested by Purchaser, insuring fee title to School Site No. 2 in Purchaser for the amount of the Purchase Price subject to the Permitted Exceptions, and shall cause the Title Company to provide such policy at Closing. Seller shall be responsible, at Seller's sole expense, for providing to Purchaser and Title Company by no later than March 1, 2017, a preliminary ALTA/ACSM Land Title Survey ("ALTA Survey") in accordance with the 2016 Minimum Standard Detail Requirements for an ALTA Survey with Table A Optional Item Nos. 1, 11, 16, 17, and 19.

6.4 Within five (5) business days of receipt of any Supplement to the Commitment (and in any event prior to Closing, which shall be delayed if necessary to allow the parties the full benefit of the time periods described in this paragraph), Purchaser shall advise Seller in writing of Purchaser's approval or disapproval thereof in Purchaser's sole discretion, setting forth with specificity the item(s) which Purchaser disapproves. If Purchaser indicates its disapproval of any such item, then Seller shall advise Purchaser within five (5) business days thereafter (and in any event prior to Closing) whether Seller can and will remove the items Purchaser disapproves. Seller shall have no duty or obligation of any kind or nature to remove items to which Purchaser objects and may, in its sole and absolute discretion, choose not to remove any or all of such objectionable items. If Seller does not indicate that it will remove all such objectionable items, then, unless within five (5) business days thereafter Purchaser advises Seller in writing that Purchaser is waiving its remaining title objections, this Agreement shall thereupon be terminated, and the Deposit shall be returned to Purchaser.

7. Inspections; Indemnity.

7.1 The Memorandum of Understanding shall control Purchaser's right of access and notice thereof relating to the Fill and Grading Work of School Site No. 2. All other access and inspection of School Site No. 2 and notice thereof shall be governed by this Paragraph 7. Purchaser shall be permitted reasonable access to School Site No. 2 during normal business hours for inspections and tests prior to the Closing. Seller designates Steve Yester (contact information set forth under Paragraph 18) as its representative for purposes of coordinating and overseeing Purchaser's on-site due diligence investigation. Except for inspections and tests related to the Fill and Grading Work of School Site No. 2, which shall be governed by the Memorandum of Understanding, Purchaser shall give Seller's designated representative at least three (3) business days' advance notice of its investigation of School Site No. 2, describing the nature of the review work to be undertaken, the identity and contact information for the individuals conducting the review work, and the estimated duration of the

review. If Purchaser's proposed investigations will include invasive testing (*e.g.*, soil borings, drilling, soil sampling, water sampling, "Phase II" environmental testing or similar testing), Purchaser shall state that in Purchaser's notice and identify the specific location where the invasive testing will take place and the process that will be used. No invasive testing shall be performed without Seller's prior written consent, which may be withheld in Seller's sole and absolute discretion and shall be subject to any terms and conditions imposed by Seller in its sole and absolute discretion. Seller's designated representative shall have the right to accompany Purchaser and its agents, representatives and contractors that intend to perform tests on or about School Site No. 2 in connection with such testing and to limit the duration, frequency and means of such testing to the extent reasonably necessary to avoid any unreasonable interference with Seller's on-going development activities within Tehaleh and School Site No. 2. Purchaser covenants that it will conduct its tests and other due diligence activities in a confidential, professional and environmentally sensitive manner. In the event of a termination of this Agreement due to any reason other than Seller's default, at Seller's request, Seller shall have the right, in accordance with and limitations under the Public Records Act, to request a copy of all environmental and other test documentation and reports, surveys and studies obtained by Purchaser relative to School Site No. 2 except any attorney-client or work product communications and documents in writing or electronic format. Purchaser shall indemnify, defend and hold Seller harmless from and against all losses, damages, liabilities, claims, fines, penalties, causes of action and expenses (collectively "Claims") solely arising from or out of the presence or activities of Purchaser or its agents, employees, representatives, consultants or contractors on School Site No. 2 or with respect to School Site No. 2 before and after Closing, including but not limited to clean-up costs related to the presence of Hazardous Materials solely attributable to Purchaser's presence or activities, provided that such obligation shall not apply to Claims resulting from pre-existing conditions, (other than to the extent such pre-existing conditions have been exacerbated by or from the presence or activities of Purchaser or its agents, employees, representatives, consultants or contractors on School Site No. 2 before Closing). Provided, however, if Purchaser fails to obtain Seller's prior written consent before conducting invasive testing, Purchaser shall be fully responsible and liable for all costs of remediation of any condition identified in the testing, including, but not limited to, costs for disposing of any materials that may be discovered during the invasive testing. If Purchaser does not purchase School Site No. 2, Purchaser shall repair any damage to School Site No. 2 caused by any Purchaser activities on School Site No. 2. The terms of this Paragraph 7.1 shall survive Closing or termination of this Agreement.

7.2 For purposes of this Agreement, "Hazardous Materials" shall mean any substance, chemical, waste, or other material which is listed, defined or otherwise identified as "hazardous" or "toxic" under any federal, state, local or administrative agency ordinance or law, including without limitation, the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. §§ 9601 et seq., the Resource Conservation and Recovery Act, 42 U.S.C. §§ 6901 et seq., the Federal Water Pollution Control Act, U.S.C. §§ 1251 et seq., the Clean Air Act, 42 U.S.C. §§ 4701 et seq., or analogous state or local statute or ordinance, or any regulation, order, or rule adopted thereunder, as well as any formaldehyde, urea, polychlorinated biphenyls, petroleum, petroleum product or by-product, crude oil, natural gas, natural gas liquids, liquefied natural gas, or synthetic gas usable for fuel

or mixture thereof, asbestos, and “source,” “special nuclear” and “by-product” material as defined in the Atomic Energy Act of 1985, 42 U.S.C. §§ 3011 et seq.

7.3 Purchaser and Seller acknowledge that Purchaser and Seller have reached agreement in writing as of the Reference Date with respect to insurance coverage required by Purchaser as a condition of Purchaser, its board of directors, officers, and employees entry onto School Site No. 2. Prior to any entry onto School Site No. 2 by Purchaser’s agents, representatives, consultants or contractors, however, Purchaser shall deliver to Seller continuously current certificates of insurance that evidence that Purchaser’s agents, representatives, consultants or contractors are carrying (i) workers compensation insurance in statutory amounts and employer’s liability insurance with limits of not less than One Hundred Thousand Dollars (\$100,000); (ii) a commercial general liability insurance policy in an amount of not less than Two Million Dollars (\$2,000,000) per occurrence, including products/completed operations; (iii) automobile liability insurance covering owned, non-owned, and hired vehicles with a combined single limit of not less than Five Hundred Thousand Dollars (\$500,000); (iv) excess liability insurance in an amount not less than One Million Dollars (\$1,000,000) per occurrence and in the aggregate; and the insurance policies described in clauses (i), (ii) and (iii) shall be endorsed to provide that the underwriters waive their rights of subrogation against Seller and Seller’s Affiliates (defined below). The insurance policies described above in clauses (ii), (iii) and (iv) shall be issued by a financially responsible insurance company (rated at least A-VII in the latest edition of Best’s Insurance Guide) and shall name Seller, NASH Cascadia, LLC, Newland Cascadia, LLC, Newland Real Estate Group, LLC, NASH Financing, LLC, and any and all of their respective parents, members, partners, shareholders, subsidiaries, affiliates and lenders, together with any other parties required by Seller as additional insureds (collectively, “**Seller’s Affiliates**”). As to Purchaser’s contractors, subcontractors, and consultants, Purchaser shall collect and maintain certificates of insurance evidencing that they are maintaining those same coverages in Purchaser’s files. Seller may view those files in Purchaser’s office at any time upon three (3) days’ notice. The insurance policies described in clauses (ii) and (iii) above shall be primary and non-contributing with any other insurance available to Seller. The insurance described in clause (ii) above shall provide ongoing and completed operations coverage to Seller and Seller’s Affiliates by issuance of Form CG 2010 11 85 or, in lieu thereof, both the CG 20 10 10 01 and CG 20 37 10 01 endorsements (or their equivalents that are approved by Seller), and shall be issued on an occurrence basis. Purchaser hereby waives all rights against Seller for damages caused by fire and other perils and any other risks to the full extent covered by Purchaser’s policies of insurance or required to be covered by Purchaser’s policies of insurance described in this section.

8. Purchaser/Seller Duties.

8.1 Development Documents.

8.1.1 Delivered EBPC Development Documents. Purchaser acknowledges that Seller has made available to Purchaser, prior to the Effective Date: the proposed Grading Plan, dated August 23, 2016, prepared by MacKay and Sposito; the Tehaleh Design Manual, dated as of August 24, 2016 (“Design Manual”); a Fifth Subdivision Guarantee relating to the Plat of Berkeley Park, dated August 19, 2016, prepared by First American Title

Insurance Company (“First American Title”); a draft metes and bounds description of School Site No. 2, dated April 28, 2016, prepared by MacKay & Sposito; a Closure Report and Closure Exhibit, prepared by MacKay & Sposito, dated August 25, 2016; the Report and Decision of the Pierce County Hearing Examiner of the Preliminary Plat of Berkeley Park, dated November 18, 2015; an undated draft of the Final Plat of Berkeley Park (Plat Sheets 1–14); the Landslide Hazard and Development Geotechnical Report, dated September 23, 2015, prepared by Terra Associates, Inc.; and the Pavement Design Recommendations and Analysis, dated April 28, 2005, prepared by Terra Associates, Inc.

8.1.2 Other EBPC Development Documents.

8.1.2.(i) As a courtesy to Purchaser, with fifteen (15) days of the Effective Date, Seller shall make available to Purchaser copies of those certain dated materials listed on Exhibit B attached hereto which relate to School Site No. 2. Purchaser and Seller acknowledge that those certain undated materials listed on Exhibit B have not been prepared by Seller as of the Reference Date and copies of such materials will be made available to Purchaser in accordance with Seller facilitating the location of those certain Infrastructure Improvements to serve School Site No. 2 described on Exhibit D in accordance with Paragraphs 8.5.1 through 8.5.5. Seller and Purchaser further agree that those undated materials shall be dated upon completion of the identified plans under Exhibit B. All materials listed under Exhibit B shall collectively be referred to herein as the “Feasibility Materials”.

8.1.2(ii) Thereafter, Seller shall keep Purchaser timely advised of any ongoing land use, site development, or other administrative processes that relate to School Site No. 2, and negotiations, agreements, and approvals with any municipality, governmental agency, or utility service provider with jurisdiction over School Site No. 2, and Seller shall timely provide Purchaser with copies of any documents, approvals, and agreements related thereto. The Feasibility Materials provided by Seller may be in electronic or paper format, or both, and may be delivered in whole or in part through access to a controlled access collaborative website. Purchaser acknowledges and agrees that Seller has not made, and does not make, any representations or warranties whatsoever, express or implied, as to the accuracy or completeness of the Feasibility Materials or of any the contents thereof. Purchaser shall be solely responsible, at its sole cost and expense, for its own independent review, analysis and evaluation of the Feasibility Materials, and agrees that Seller has no liability or responsibility whatsoever with respect to the Feasibility Materials. Purchaser acknowledges and agrees that the Feasibility Materials are delivered to Purchaser AS IS, WHERE IS, and Purchaser hereby releases and forever discharges Seller from any and all claims, costs or liabilities arising out of the Feasibility Materials. Purchaser further acknowledges and agrees that the Feasibility Materials are not intended to be, and shall not be construed as, a complete or comprehensive list of all due diligence materials that Purchaser should review in conducting its evaluation and inspection of School Site No. 2. Purchaser is solely responsible for its inspection, evaluation and assessment of School Site No. 2.

8.2 Seller Property Disclosure Statement. Seller shall provide Purchaser with a Property Disclosure Statement (commonly known as Form 17) relating to School Site No. 2 as required under RCW ch. 64.06.

8.3 Plat of Berkeley Park.

8.3.1 Prior to the Reference Date, Purchaser acknowledges that Seller provided to Purchaser a draft of the Plat of Berkeley Park. Seller acknowledges that Purchaser provided Seller with comments and concerns relating to certain identified easements, encumbrances, conditions, restrictions, and notes (“Purchaser Plat Issues”).

8.3.2 Seller agreed to review and address Purchaser Plat Issues, in the sole and absolute discretion of Seller, but consistent with the terms and conditions of this Agreement.

8.3.3 Seller acknowledges that Purchaser intends to review the final terms, conditions, and notes of the Plat of Berkeley Park and shall communicate to Seller during the Due Diligence Contingency Period (as defined below) any remaining Purchaser Plat Issues. Seller agrees to use its best efforts to address any remaining Purchaser Plat Issues.

8.3.4 In the event that Seller proposes any modifications, revisions or amendments to the Plat of Berkeley Park, Seller shall promptly notify Purchaser and shall be obligated to provide Purchaser with written documentation of such proposed modifications, revisions or amendments to the Plat of Berkeley Park (“Amendment to the Plat of Berkeley Park”). Purchaser shall in a commercially reasonable time period provide Seller with any comments or concerns relating to any proposed Amendment to the Plat of Berkeley Park. Seller and Purchaser shall communicate in good faith and use their best efforts to reach agreement on any issue under such proposed Amendment to the Plat of Berkeley Park prior to submittal to Pierce County for approval.

8.4 Tehaleh Design Manual.

8.4.1 As of the Effective Date, Seller has provided to Purchaser the Design Manual and Purchaser has provided Seller with comments and concerns relating to the Design Manual and Seller has notified Purchaser that it is in the process of revising and updating the Design Manual to clarify which existing provisions may be applicable to civic uses, including schools, and to include specific provisions relating to civic uses, including schools (“Purchaser Design Manual Issues”).

8.4.2 Seller has agreed to review and address Purchaser Design Manual Issues in the sole and absolute discretion of Seller, but consistent with the terms and conditions of this Agreement. Seller shall keep Purchaser timely informed during the revision and modification process of the Design Manual which shall include, but not be limited to providing Purchaser with any and all documents relating to revisions to the Design Manual, including Appendices.

8.4.3 Seller shall provide Purchaser with a reasonable opportunity to review and comment on all Design Manual revisions (“Design Manual Revisions”). Purchaser shall be obligated to provide its comments in a commercially reasonable time period following receipt of Design Manual Revisions from Seller. Seller and Purchaser shall communicate in good faith and use their best efforts to reach agreement on Purchaser Design Manual Issues and on any Design Manual revisions prior to submittal to Pierce County for approval.

8.5 Construction Plans for Infrastructure Improvements to Serve School Site No 2.

8.5.1 Seller and Purchaser have agreed that Seller shall cause to be constructed and installed for the benefit of Purchaser, at Seller's sole expense, those certain Infrastructure Improvements described on Exhibit D attached hereto, in accordance with a Closing Agreement as described under Paragraph 9.2. Seller and Purchaser shall communicate in good faith and use their best efforts to reach agreement, within ninety (90) days of the Effective Date, on the location of the Infrastructure Improvements to be stubbed onto School Site No. 2, but in all events, the locations must be determined prior to the expiration of the Due Diligence Contingency Period. Seller shall prepare, at Seller's cost, a Site Plan showing the agreed upon locations, by stationing numbering, of the Infrastructure Improvements (the "Infrastructure Improvements Site Plan").

8.5.2 Seller shall make available to Purchaser such infrastructure plans, including any modifications thereto, relating to the Infrastructure Improvements as described on Exhibit D (the "Infrastructure Plans") for review by Purchaser during the Due Diligence Contingency Period set forth below under Paragraph 9.1.2. Seller shall be obligated to keep Purchaser informed and shall either communicate or meet regularly, as appropriate under the circumstance, to discuss infrastructure planning and installation during the review, approval, and installation process of the Infrastructure Plans. Seller shall provide Purchaser with a reasonable opportunity to review and comment on all Infrastructure Plans. Purchaser shall be obligated to provide its comments and approvals in a commercially reasonable time period following receipt of the Infrastructure Plans and any revisions thereto from Seller.

8.5.3 Seller shall use its best efforts to seek the necessary approvals from Pierce County, such other governmental agencies or entities, including utility service providers, with jurisdiction over the Infrastructure Plans. If Pierce County or such other governmental agencies or other entities with jurisdiction impose substantive changes or new conditions to the submitted Infrastructure Plans which materially differ from those approved by Purchaser, then Seller shall provide Purchaser with an opportunity to review and approve same pursuant to the procedures and in the manner set forth above, and Purchaser shall then have the opportunity to disapprove such revisions.

8.5.4 All application and review fees, all costs for engineering consultants, surveys, recording fees, or any other cost or expense related to preparation and finalization of the Infrastructure Plans shall be the sole responsibility of Seller. Seller shall further be responsible for all costs associated with construction and installation of the Infrastructure Improvements. Purchaser shall bear its own costs for its review and comment on such Infrastructure Plans.

8.5.5 In the event that any of the Infrastructure Plans are denied or approved with conditions which make it, in Seller's sole discretion, infeasible or impracticable for Seller to proceed with same, then Seller shall notify Purchaser in writing of such event. If the parties are unable to agree on alternate Infrastructure Plans that address Seller's concerns within thirty (30) days of Seller's notice to Purchaser (but in all events prior

to the expiration of the Due Diligence Contingency Period), then either party may terminate this Agreement upon written notice to the other.

9. Contingencies.

9.1 The obligations of Purchaser under this Agreement are expressly conditioned upon the following (the “Contingency Periods”):

9.1.1 On or before December 15, 2016 Purchaser’s Board of Directors shall approve in an open, public meeting, in Purchaser’s Board of Director’s sole and absolute discretion, the terms and conditions of this Agreement.

9.1.2 On or before April 20, 2017, Purchaser shall determine, in its sole and absolute judgment and discretion, at Purchaser’s sole expense, that the Mass Grading of the Property has been completed in conformance and in compliance with the terms and conditions of the Memorandum of Understanding and is suitable for Purchaser’s Intended Use of School Site No. 2.

9.1.3 On or before April 20, 2017, Purchaser shall determine, in its sole and absolute judgment and discretion, at Purchaser sole expense, that School Site No. 2 is suitable for Purchaser’s Intended Use (the “Due Diligence Contingency Period”). Such due diligence review shall include all aspects of the Property, including but not be limited to review of all records and documents relating to the Property, conducting such tests on and inspections of the Property as Purchaser deems necessary in its sole discretion, review and approval of all Infrastructure Plans, the availability of such Infrastructure Improvements necessary to timely commence construction of Elementary No. 2, review and approval of the Infrastructure Plans, review and approval of the Final Plat of Berkeley Park and any amendments thereto, including the creation of School Site No. 2 as a legal lot of record, review and approval of the Design Manual, review and approval of any and all proposed covenants, conditions and restrictions applicable to School Site No. 2, review and approval of such maintenance obligations and fees related to the Tehaleh Storm Drainage Facilities, review of the Tehaleh EBPC Development Agreement or Conditions of Approval, review of the SEPA Compliance Confirmation for the construction of Elementary No. 2, and any other inspection, examination or investigation of the Property as deemed appropriate by Purchaser, in its sole and absolute judgment and discretion.

9.1.4 On or before April 20, 2017, Purchaser shall obtain evidence satisfactory to Purchaser, in its sole and absolute judgment and discretion, of an insurable Temporary Right of Access to School Site No. 2 in the event that Cascadia Boulevard East, Feeder C and Collector C have not been conveyed to and opened by Pierce County for public right-of-way purposes.

9.1.5 On or before April 20, 2017, Purchaser shall obtain evidence satisfactory to Purchaser, in its sole and absolute judgment and discretion, of an insurable right of School Site No. 2 to discharge to the Tehaleh Storm Drainage Facilities together with only the obligation for payment of such appropriate fees for maintenance of such Storm

Drainage Facilities and no other infrastructure, facility, improvement, or feature within Tehaleh.

9.1.6 On or before April 20, 2017, Purchaser shall have approved, in its sole and absolute judgment and discretion, at Purchaser's sole expense, the Design Manual encumbering school sites, including but not limited to design standards, conditions, requirements, process and procedures, inclusive of the method of amendments thereto.

9.1.7 On or before April 20, 2017, Purchaser shall have received certified confirmation from the Tehaleh Architectural Review Committee that: (i) the site and building plans for Elementary No. 2 and all appurtenances thereto, including but not limited, to parking, gates, landscaping, play sheds, play areas, fields, fencing, signage, and any outbuildings ("Elementary No. 2 Plans") are approved and in full compliance with the Tehaleh Architectural Review Committee and (ii) the Elementary No. 2 Plans shall not be subject to any further review or approvals after Closing by the Tehaleh Architectural Review Committee so long as no material modification is made to the Elementary No. 2 Plans.

9.1.8 On or before April 20, 2017, Purchaser shall obtain evidence satisfactory to Purchaser, in its sole and absolute judgment and discretion, confirming that, except for such conditions and restrictions under the Design Manual approved by Purchaser under paragraph 9.1.6 and the District's share of its maintenance obligations for use of the Tehaleh Storm Drainage Facilities described in paragraph 9.1.11, Purchaser has no obligation under and is not subject to any covenants, conditions and restrictions that are otherwise applicable to or encumber properties within the Tehaleh EBPC.

9.1.9 On or before April 20, 2017, in the event that certain Infrastructure Improvements described on Exhibit D have been constructed and installed by Seller prior to expiration of the Due Diligence Contingency Period, Purchaser shall determine, in its sole and absolute judgment and discretion, at Purchaser's sole expense, whether those certain Infrastructure Improvements have been installed in the location(s) shown on the Infrastructure Improvements Site Plan defined under Paragraph 8.5.1 above.

9.1.10 On or before April 20, 2017, Purchaser shall obtain evidence satisfactory to Purchaser, in its sole and absolute judgment and discretion, confirming that Seller has installed such infrastructure to School Site No. 2 as Purchaser determines, in its sole and absolute judgment and discretion, is necessary to permit the commencement of construction of Elementary No. 2, including but limited to such, (i) graded and all-weather surface construction access (ii) waterlines and hydrant(s) as required by Tacoma Public Utilities, Water Division, and Pierce County to provide adequate fire flow of not less than 2000 gpm for one and one-half (1-1/2) hours, and (iii) electrical infrastructure as required by Puget Sound Energy.

9.1.11 On or before April 20, 2017, Purchaser shall obtain evidence satisfactory to Purchaser, in its sole and absolute judgment and discretion, confirming payment by NCV to Pierce County Public Works and Utilities, Sewer Utility Division, of such sewer connection fees, including but not limited to any applicable system development

and/or area charges, to provide adequate sanitary sewer service to Elementary No. 2 equivalent to 6 ERUs.

9.1.12 On or before April 20, 2017, Purchaser shall obtain evidence satisfactory to Purchaser, in its sole and absolute judgment and discretion, of either an insurable easement or such rights under the Plat of Berkeley Park to provide for adequate stormwater treatment and quantity collection from School Site No. 2 to an off-site, regional stormwater system within Tehaleh commonly known as the R4 Private Storm Drainage Facilities (“Tehaleh Storm Drainage Facilities”) subject only to such maintenance and repair fees as may be reasonably determined by the Tehaleh Homeowners Association relating solely to maintenance and repair obligations associated with the Tehaleh Storm Drainage Facilities and not maintenance or repair of other infrastructure, improvements, facilities or features within Tehaleh, including but not limited to roads, parks, open space areas, allees, trails, greens, or landscaping within Tehaleh. To the extent that any condition(s) under the Plat of Berkeley Park require “maintenance, repair or reconstruction of any infrastructure, utilities, and facilities, Seller shall provide Purchaser with a written instrument, in recordable form, satisfactory to Purchaser, in its sole and absolute discretion, that such Plat obligation shall be enforceable against Purchaser relating solely to the Tehaleh Storm Drainage Facilities.

9.1.13 On or before April 20, 2017, Purchaser shall obtained a SEPA Compliance Confirmation satisfactory to the District in its sole and absolute discretion.

9.2 The obligations of Purchaser and Seller, respectively, under this Agreement are expressly conditioned upon reaching written agreement(s) to be executed at Closing (“Closing Agreements”), the form and substance which are mutually satisfactory to Purchaser and Seller, in their sole and absolute judgment and discretion, respectively, on or before April 20, 2017, as follows (the “Document Contingency Period”):

9.2.1 Assignment of all rights of NCV, except as otherwise reserved in writing by NCV, in and to: (i) that certain “As Built” Survey prepared by MacKay Sposito and that certain Fill and Grading Work Report to be prepared by Terra Associates, Inc. relating to the Mass Grading of School Site No. 2 in accordance with the Memorandum of Understanding, (ii) that certain contract between NCV and Rickabaugh Pentecost Development, LLC relating to the Mass Grading of School Site No. 2, (iii) assignment of any certain site development permits and approvals relating to development of School Site No. 2 and operation of Elementary School No. 2 except Seller and Purchaser agree that that School Site No. 2 and Purchaser shall not be subject to such: (a) covenants, conditions and restrictions applicable to Tehaleh except as otherwise agreed upon under this Agreement, (b) maintenance obligations for any infrastructure, facilities, improvements, or features in Tehaleh except as may be related solely to the Tehaleh Storm Drainage Facilities.

9.2.2 an Escrow Holdback Agreement providing for completion of the Infrastructure Improvements consistent with the following terms:

(i) in the event that Seller cannot complete prior to Closing, the Infrastructure Improvements described under Exhibit D, a sum of not less than Five Hundred

Thousand and No/100 Dollars (\$500,000) shall be held back from the Purchase Price (“Holdback”) as security to mitigate any damages accruing to Purchaser in the event of a breach of the Escrow Agreement by Seller. The parties intend that the Holdback shall represent the difference between the Purchase Price and the reduced value of the Property at the time of Closing without completion of the Infrastructure Improvements.

(ii) Seller and Purchaser agree that failure to complete and dedicate the Infrastructure Improvements by the date specified in the Escrow Agreement to allow Purchaser to open Elementary No. 2 on July 1, 2018, shall constitute a material breach of the Escrow Agreement; provided, however, disbursement of the Holdback to Purchaser shall not be deemed to be an exclusive remedy under the Escrow Agreement, and Purchaser shall have the right to commence an action to recover any unmitigated damages, accruing to Purchaser as a result of Seller’s breach of the Escrow Agreement which damages shall include: (ii)(a) any costs associated with completing construction and installation of the Infrastructure Improvements; (ii)(b) any costs associate with a claim for delay or for increased construction costs under the Elementary No. 2 construction contract between Purchaser and its construction contractor relating to the failure of completion and dedication of the Infrastructure Improvements; (ii)(c) any costs associated with acquisition, permitting, and installation of interim, portable classrooms at Purchaser’s other school sites to house students who otherwise would have attended Elementary No. 2; and (ii)(d) any increased transportation costs associated with bussing students who otherwise would have attended Elementary No. 2 to Purchaser’s other school sites. Provided, however, in the event that Purchaser determines that Purchaser’s damages are less than the Holdback, Purchaser shall remit any excess Holdback to Seller, and Seller shall reserve the right to challenge any Holdback deemed by Purchaser to be damages accruing to Purchaser; and

(iii) notwithstanding Seller’s notification to Purchaser that Seller is able to complete construction of and dedicate the Infrastructure Improvements to the governmental entities or agencies or utility service providers with jurisdiction on or before July 1, 2018, Purchaser shall have no obligation whatsoever to commence construction of Elementary School No. 9 in 2017 and the date of commencement of construction of Elementary School No. 9 shall be at the sole and absolute discretion of Purchaser.

9.3 The parties shall notify one another in writing of satisfaction or waiver of the conditions set forth under Paragraphs 9.1 and 9.2, as applicable. In the event the conditions set forth under Paragraphs 9.1.1 through 9.1.13 and 9.2.1 and 9.2.2 have not been satisfied or waived by Seller or Purchaser, as appropriate, in the exercise of each party’s sole and absolute discretion, within the applicable time period, this Agreement shall be deemed to be terminated and all rights and obligations of the parties shall be terminated except as otherwise expressly provided under this Agreement, and Purchaser’s Deposit shall be returned to Purchaser.

10. Seller's Representations and Warranties; Covenants.

10.1 Seller makes the following representations and warranties or covenants to or for Purchaser. Except as otherwise provided below, the warranties and representations of Seller set forth below are true and correct as of the Effective Date; provided, however, it

shall be a condition to Purchaser's obligation to close the transaction contemplated herein, that these warranties and representations shall be true and correct as of the Closing Date. Seller shall execute and deliver at Closing, a certificate (the "Representations Certificate") confirming the accuracy of the above warranties and representations as of the Closing Date, and which Certificate shall survive Closing of the transaction contemplated under this Agreement for a period of eighteen (18) months after the date of the Closing and then shall lapse unless an action as to such matter has been filed within the eighteen (18) month period.

10.1.1 Liens. There are no mechanic's or materialmen's lien claims or notices, or liens against the Property.

10.1.2 No Actions or Notice of any Pending Proceedings. There is no action, suit, investigation or proceeding (administrative or otherwise) pending or to Seller's knowledge threatened against Seller or School Site No. 2 or any portion of it or the transaction contemplated herein. Seller has not received any notice of any violation of any statute, ordinance, or regulation from any governmental entity or agency relating to School Site No. 2. For purposes of this Agreement, "Seller's knowledge" shall mean the present, actual (not imputed) and personal knowledge of Scott Jones and Tom Uren, without any obligation to inquire or investigate.

10.1.3 Hazardous Materials. To Seller's knowledge, (i) there are presently no Hazardous Materials on School Site No. 2, including without limitation the surface and subsurface of School Site No. 2, (ii) there are no underground or above ground storage tanks on School Site No. 2, and (iii) Seller has not received any notification from any Federal, State or local governmental entity or agency of any violation of or claim of violation for the storage or disposal of any Hazardous Materials.

10.1.4 No Prior Agreements. No entity has any right of first refusal or option to acquire fee title to School Site No. 2 or any part thereof or interest therein.

10.1.5 No Consent or Conflict. To Seller's knowledge, no consent from or notice to any federal, state or local court or federal, state or local government bureau, department, commission or agency or other person or entity is required to permit Seller to execute, deliver and perform this Agreement, other than consents which have been obtained or will be obtained by Closing. This Agreement does not conflict with or breach any agreement to which Seller is a party.

10.1.6 Seller's Authority. The execution, delivery and performance of this Agreement by Seller has been, or will prior to the Effective Date be, duly authorized by all necessary action and proceedings, and no further corporate or other action or authorization will be necessary in order for Seller to consummate the transactions contemplated herein.

10.1.7 Foreign Person. Seller is not a "foreign person" within the meaning of Section 1445(f) of the Internal Revenue Code.

10.1.8 Creditors. No attachments, execution proceedings, assignments for the benefit of creditors, insolvency, bankruptcy, reorganization or other proceedings are pending or threatened against Seller, nor are any of such proceedings contemplated by Seller.

10.1.9 Certification of Elementary No. 2 Plans. As of the Closing Date, Seller certifies that the Elementary No. 2 Plans as defined under Paragraph 2.1.4 above: (i) have been reviewed by Seller and the Tehaleh Architectural Review Committee, (ii) are in full and complete compliance with the Tehaleh Design Manual, and (iii) are approved by the Tehaleh Architectural Review Committee. Except for material revisions to the Elementary No. 2 Plans, Seller further certifies that Purchaser has the right to make such revisions to said Plans to construct Elementary School No. 2 as Purchaser deems necessary and appropriate, in its sole and absolute discretion, without further application, review or approval process under the under the terms and conditions of the Tehaleh Design Manual.

10.1.10 Certification of Purchaser Obligations under Covenants, Conditions, and Restrictions. As of the Closing Date, Seller certifies that School Site No. 2 is not encumbered by or subject to any conditions, restrictions, or obligations and is not subject to any obligations of a property owner association in Tehaleh except as it solely relates to: (i) the Design Manual and (ii) maintenance fees for Tehaleh Storm Drainage Facilities serving School Site No. 2.

10.1.11 Certification of No Assessments or Latecomer's Fees. Except for such fees and charges related to monthly utility usage and on-site connections specific to Purchaser, as of the Closing Date, Seller certifies that School Site No. 2 is not subject to and that Seller has no knowledge of any future assessments or latecomer's fees that would encumber School Site No. 2 relating to construction and installation of those certain Infrastructure Improvements described on Exhibit D.

11. Purchaser's Representations and Warranties. Purchaser makes the following representations and warranties to Seller:

11.1 Purchaser's Authority. As of the Effective Date, Purchaser has the requisite power and authority to acquire School Site No. 2. The execution, delivery and performance of this Agreement by Purchaser have been duly and validly authorized by all necessary action and proceedings of Purchaser's Board of Directors. Purchaser notifies Seller that further action by Purchaser's Board of Directors is necessary in order to close the transaction contemplated herein and that such action will occur within the Contingency Periods set forth under Paragraphs 9.1 and 9.2.

11.2 No Conflict. At Closing, to the best of Purchaser's knowledge neither the execution nor delivery of this Agreement by Purchaser, nor performance of any of its obligations hereunder, nor consummation of the transaction contemplated hereby, will conflict with, result in a breach of, or constitute a default under any statutory or constitutional authority upon which Purchaser is vested.

12. Closing.

12.1 Conditions to Closing.

12.1.1 Purchaser's Conditions. Purchaser's obligation to close this transaction is subject to the satisfaction of the following conditions:

12.1.1(a) Seller's Compliance. Seller's fulfillment of each of its obligations under this Agreement in all material respects.

12.1.1(b) Closing Agreements. Purchaser reaching agreement with Seller within the Document Contingency Period, in Purchaser's sole and absolute discretion, relating to the Closing Agreements as set forth under Paragraph 9.2.

12.1.1(c) Seller's Representations. Except as otherwise provided in this Agreement, the continuing accuracy of all of Seller's warranties and representations in this Agreement in all material respects in accordance with Paragraph 10 above.

12.1.1(d) Status of Title. The commitment by the Title Company to issue the title insurance policy in the form approved by and with such special endorsements requested by Purchaser subject only to the Permitted Exceptions.

12.1.1(e) No Material Change to Property. There shall be no material adverse change to the Property on or before Closing.

12.1.2 Seller's Conditions. Seller's obligation to close this transaction is subject to the satisfaction of the following conditions:

12.1.2(a) Purchaser's Compliance. Seller's obligation to close this transaction is subject to the Purchaser's fulfillment of each of its obligations under this Agreement in all material respects.

12.1.2(b) Closing Agreements. Seller reaching agreement with Purchaser within the Document Contingency Period, in Purchaser's sole and absolute discretion, relating to the Closing Agreements as set forth under Paragraph 9.2.

12.1.3 Failure of Closing Conditions. In the event any one or more of the above conditions is not satisfied as of the Closing Date, the applicable party, may:

12.1.3(a) waive such condition by so advising the other party in writing, whereupon this sale shall close in accordance with the terms hereof;

12.1.3(b) elect to cancel this Agreement, whereupon the Deposit shall be immediately paid to Purchaser; or

12.1.3(c) specifically enforce the terms of this Agreement by instituting all proceedings necessary to obtain an order of specific performance of this Agreement and to cause title to the Property to be conveyed to Purchaser in accordance with the terms of this Agreement; provided, however, that any action for specific performance shall be commenced by Purchaser within nine (9) months of the default. Seller acknowledges that money damages may be insufficient to remedy Purchaser's harm from Seller's failure to convey title to the Property under the terms and conditions provided in this Agreement, and that, on Purchaser's election, specific performance is the best remedy for such a default.

Except as otherwise expressly set forth under this Agreement, in no event shall any party be entitled to seek recovery of, or recover, any indirect, consequential (including lost profits), exemplary, punitive, or other similar damages.

12.2 Closing Date. The closing of this transaction shall take place through the escrow offices of Chicago Title Company of Washington, 4717 South 19th Street, Suite 101, Tacoma, WA 98405; Attention: Cynthia Foley, Telephone: 253-671-6627; Email: Cindy.Foley@ctt.com (the "Closing Agent"). Closing Agent shall arrange with Seller and Purchaser for delivery of Escrow Documents by overnight delivery or such other delivery method for the convenience of Seller and Purchaser. The closing of the transaction contemplated under this Agreement (the "Closing") will occur in the offices of the Closing Agent on or before May 2, 2017.

12.3 Closing Deliveries. At Closing, Seller shall deposit in escrow the following documents:

12.3.1 a Statutory Warranty Deed, subject only to the Permitted Exceptions;

12.3.2 the SEPA Compliance Confirmation;

12.3.3 an instrument, in recordable form, confirming that notwithstanding any language to the contrary under any recorded instrument or other applicable development agreement, Purchaser and School Site No. 2 are not subject to any covenants, conditions, and restrictions otherwise applicable to and encumbering properties in Tehaleh EBPC except to extent of Purchaser's allocated share of its maintenance obligations for stormwater discharge relating to School Site No. 2, and the Tehaleh Design Manual as agreed upon by Purchaser and as approved by Pierce County Planning and Land Services;

12.3.4 an insurable, Temporary Right of Access to School Site No. 2, under terms and conditions satisfactory to Purchaser as defined under Paragraph 9.1.5, in the event that Cascadia Boulevard East, Feeder C and Collector C have not been conveyed to and opened by Pierce County for public right-of-way purposes;

12.3.5 an insurable instrument, under terms and conditions satisfactory to Purchaser as defined under Paragraph 9.1.12, granting the right of School Site No. 2 to discharge to the Tehaleh Storm Drainage Facilities together with only the obligation for payment of such appropriate fees for maintenance of such Storm Drainage Facilities and no other infrastructure, facility, improvement, or feature within Tehaleh;

12.3.6 unless otherwise incorporated into a Closing Agreement, all rights, privileges and easements appurtenant to School Site No. 2 including all development permits, approvals, zoning approvals, surveys, entitlements, applicable to development of School Site No. 2 for the District's Intended Use in accordance with Paragraph 2.1.4 and subparagraphs thereunder;

12.3.7 all Closing Agreements set forth under Paragraphs 9.2.1 and 9.2.2;

12.3.8 an affidavit executed by Seller that Seller is not a “foreign person” as defined in Internal Revenue Code §1445;

12.3.9 an owner’s affidavit as may be required by Title Company to allow Title Company to issue to Purchaser extended title coverage;

12.3.10 the Representations Certificate updating its Paragraph 10 representations and warranties as of Closing and such other documents as may be necessary in order to consummate the transaction contemplated in this Agreement, including excise tax affidavit and authority resolutions; and

12.3.11 Seller’s costs under Paragraph 12.5.

12.4 At Closing, Purchaser shall deposit in escrow the following:

12.4.1 the Purchase Price, less the Deposit;

12.4.2 executed counterparts of that certain Temporary Right of Access and instrument granting the right of School Site No. 2 to discharge to the Tehaleh Storm Drainage Facilities;

12.4.3 executed counterparts of all Closing Agreements set forth under Paragraphs 9.2.1 and 9.2.2; and

12.4.4 Purchaser’s costs under Paragraph 12.5.

12.5 Costs. Costs and expenses relating to the Closing shall be allocated and paid as follows:

12.5.1 Purchaser shall pay the recording fee on the Statutory Warranty Deed.

12.5.2 Seller and Purchaser shall equally bear the Escrow fee.

12.5.3 Seller shall pay the costs for standard coverage title insurance in the amount of the Purchase Price, the applicable real estate excise tax on the Purchase Price, and the real estate taxes as set forth under Paragraph 13.

12.5.4 Purchaser shall pay the costs for the premium of an owner's extended title insurance policy and any endorsements requested by Purchaser.

12.5.5 Each party shall pay its own attorneys' fees.

12.6 Documents to Purchaser. Seller shall make available for copying by Purchaser, at Purchaser’s expense, all other non-privileged records relating to School Site No. 2 (but not Seller) which have not previously been delivered to Purchaser.

13. Real and Personal Property Taxes.

13.1 Seller shall pay real and any personal property taxes, including but not limited to any delinquencies, penalties, interest accrual, and any obligation to pay at Closing any deferred real estate taxes, including interest and any penalties, due as compensating taxes because of the conversion of School Site No. 2 from an open space, agricultural use, or timber lands pursuant to Chapter 84.33 RCW, Chapter 84.34 RCW or any other current use assessment deferred tax statutory scheme authorized by law due to the conversion of School Site No. 2 to Purchaser's Intended Use.

13.2 There shall be no proration of real property taxes. Seller shall pay the entire first half or second half of real property taxes due and owing, depending upon the date of Closing. Purchaser is exempt from the payment of real estate taxes and Closing Agent shall not require payment of any real estate taxes by Purchaser for the period after closing as a condition of Closing. Seller shall be entitled to a refund from the Pierce County Assessor-Treasurer for payment of any real property taxes for the period after Closing. Purchaser shall cooperate with Seller as reasonably necessary, at no cost to Purchaser, to obtain the refund.

14. "AS-IS" SALE. PURSUANT TO THIS AGREEMENT, PURCHASER AND ITS REPRESENTATIVES (INCLUDING BUT NOT LIMITED TO ENVIRONMENTAL CONSULTANTS, ARCHITECTS AND ENGINEERS) HAVE BEEN OR WILL BE AFFORDED THE RIGHT AND OPPORTUNITY TO ENTER UPON SCHOOL SITE NO. 2 AND TO MAKE SUCH INSPECTIONS OF SCHOOL SITE NO. 2 AND MATTERS RELATED THERETO, INCLUDING THE CONDUCT OF SOIL, ENVIRONMENTAL AND ENGINEERING TESTS, AS PURCHASER AND ITS REPRESENTATIVES DESIRE, SUBJECT TO THE PROVISIONS OF PARAGRAPH 7. EXCEPT AS SET FORTH UNDER THE STATUTORY WARRANTY DEED, CLOSING AGREEMENTS UNDER PARAGRAPH 9.2, AND THE REPRESENTATIONS UNDER PARAGRAPH 10, PURCHASER IS ACQUIRING SCHOOL SITE NO. 2 IN WHOLLY AN "AS-IS" CONDITION.

15. Disclosure. If prior to Closing either party discovers a fact or circumstance which renders a representation or warranty by the other in Paragraph 10 or 11 inaccurate in any material respect, it shall advise the other party thereof in writing within five (5) business days of such discovery. If the party whose representation or warranty is materially inaccurate is unwilling to correct the inaccuracy, then the other party shall have, as its sole and exclusive remedy, the option, exercisable within five (5) business days thereafter to either (a) elect to terminate this Agreement and, if the terminating party is the Purchaser, receive a return of all Deposits, or, if the terminating party is the Seller, have the Deposit released to Seller as liquidated damages and as consideration for Seller keeping the Property off of the market for sale to others, or (b) to waive such inaccuracy in writing, in which event it shall be deemed to have waived all claims and causes of action against the other party related to the inaccuracy.

16. Remedies.

16.1 Purchaser's Default. In the event the transaction contemplated under this Agreement fails to be consummated according to the terms of this Agreement by reason

of any default of Purchaser, then, as Seller's sole remedy, Seller shall be relieved of any obligation to sell the Property to Purchaser, and the Deposit shall be retained by Seller as liquidated damages and as consideration for Seller keeping the Property off of the market for sale to others.

Purchaser's Initials _____

Sellers' Initials _____

16.2 Seller's Default. If Seller fails or refuses to consummate the transaction contemplated under this Agreement without legal excuse, Purchaser shall have the right to the return of its Deposit, or shall have the right to specifically enforce the terms of this Agreement by instituting all proceedings necessary to obtain an order of specific performance of this Agreement and to cause title to the Property to be conveyed to Purchaser in accordance with the terms and conditions of this Agreement; provided, however, that any action for specific performance shall be commenced by Purchaser within nine (9) months of the default. Seller acknowledges that money damages may be insufficient to remedy Purchaser's harm from a default consisting of Seller's failure to convey title to the Property under the terms and conditions provided in this Agreement, and that, on Purchaser's election, specific performance is the best remedy for such a default. Except as otherwise expressly set forth under this Agreement, in no event shall any party be entitled to seek recovery of, or recover, any indirect, consequential (including lost profits), exemplary, punitive, or other similar damages.

17. Casualty; Condemnation. If School Site No. 2 is damaged by casualty or becomes the subject of a condemnation proceeding affecting School Site No. 2 prior to Closing and the damage or taking impacts the value of School Site No. 2 Two Hundred Thousand and No/100 Dollars (\$200,000) or more, Purchaser may elect, in its sole discretion to either a) terminate this Agreement and in such event the Deposit shall be returned to Purchaser or b) complete the transaction contemplated herein and in such event Seller shall reduce the Purchase Price by the amounts received from any insurance company or any governmental entity and keep the proceeds for Seller's benefit; provided, however, Seller's receipt of such proceeds shall be a condition precedent to Seller's obligations to close the transaction contemplated under this Agreement. If the damage or taking involves less than \$200,000, then the transaction contemplated herein shall continue pursuant to its terms and Seller shall credit Purchaser with any amounts received from any insurance company or governmental entity in connection with such damage or taking provided the transaction contemplated herein closes. If Purchaser proceeds with the transaction contemplated herein and the proceeds are not received as of the Closing by Seller, the Purchase Price shall not be reduced and Seller shall assign to Purchaser as of the Closing the right to receive all such proceeds. Seller shall notify Purchaser in writing of a casualty or condemnation affecting School Site No. 2 within the earlier of (i) Closing or (ii) five (5) days of Seller's receipt of notice thereof.

18. Notices. All notices required under this Agreement shall be in writing and shall be delivered by facsimile transmittal (with machine verification of receipt), by a nationally recognized overnight courier service (such as Federal Express), or delivered by certified mail, return receipt requested. If a notice is mailed, it shall be considered delivered three (3) days after deposit in such mail. If a notice is delivered via facsimile transmittal, it

shall be deemed received upon receipt of verification of transmission. If a notice is delivered via overnight courier, it shall be deemed received upon the next business day. The addresses to be used in connection with such correspondence and notices are the following, or such other address as a party shall from time to time direct:

Purchaser: Sumner School District
1202 Wood Avenue
Sumner, WA 98390
Attention: Steve Sjolund, Educational
Support Services Officer
Telephone: 253-891-6058
Facsimile: 253-891-6097
Email: steve_sjolund@sumnersd.org

with a copy to: Mary J. Urback, Esq.
Mary J. Urback PLLC
12417 12th Street East
Edgewood, WA 98372
Telephone: 253-826-9504
Facsimile: 253-863-0225
Email: murback@urbackpllc.com

Seller: Newland Communities
505 South 336th Street, Suite 430
Federal Way, WA 98003
Attention: Scott Jones, Senior Vice President
Telephone: 253-275-3361
Facsimile: 253-275-3362
Email: sjones@newlandco.com

Newland Communities
505 South 336th Street, Suite 430
Federal Way, WA 98003
Attention: Steve Yester, Manager of
Commercial Real Estate
Telephone: 253-205-8359
Facsimile: 253-275-3362
Email: syester@newlandco.com

with a copy to: NASH Cascadia Verde, LLC
4790 Eastgate Mall, Suite 150
San Diego, CA 92121
Attn: Douglas L. Hageman, General Counsel
Telephone: 858-875-8161
Fax No.: 858-455-6142
Email: dhageman@newlandco.com

Kathleen S. Sieler
Bateman Seidel Miner Blomgren
Chellis & Gram, P.C.
888 SW Fifth Avenue, Suite 1250
Portland, OR 97204
Telephone: 503.972.9928
Facsimile: 503.972.9948
Email: KSieler@BatemanSeidel.com

19. Transfer. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their heirs, successors and assigns; provided, however, Seller shall have no right of assignment of this Agreement without the written consent of Purchaser. Purchaser may not assign this Agreement without the written consent of Seller, which may be conditioned or withheld in the sole and absolute discretion.

20. Intentionally Deleted.

21. Real Estate Commission. Seller and Purchaser warrant and represent that neither party has employed the services of a real estate brokerage or agent to assist in the procurement of this Agreement. Seller and Purchaser each agree to indemnify, defend and hold harmless the other from and against any liability, damages, fees and expenses arising out of or in any way connected with such indemnifying party's representations under this paragraph. The representations and warranties under this paragraph shall survive the closing of the transaction contemplated under this Agreement.

22. Interim Operations. Seller covenants and agrees that Seller will pursue management and development of School Site No. 2 consistent with the terms of this Agreement, with notice to Purchaser as required under this Agreement, including without limitation maintaining liability and casualty insurance on School Site No. 2 to the extent Seller maintains liability and casualty insurance on School Site No. 2 as of the Reference Date.

23. Costs and Expenses. Except as otherwise provided herein, each party hereto will bear its own costs and expenses in connection with the negotiation, preparation and execution of this Agreement and other documentation related hereto and in the performance of its duties hereunder.

24. Delivery of Possession. Possession of School Site No. 2 shall be delivered to Purchaser on the Closing Date.

25. Miscellaneous.

25.1 Headings. The headings in this Agreement are for convenience only and do not in any way limit or affect the terms and provisions hereof.

25.2 Calculation of Time Periods. Unless otherwise specified, in computing any period of time described in this Agreement, the day of the act or event after which the designated period of time begins to run is not to be included and the last day of the period so computed is to be included, unless such last day is a Saturday, Sunday or legal holiday. The final day of any such period shall be deemed to end at 5:00 p.m., Pacific Standard or Daylight Time, depending upon the applicable time period.

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

25.4 Gender. Wherever appropriate in this Agreement, the singular shall be deemed to refer to the plural and the plural to the singular, and pronouns of certain genders shall be deemed to include either or both of the other genders.

25.5 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but which when taken together shall constitute one and same instrument.

25.6 Exhibits. The Exhibits referred to herein and attached to this Agreement are incorporated herein as if set forth in full.

25.7 Venue/Jurisdiction. Purchaser hereby consents to the jurisdiction of the State of Washington in any action or proceeding relating to School Site No. 2. It is further agreed that the venue of any action or proceeding brought under the terms of this Agreement shall be Pierce County, Washington. This Agreement shall be governed by the applicable laws of the State of Washington without regard to those governing conflicts of law.

25.8 Attorneys' Fees. In the event that either party to this Agreement institutes a suit, action, or other legal proceeding of any nature whatsoever relating to this Agreement or to the rights or obligations of the parties with respect thereto, the prevailing party shall be entitled to recover from the losing party its reasonable attorney, paralegal, accountant, expert witness (whether or not called to testify at trial or other proceeding) and other professional fees and all other fees, costs, and expenses actually incurred and reasonably necessary in connection therewith, including but not limited to deposition transcript and court reporter costs, as determined by the judge or arbitrator at trial, upon appeal or other proceeding, and including such fees, costs and expenses incurred in any appellate or review proceeding, or in collecting any judgment or award, or in enforcing any decree rendered with respect thereto, in addition to all other amounts, provided for by law. This cost and attorney fees provision shall apply with respect to any litigation or other proceedings in bankruptcy court, including litigation or proceedings related to issues unique to bankruptcy law. The

“prevailing party” is the party that receives a net monetary award after all just and due credits and offsets.

25.9 Unenforceability. If any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect the remainder of such provision or any other provisions hereof.

25.10 Amendment, Modifications. This Agreement (including the exhibits attached to it) is the final expression of, and contains the entire agreement between, the parties with respect to the subject matter of this Agreement and supersedes all prior understandings and writings (including the letter of intent signed by the parties) with respect to it. This Agreement may not be amended, modified, changed, or supplemented, nor may any obligations under it be waived, except by written instrument signed by the party to be charged or by its agent duly authorized in writing or as otherwise expressly permitted here.

25.11 Construction. Headings at the beginning of each paragraph and subparagraph are solely for the convenience of the parties and do not in any way limit or affect the terms and provisions of this Agreement. Whenever required by the context of this Agreement, the singular shall include the plural, and the masculine shall include the feminine, and vice versa. This Agreement shall not be construed as if it had been prepared by one of the parties, but rather as if both parties had prepared it.

25.12 Waiver. A party may, at any time or times, at its election, waive any of the conditions to its obligations hereunder, but any such waiver shall be effective only if contained in a writing signed by such party. No waiver shall reduce the rights and remedies of such party by reason of any breach of any other party. No waiver by any party of any breach hereunder shall be deemed a waiver of any other or subsequent breach.

25.13 Facsimile Signatures. Each party (i) has agreed to permit the use, from time to time and where appropriate, of facsimile signatures in order to expedite the transaction contemplated by this Agreement, (ii) intends to be bound by its respective facsimile signature, (iii) is aware that the other will rely on the facsimile signature, and (iv) acknowledges such reliance and waives any defenses to the enforcement of the documents effecting the transaction contemplated by this Agreement based on the fact that a signature was sent by facsimile transmittal.

25.14 Further Assurances. In addition to the acts and deeds recited herein and contemplated to be performed, executed or delivered by either party at Closing, each party agrees to perform, execute and deliver, but without any obligation to incur any additional liability or expense, on or after the Closing any further deliveries and assurances as may be reasonably necessary to consummate the transactions contemplated hereby or to further perfect the conveyance, transfer and assignment of the Property to Purchaser.

25.15 Survival. The covenants, agreements, representations, and warranties set forth under the Recitals and Paragraphs 1, 2, 7, 8, 10, 11, 14, 16, 18 through 25 of this Agreement shall survive Closing and shall not merge into the Deed and the recordation of it in the official records.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the dates set forth below.

SELLER

NASH CASCADIA VERDE, LLC,
a Delaware limited liability company

PURCHASER

SUMNER SCHOOL DISTRICT NO. 320,
a Washington municipal corporation

By:_____

Scott Jones

Its: Authorized Signatory

Date:_____

By:_____

Laurie Dent

Its: Interim Superintendent

Date:_____

LIST OF EXHIBITS

- EXHIBIT A-1: Legal Description of School Site No. 2
- EXHIBIT A-2: Illustrative Map of School Site No. 2
- EXHIBIT B: Feasibility Materials
- EXHIBIT C: Memorandum of Understanding Relating to Fill and Grading Work
Associated with Acquisition of Property by Sumner School District
- EXHIBIT D: Infrastructure Improvements

EXHIBIT A-1

LEGAL DESCRIPTION OF SCHOOL SITE NO. 2

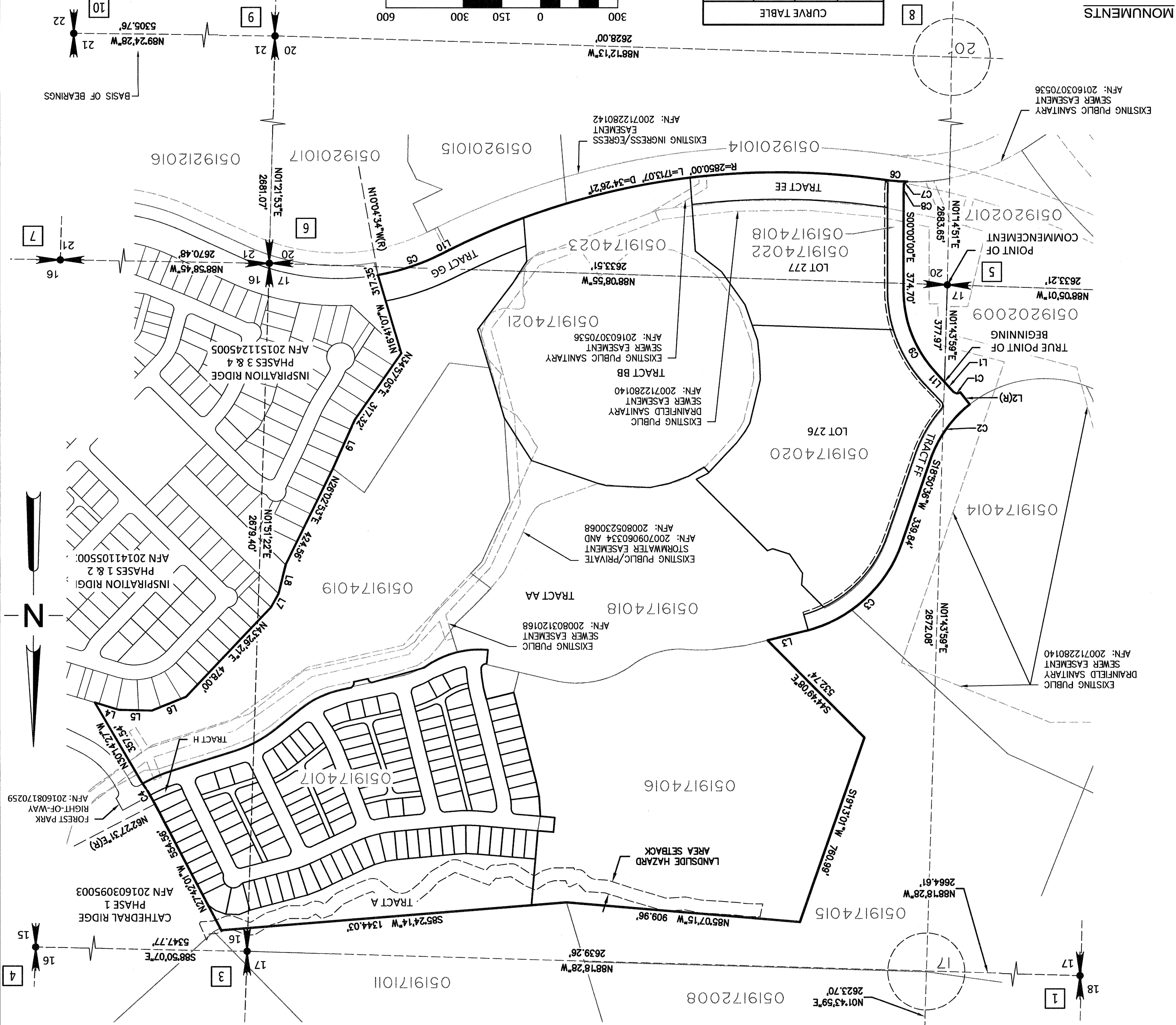
LOT 276 OF THE PLAT OF BERKELEY PARK RECORDED UNDER PIERCE COUNTY
AUDITOR'S FILE NO. 201610215001 SITUATED IN PIERCE COUNTY,
WASHINGTON.

EXHIBIT A-2

ILLUSTRATIVE MAP OF SCHOOL SITE NO. 2

BERKELEY PARK AT TEHALEH PHASES I & II

THOSE PORTIONS LYING IN THE NE 1/4 AND SE 1/4 AND SW 1/4 AND NW 1/4 OF THE SE 1/4 AND THE SE 1/4 OF THE SW 1/4 OF SECTION 17, AND THE NW 1/4 OF THE SW 1/4 OF SECTION 16, AND THE NW 1/4 AND NE 1/4 OF THE NE 1/4 OF SECTION 20, TOWNSHIP 19 NORTH, RANGE 5 EAST OF THE WILLAMETTE MERIDIAN, PIERCE COUNTY, WASHINGTON



MONUMENTS

1 FOUND 2" BRASS CAP WITH "X" LS
35476" ON 4"x4" CONCRETE MONUMENT
FIELD VISITED AUGUST 15, 2016.

2 MONUMENT POSITION CALCULATED PER
RECORD OF SURVEY RECORDED UNDER
AFN 8211010105

3 FOUND 2.5" BRASS DISK MARKED
"17/16" AND "LS 9496"

4 FOUND ROCK WITH LEAD PLUG, DOWN 0.2',
2.0' EAST OF EDGE PAVING
FIELD VISITED FEBRUARY 9, 2000.

5 FOUND 2.5" CAP ON IRON PIPE, UP 0.5',
MARKED "1/4 S 17/5 20 1985 LS 14096"

6 SEARCHED FOR AND NOT FOUND
APPEARS TO HAVE BEEN DESTROYED BY
ROAD CONSTRUCTION

7 DESTROYED BY CONSTRUCTION, REPLACED PER
LAND CORNER RECORD AFN: 201412170765

8 FOUND AXLE 0.25' ABOVE GROUND
FIELD VISITED JULY 25, 2016

9 FOUND 2.5" BRASS CAP ON 1.5" PIPE UP 1.1',
WITH BEARING TREES
FIELD VISITED MARCH 27, 2013

10 FOUND STONE WITH TACK IN LEAD, DOWN 1', 1.5' EAST
FROM EDGE OF PAVEMENT, WITNESS POST 10' EAST
FIELD VISITED MARCH 27, 2013

A REBAR AND PLASTIC CAP MARKED "MSI LS 33555" SHALL
BE SET AT ALL PLAT BOUNDARY CORNERS AND ANGLE POINTS,
EXCEPT AS NOTED. A REBAR AND PLASTIC CAP MARKED "MSI
LS 33555" SHALL ALSO BE SET AT ALL TRACT CORNERS AND
ANGLE POINTS, EXCEPT THE CORNERS AND ANGLE POINTS OF
THE FUTURE PHASE TRACTS, WHICH SHALL BE SET WITH THE
FUTURE PHASES.
FOR ADDITIONAL SECTION BREAKDOWN INFORMATION SEE
THOSE RECORDS OF SURVEY RECORDED UNDER RECORDING
NUMBERS 8505240205, 201409195004, AND 201511245005.

SURVEY REFERENCES

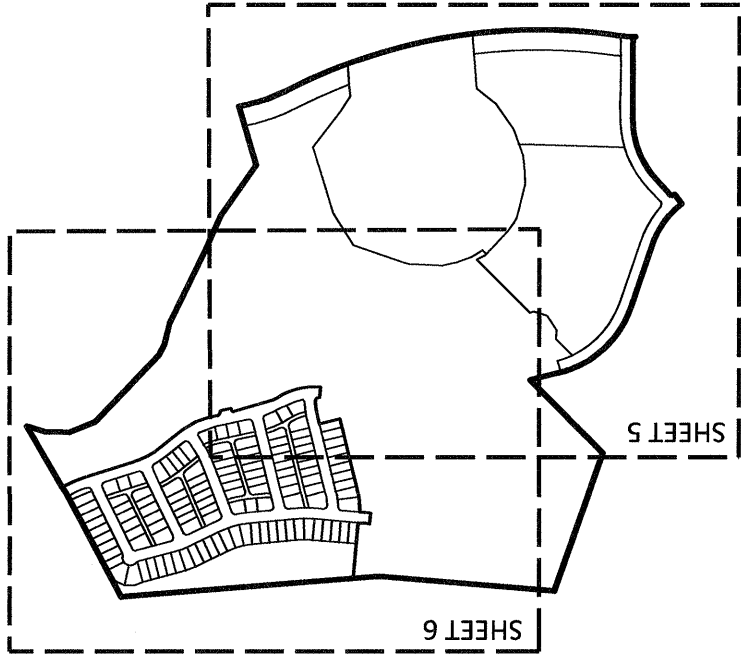
LEGEND

Δ CURVE DELTA ANGLE
(R) RADIAL TO CURVE

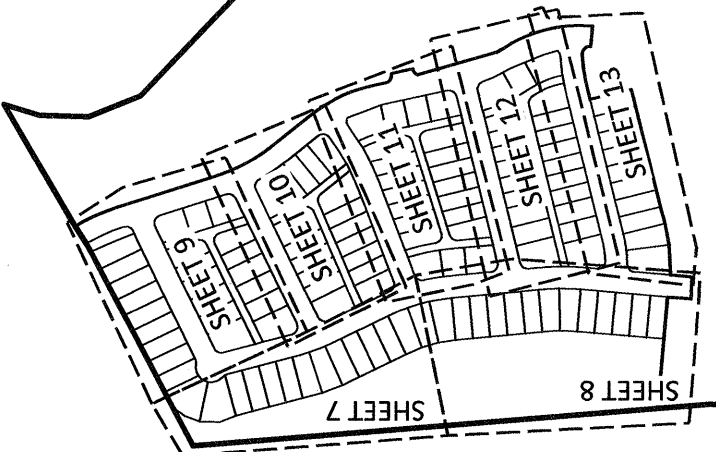
LINE #	LENGTH	DIRECTION
L1	51.38	S42°40'15"E
L2	60.00	S38°09'03"E
L3	150.97	S76°05'23"W
L4	97.59	S73°10'23"E
L5	126.98	S88°43'52"E
L6	144.60	N67°49'41"E
L7	59.94	N28°44'20"E
L8	116.76	N13°45'19"E
L9	198.66	N24°08'45"E
L10	56.92	N63°41'14"E
L11	51.62	S42°40'15"E

CURVE #	LENGTH	RADIUS	DELTA
C1	29.84	20.00	85°28'47"
C2	270.75	470.00	33°00'21"
C3	529.54	530.00	57°14'47"
C4	101.03	799.83	7°14'14"
C5	253.63	895.00	16°14'12"
C6	97.83	812.00	6°54'10"
C7	19.69	13.00	86°47'08"
C8	36.40	470.00	4°26'17"
C9	350.03	470.00	42°40'15"

200 SCALE SHEET KEY



40 SCALE SHEET KEY



Checked By: _____
Calc. By: JG
DWG. Name: 16098 PH1-2.FB
Job No.: 16098
SHEET 4 OF 14
PIERCE COUNTY APPLICATION NUMBER: 839356
Mackay Sposito
ENERGY PUBLIC WORKS LAND DEVELOPMENT
www.mackaysposito.com
33400 8th AVENUE SOUTH, SUITE 130
FEDERAL WAY, WASHINGTON 98003

EXHIBIT B

FEASIBILITY MATERIALS

Berkeley Park, Phases 1 & 2

- **Cascadia Development Agreement**
 - o Cascadia Development Agreement w/ Appendices (9/8/99)
 - o Minor Amendment No. 1 (4-5-06)
 - o Minor Amendment No. 2 (7-11-07)
 - o 1st 5 Year review (7-14-07)
 - o 2nd 5 Year review (4-25-12)
 - o Major Amendment (April 2014)
- **HOA Documents and Design Guidelines**
 - o Approved Tehaleh Design Manual 8/24/16
 - o HOA Documents – If On Title
- **Final Plat Documents**
 - o Berkeley Ridge Segmentation Plan (___-___-___)
 - o Final Plat Map (when available - draft)
 - o Subdivision Guarantee (___-___-___)
 - o Hearing Examiner Report & Conditions of Approval (10-22-13)
- **Road and Storm Drainage**
 - o Road and Storm Drainage Plans - Signed (___-___-___)
 - o P Co. Letter of Final Acceptance (when available)
- **Park, Trail & Landscape Plans**
 - o Tehaleh Phase 1 Master Park Plan (1-14-14)
- **Geotech**
 - o Plat Geotechnical report (___-___-___)
 - o Plat Grading/Earthwork Certification (when available)
- **Sanitary Sewer System (Pierce County Utilities)**
 - o Sewer System Plans - Signed (___ - ___ - ___)
 - o Sewer Easements (___-___-___)
 - o Final Acceptance Letter (when available)
 - o Final Certificate of Sewer Availability (when available)
- **Potable Water – Fireflow (Tacoma Public Utilities)**
 - o Certificate of Water Availability (___ - ___-___)
 - o Water System Approved Plans (___- ___ -___)
 - o Final Acceptance Letter (when available)

- **Dry Utilities**
 - o Comcast Cable TV
 - Cable TV system plans (___-___-___)
 - o Century Link
 - Fiber / Telephone system plans (___-___-___)
 - o PSE Power
 - Power system plans (___-___-___)
 - PSE service agreement (___-___-___)
 - o PSE Gas
 - Gas system plans (___-___-___)
 - PSE service agreement (___-___-___)
- **Level One Environmental Assessments**
 - o Terra (1-7-11)
 - o EFI Global (9-11-06)
 - o Golder (9-14-90)

EXHIBIT C

**MEMORANDUM OF UNDERSTANDING
ASSOCIATED WITH FILL AND GRADING WORK**

**MEMORANDUM OF UNDERSTANDING RELATING TO
FILL AND GRADING WORK ASSOCIATED WITH
ACQUISITION OF PROPERTY BY SUMNER SCHOOL DISTRICT**

THIS MEMORANDUM OF UNDERSTANDING RELATING TO FILL AND GRADING WORK ASSOCIATED WITH ACQUISITION OF PROPERTY BY SUMNER SCHOOL DISTRICT (the "MOU") is made as of this 12TH day of September, 2016 (the "Reference Date"), by and between SUMNER SCHOOL DISTRICT NO. 320, a Washington municipal corporation (the "School District"), and NASH CASCADIA VERDE, LLC, a Delaware limited liability company ("NCV"). The School District and NCV shall hereinafter from time to time be referred to as a "Party" or collectively as the "Parties" to this MOU.

I. RECITALS

A. NCV is the owner and developer of an Employment Based Planned Community of a mixed use residential, commercial, and industrial development of approximately 4,719 acres known as Tehaleh (formerly known as Cascadia), located south of Bonney Lake in unincorporated Pierce County, Washington.

B. NCV and the School District have worked cooperatively together to identify the next elementary school site in Tehaleh. The Parties have identified a certain 14.15 acre site within the area identified as the future Plat of Berkeley Park and as legally described, as of the Reference Date, on Exhibit A attached hereto. The Parties acknowledge that the legal description set forth on Exhibit A may be subject to further refinement in conjunction with finalization of the Plat of Berkeley Park. For purposes of this MOU, the elementary school site is referred to herein as "Tehaleh Elementary No. 2", the "Elementary Site" or the "Site". The Parties acknowledge and understand that the legal description of Tehaleh Elementary No. 2 will be revised upon recording of the Final Plat of Berkeley Park. For purposes of the MOU, the Parties agree that the legal description of the Elementary Site shall be deemed to be amended and shall be substituted, without further amendment to this MOU, consistent with the legal description of record upon recording of the Final Plat of Berkeley Park.

C. NCV and the School District have commenced negotiations regarding the terms and conditions of acquisition of the Elementary Site by the School District.

D. One of the conditions of acquisition of the Elementary Site by the School District is the rough or mass grading of the Site by NCV, to the reasonable satisfaction of the School District in the exercise of its reasonable discretion in accordance with the Grading Plan, Grading Specifications, and Grading Certification (each as hereinafter defined), prior to Closing of the transaction contemplated between the Parties for acquisition of the Site by the School District (hereinafter the "Fill and Grading Work"). NCV acknowledges that the intent of the Fill and Grading Work to be performed by NCV is to provide a suitable site to the School District for construction of a public school facility with an intended useful life of 50 years.

E. The purpose of this MOU is to memorialize in writing the Parties' understanding of the terms and conditions of the Fill and Grading Work to be performed by NCV relating to the Elementary Site, the acquisition of which is the subject of negotiations between NCV and the School District. NCV and the School District acknowledge and understand that the terms and conditions of the Fill and Grading Work set forth under this MOU are intended to be incorporated, and as may be supplemented, as a feasibility condition of the School District, into a Real Estate Purchase and Sale Agreement ("Purchase Agreement") to be negotiated and executed between the Parties.

II. MEMORANDUM OF UNDERSTANDING

In consideration of the mutual promises, covenants, and conditions set forth herein, the Parties hereto hereby agree to the following understanding:

1. Incorporation of Recitals. The Parties hereby incorporate the Recitals hereto as material terms to this MOU as if fully set forth in this paragraph.

2. Elementary Site Soils Documentation. NCV has provided to the School District certain reports, studies, and documents (the "Soils Documentation") prepared by consultants of NCV as to the condition of the Elementary Site. In conjunction with the School District's evaluation of the Elementary Site for purposes of preparation of certain Grading Specifications, as described and defined hereinbelow under Section 4, in conjunction with the Fill and Grading Work to be performed by NCV under this MOU, the District has reviewed and relied upon the following Soils Documentation:

2.2.1 Landslide Hazard and Development Geotechnical Report, dated September 23, 2015 ("2015 Geotechnical Report"), prepared by Terra Associates, Inc. ("TAI"), hereinafter also described as NCV's Geotechnical Engineer.

2.2.2 Pavement Design Recommendations and Analysis, dated April 28, 2005, prepared by TAI.

2.2.3 13 Test Pits, advanced under the direction of TAI in or very near the Elementary Site, are numbered under the TAI 2015 Geotechnical Report as 37, 38, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50 and 51 and range in depth between 6 (TP 41) and 11 (TP 46) feet deep. The majority of Test Pits were extended between 8 and 9 feet below existing grade (BEG). Page 3 of the TAI 2015 Geotechnical Report sets forth the general description of soils found on the Site.

3. Grading Plan.

3.1 NCV agrees that the Fill and Grading Work described under this MOU shall be performed by NCV, at the sole cost of NCV, in accordance with recognized and accepted engineering and construction standards:

3.1.1 Consistent with the Grading Plan, dated August 23, 2016, prepared by MacKay Sposito on behalf of NCV and approved by Sitts & Hill Engineers, Inc. on behalf of the School District attached hereto as Exhibit B (the "Grading Plan"). For purposes of this MOU, the grades shown on the Grading Plan are referred to herein as "finished grades"; and

3.1.2 In accordance with the Grading Specifications described below under Section 4.

3.2 The Parties agree that the Grading Plan shows that the Site will be cut to grade in most areas with limited areas of fill proposed. The first fill area is a closed depression and lies adjacent to the Tehaleh regional stormwater retention facility along the northeastern Site boundary in close proximity to the stormwater retention facility. The first fill area is approximately 10 feet deep. The second fill area is in the central portion of the Site where approximately 7 feet of fill will be placed in a closed depression. The third fill area on the southern boundary of the Site and adjacent to "Feeder C" and "Collector C" has a deeper fill planned ranging in depths to approximately 12 feet.

4. Grading Specifications. NCV shall perform the Fill and Grading Work under this MOU in accordance with the following Grading Specifications:

4.1 Mass Grading Permit(s).

4.1.1 NCV shall be responsible, at the sole cost of NCV, for obtaining all permits, as may be required, to perform the Fill and Grading Work required under this MOU from Pierce County and the Washington State Department of Ecology.

4.1.2 Any such permits shall remain in force through the Fill and Grading Work and transferred to the School District upon closing of the transaction contemplated between NCV and the School District for the acquisition of the Elementary Site by the School District; provided however, upon closing of the transaction, NCV's obligations under the permits shall cease and NCV shall not be obligated to transfer to the School District or otherwise maintain any required bond(s) associated with such permits. The School District agrees that if NCV cannot obtain a release of such bond(s) without a replacement bond(s), then the School District agrees to take such action as is reasonably required by the agency with jurisdiction to allow for a release of NCV's bond(s).

4.2 Erosion Control. On-Site Erosion Control measures consistent with best management practices accepted by Pierce County shall be maintained and shall remain in place by NCV following completion of the Fill and Grading Work under this MOU until the Site has been conveyed to the School District by NCV under the terms and conditions of a Purchase Agreement. These Erosion Control measures shall include, but are not limited to, a Construction Entrance, Interceptor Swales, Sediment Pond and Material Stockpile Stabilization.

4.3 Site Preparation. NCV shall clear and grub the Site. NCV shall remove and stockpile, in the "Stockpile Area" designated on the Grading Plan, the top 3 to 9 inches of native topsoil material as determined collectively by NCV's Geotechnical Engineer and the School District's Geotechnical Engineer. This material shall contain no organics greater than 2" in diameter or 2 feet in length. This material shall be protected from erosion and loss by covering with 6 mil plastic sheeting weighted down with sandbags and or other methodologies consistent with Appendix G of the 2005 Pierce County Site Development and Stormwater Management Manual.

4.3.1 Site Clearing and Grubbing.

4.3.1(a) All trees, snags, logs, brush, stumps, shrubs, rubbish, and similar materials shall be cleared from the Site. Consistent with the National Resources Conservation Service Construction Specification 252(4), all stumps, roots, and root clusters that have a diameter of 1" or larger shall be grubbed out to a depth of 2 feet below subgrade in those fill areas where School District buildings and paved fire access are intended to be located as shown on Exhibit C attached hereto.

4.3.1(b) All material cleared and grubbed from the Site shall be disposed of at an off-Site location.

4.3.2 Fill Areas.

4.3.2(a) In fill areas, once the topsoil and all organic material are removed from the Site, the surface shall be proof rolled with a loaded 10-wheel tandem-axle dump truck weighing not less than 15 tons. Vehicle speed shall be limited to 3 MPH. Completely proof roll in one direction; repeat proof rolling in the direction perpendicular to the first. The School District's On-Site Geotechnical Engineer shall receive a minimum of two (2) business days telephonic and email notice

prior to such proof rolling. Should any area of subgrade fail the proof roll test, the failed area shall be over-excavated a minimum of 1 foot, compact subgrade to 95% per ASTM D1557. The area shall be subjected to a proof roll test until the School District's On-Site Geotechnical Engineer confirms the area passes the proof roll test as determined by the District's On-Site Geotechnical Engineer in the exercise of its reasonable discretion.

4.3.2(b) Native fill material may be used as a source of on-Site fill with the following exceptions: (i) no stone size placed in the northeastern and central fill areas shall be greater than 6" in any dimension, (ii) no stone size placed in the top 4 feet of fills along the southern Site boundary and adjacent to Feeder C shall be larger than 6" in any dimension, and (iii) the largest allowable boulder size to be placed in the fills along the southern Site boundary and adjacent to Feeder C shall be 12". In addition, these 12" boulders shall only be allowed to be placed at depths greater than 4 feet below proposed finished grade along the southern Site boundary and adjacent to Feeder C.

4.3.2(c) Native fill material shall be at or below Optimum Moisture Content per ASTM D1557 at the time of placement.

4.3.2(d) Fill shall be placed in lifts not greater than 8" deep and compacted to 95% per ASTM D1557 in the northeastern and central fills. Fill shall be placed in lifts no greater than 8" deep and compacted to 95% per ASTM D1557 in the top 4 feet of fills along the southern Site boundary and adjacent to Feeder C. Fill lower than 4 feet below proposed finished grade shall be placed in lifts not greater than 12" deep and compacted to 95% per ASTM D1557 along the southern Site boundary and adjacent to Feeder C.

4.3.2(e) Upon completion of fill, the fill areas shall be subjected to and pass proof rolls test as described above under Section 4.3.2(a).

4.4 General.

4.4.1 Cut and fill slopes shall be no steeper than 4 horizontal to one vertical (4:1).

4.4.2 Finished grades shall be within 6 inches (plus or minus) of design grades.

4.4.3 All unsuitable, rejected material as determined by the School District's On-Site Geotechnical Engineer, in the exercise of its reasonable discretion, including boulders of every size, shall be removed from the Site.

4.4.4 The term "reasonable discretion" of an engineer shall mean conformance to professional engineering standards accepted in the industry based upon the intended use of the Site.

5. Construction Schedule, Coordination, and Notices.

5.1 NCV recognizes that the School District desires to construct and occupy Tehaleh Elementary No. 2 by July 31, 2018, and NCV agrees to use its best commercial efforts to commence the Fill and Grading Work under this MOU as soon as reasonably possible in order to complete the Fill and Grading Work by no later than October 31, 2016 (the "Target Date"). The School District recognizes that actual or forecast weather conditions may preclude completion of the Fill and Grading Work by the Target Date, provided, however, NCV agrees that all of the terms and conditions of this MOU, including Section 6, shall be satisfied by no later than March 31, 2017.

5.2 NCV and the District shall cooperate in good faith to facilitate the Fill and Grading Work under this MOU. During the course of the Fill and Grading Work, NCV shall regularly communicate with the School District, by telephonic or by email communication, as is reasonable under the circumstance, and as otherwise provided under this MOU.

5.3 NCV shall notify the School District within two (2) days of final selection of a contractor to perform the Fill and Grading Work, and NCV shall provide the School District with not less than two (2) days notice prior to commencement of the Fill and Grading Work. The School District shall further be notified of the pre-construction meeting relating to the Fill and Grading Work under this MOU as soon as NCV confirms the schedule of such meeting but in any event not less than two (2) days advance notice.

5.4 In the event a condition arises or an event occurs which requires any material revision, modification, or change to the Fill and Grading Work, including but not limited to the Grading Plan and Grading Specifications ("Fill and Grading Alteration"), NCV or the School District, as the case may be, shall immediately notify the other Party, by personal communication if the Parties are on-Site, or otherwise, by telephonic and email communication. Prior to commencement of any Fill and Grading Alteration, NCV and the School District shall reach agreement, in the exercise of their reasonable discretion, on the manner and method of implementing any Fill and Grading Alteration which shall include, but not necessarily be limited to, an amendment to this MOU; provided, however, neither NCV nor the School District shall unreasonably withhold, condition, or delay any consent, approval, or agreement request of the other Party.

5.5 Notwithstanding any language to the contrary, the School District's On-Site Geotechnical Engineer shall have the right, but not the obligation, to inspect and monitor the Fill and Grading Work on such schedule as deemed appropriate by the School District's On-Site Geotechnical Engineer, in its sole and absolute discretion, without advance notice to NCV; provided, however, the District's On-Site Geotechnical Engineer shall be required to notify, by telephonic or email communication, NCV's Project Manager, upon entry onto the Site. NCV acknowledges that the School District's On-Site Geotechnical Engineer may be accompanied on-Site, from time to time, by the School District's Review Geotechnical Engineer. The School District notifies NCV that Robert M. Pride, P.E. is its Review Geotechnical Engineer.

5.6 Notices required under Sections 4 and 5 shall be delivered as described under Sections 4 and 5, or as may be directed from time to time by a Party to this MOU, to the following:

School District:	Steve Sjolund Educational Support Services Officer Sumner School District 1202 Wood Avenue Sumner, WA 98390 Telephone: 253-891-6058 Email: steve_sjolund@sumnersd.org
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Mark Baumgarten
Director of Facilities
Sumner School District
19701 104th Street East
Bonney Lake, WA 98391
Telephone: 253-891-6300
Email: Mark_Baumgarten@sumnersd.org

and to: Civil Engineer
Kathy Hargrave, P.E.
Sitts & Hill Engineers, Inc.
4815 Center Street
Tacoma, Washington 98409
Telephone: 253-474-9449
Email: kathyhargrave@sitts-hill-engineers.com

and to: On-Site Geo-Technical Engineer
Jim Brigham, P.E.
Migizi Group
P.O. Box 44840
Tacoma, WA 98448
Telephone: 253-537-9400
Email: jbrigham@migizigroup.com

NCV: Mark Enebrad
Project Manager
Newland Communities
505 South 336th Street, Suite 430
Federal Way, WA 98003
Telephone: 253-254-3033
Email: menebrad@newlandco.com

and to: Tom Uren
Senior Project Manager
Newland Communities
505 South 336th Street, Suite 430
Federal Way, WA 98003
Telephone: 253-275-3361
Email: turen@newlandco.com

6. Certification of Fill and Grading Work.

6.1 NCV shall weekly provide, by email delivery or if on-Site by personal delivery, to the District's On-Site Geotechnical Engineer and the District's Civil Engineer, field soil density and laboratory test results.

6.2 At the completion of the Fill and Grading Work, NCV, at its sole cost, shall cause to be prepared an "As-Built" Survey certified by McKay Sposito showing the finished grades in conformance with the Grading Plan. The "As-Built" Survey shall be completed and delivered to the School District in AutoCad and pdf formats within sixty (60) days of completion of the Fill and Grading Work.

6.3 NCV, at its sole cost, shall further cause within sixty (60) days of completion of the Fill and Grading Work, a Fill and Grading Report to be prepared and certified by Terra Associates Inc. that the Fill and Grading Work is in conformance with the Grading Specifications set forth hereinabove and that the fill compaction is at 95% per ASTM D1557 established by documentation from compaction tests performed by an independent laboratory which shall be acceptable to the School District and its On-Site Geotechnical Engineer in their reasonable discretion. A minimum of three compaction tests for each area of fill described under this MOU and identified on the Grading Plan in locations will be selected by the School District's On-Site Geotechnical Engineer, in his sole and absolute discretion, and communicated to NCV's Project Manager in the course of observing the filling of each area.

6.4 The "As Built" Survey and the Fill and Grading Report shall be acceptable to the School District, in its reasonable discretion, based upon the School District's intended use of the Site. The School District shall have the right, but not the obligation, to engage Sitts & Hill Engineers, Inc. to obtain spot elevations of the finished Site in conjunction with its review of the completed Fill and Grading Work.

6.5 In the event that the District notifies NCV of any deficiencies in the "As Built" Survey or the Fill and Grading Report, the Parties agree to communicate and meet, if appropriate, to discuss any such deficiencies and to work in good faith to resolve any such deficiencies to the satisfaction of the School District's in the exercise of its reasonable discretion.

7. Miscellaneous.

7.1 Effective Date. The Effective Date of this MOU shall be the date of the last signature of a Party to this MOU.

7.2 Purchase Agreement. The Parties acknowledge that the terms and conditions of this MOU shall be incorporated into a Purchase Agreement under negotiations and to be executed between the Parties relating to acquisition of the Elementary Site by the School District.

7.3 Notices. Except for notices required under Sections 4 and 5, all notices, including but not limited to the "As Built" Survey and the Fill and Grading Report, shall be delivered by email and a recognized overnight courier service, or delivered by registered or certified mail, return receipt requested. Email delivery shall be treated under Section 7 as a courtesy delivery only. If a notice is mailed, it shall be considered delivered three (3) days after deposit in such mail. If a notice is delivered via overnight courier, it shall be deemed received upon the next business day. The addresses to be used in connection with such correspondence and notices are the following, or such other address as a party shall from time to time direct:

NCV:	Newland Communities
	505 South 336th Street, Suite 430
	Federal Way, WA 98003
	Attention: Steve Yester
	Manager of Commercial Real Estate
	Telephone: 253-205-8359
	Email: syester@newlandco.com

and to: Newland Communities
505 South 336th Street, Suite 430
Federal Way, WA 98003
Attention: Scott Jones
Senior Vice President
Telephone: 253-275-3361
Email: sjones@newlandco.com

School District: Sumner School District
1202 Wood Avenue
Sumner, WA 98390
Attention: Steve Sjolund, Educational
Support Services Officer
Telephone: 253-891-6058
Facsimile: 253-891-6097
Email: steve_sjolund@sumnersd.org

and to: Mary J. Urback, Esq.
Mary J. Urback PLLC
12417 12th Street East
Edgewood, WA 98372
Telephone: 253-826-9504
Facsimile: 253-863-0225
Email: murback@urbackpllc.com

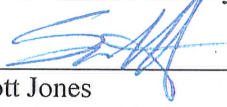
7.4 Exhibits. The Exhibits referred to herein and attached to this MOU are incorporated herein as if set forth in full.

7.5 Entire MOU/Modifications. This MOU (including the exhibits attached to it) is the final expression of, and contains the entire understanding between, the parties with respect to the subject matter of this MOU and supersedes all prior understandings and writings (including the letter of intent signed by the parties) with respect to it. This MOU may not be amended, modified, changed, or supplemented, nor may any obligations under it be waived, except by written instrument signed by the party to be charged or by its agent duly authorized in writing or as otherwise expressly permitted here.

7.6 Authority. The execution, delivery and performance of this MOU by each party has been duly authorized by all necessary action and proceedings, and no further corporate or other action or authorization will be necessary in order for each party to consummate the MOU herein, and the individual executing this MOU, on behalf of a party, represents that he or she has authority to bind its principal.

In Witness Whereof, the parties have executed this MOU as of the dates set forth below.

NCV
NASH CASCADIA VERDE, LLC,
a Delaware limited liability company

By: 
Scott Jones
Its: Authorized Signatory
Date: 9-12-16

SCHOOL DISTRICT
SUMNER SCHOOL DISTRICT NO. 320,
a Washington municipal corporation

By: 
Laurie Dent
Its: Superintendent
Date: 9-14-16

EXHIBIT A

LEGAL DESCRIPTION OF ELEMENTARY SITE NO. 2

THAT PART OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 17 ALL IN TOWNSHIP 19 NORTH, RANGE 5 EAST, WILLAMETTE MERIDIAN, PIERCE COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTH QUARTER CORNER OF SECTION 17 AS SHOWN ON THE PLAT OF INSPIRATION RIDGE AT TEHALEH PHASES 1 AND 2 RECORDED AS AUDITOR'S FILE NUMBER 201411055002, RECORDS OF SAID COUNTY;

THENCE NORTH 1° 43' 16" EAST ALONG THE WEST LINE OF THE SOUTHEAST QUARTER OF SECTION 17 A DISTANCE OF 375.36 FEET

THENCE SOUTH 42°40'15" EAST A DISTANCE OF 50.15 FEET TO A POINT ON THE ARC OF A 470.00 FOOT RADIUS CURVE; THE RADIUS POINT OF WHICH BEARS SOUTH 47°19'45" WEST;

THENCE SOUTHEASTERLY ALONG SAID CURVE TO THE RIGHT, THROUGH A CENTRAL ANGLE OF 42°40'15", AN ARC DISTANCE OF 350.03 FEET;

THENCE SOUTH 00°00'00" EAST A DISTANCE OF 374.70 FEET TO A POINT ON THE ARC OF A 576.36 FOOT RADIUS CURVE, THE RADIUS POINT OF WHICH BEARS NORTH 89°36'20" WEST;

THENCE SOUTHERLY ALONG SAID CURVE TO THE RIGHT, THROUGH A CENTRAL ANGLE OF 03°32'31", AN ARC DISTANCE OF 35.63 FEET TO A POINT OF REVERSE CURVATURE OF A 13.00 FOOT RADIUS CURVE, THE RADIUS POINT OF WHICH BEARS NORTH 86°03'49" WEST;

THENCE SOUTHERLY ALONG SAID CURVE TO THE RIGHT, THROUGH A CENTRAL ANGLE OF 87°28'06", AN ARC DISTANCE OF 19.85 FEET TO A POINT OF REVERSE CURVATURE OF A 795.00 FOOT RADIUS NON-TANGENT CURVE, THE RADIUS POINT OF WHICH BEARS SOUTH 01°32'43" WEST;

THENCE EASTERLY ALONG SAID CURVE TO THE RIGHT, THROUGH A CENTRAL ANGLE OF 06°05'57", AN ARC DISTANCE OF 84.63 FEET TO A POINT OF REVERSE CURVATURE OF A 13.00 FOOT RADIUS NON-TANGENT CURVE, THE RADIUS POINT OF WHICH BEARS NORTH 07°39'42" EAST;

THENCE NORTHWESTERLY ALONG SAID CURVE TO THE RIGHT, THROUGH A CENTRAL ANGLE OF 86°22'44". AN ARC DISTANCE OF 19.60 FEET TO A POINT OF REVERSE CURVATURE OF A 636.36 FOOT RADIUS NON-TANGENT CURVE, THE RADIUS POINT OF WHICH BEARS NORTH 89°37'28" WEST;

THENCE NORTHERLY ALONG SAID CURVE TO THE LEFT, THROUGH A CENTRAL ANGLE OF 03°38'53", AN ARC DISTANCE OF 40.52 FEET;

THENCE CONTINUING NORTH 00°00'00" EAST A DISTANCE OF 374.90 FEET TO A POINT ON THE ARC OF A 530.00 FOOT RADIUS NON-TANGENT CURVE, THE RADIUS POINT OF WHICH BEARS NORTH 90°00'00" WEST;

THENCE NORTHWESTERLY ALONG SAID CURVE TO THE LEFT, THROUGH A CENTRAL ANGLE OF 16°49'50", AN ARC DISTANCE OF 155.69 FEET TO THE POINT OF BEGINNING;

THENCE CONTINUING NORTHWESTERLY ALONG SAID CURVE TO THE LEFT, THROUGH A CENTRAL ANGLE OF 25°50'26", AN ARC DISTANCE OF 239.03 FEET;

THENCE NORTH 42°40'10" WEST A DISTANCE OF 104.21 FEET TO A POINT ON THE ARC OF A 20.00 FOOT RADIUS CURVE, THE RADIUS POINT OF WHICH BEARS NORTH 47°19'45" EAST;

THENCE NORTHERLY ALONG SAID CURVE TO THE RIGHT, THROUGH A CENTRAL ANGLE OF 84°05'15", AN ARC DISTANCE OF 29.35 FEET TO A POINT OF REVERSE CURVATURE OF A 529.87 FOOT RADIUS NON-TANGENT CURVE, THE RADIUS POINT OF WHICH BEARS NORTH 48°34'55" WEST;
THENCE NORTHEASTERLY ALONG SAID CURVE TO THE LEFT, THROUGH A CENTRAL ANGLE OF 22°34'43" AN ARC DISTANCE OF 208.81 FEET;
THENCE NORTH 18°50'36" EAST A DISTANCE OF 339.84 FEET TO A POINT ON THE ARC OF A 470.00 FOOT RADIUS CURVE, THE RADIUS POINT OF WHICH BEARS SOUTH 71°09'24" EAST;
THENCE NORTHEASTERLY ALONG SAID CURVE TO THE RIGHT, THROUGH A CENTRAL ANGLE OF 45°46'31", AN ARC DISTANCE OF 375.50 FEET;
THENCE SOUTH 44°50'13" EAST A DISTANCE OF 126.15 FEET;
THENCE SOUTH 04°21'06" WEST A DISTANCE OF 45.77 FEET;
THENCE SOUTH 34°00'33" EAST A DISTANCE OF 89.80 FEET;
THENCE SOUTH 72°01'22" EAST A DISTANCE OF 68.89 FEET;
THENCE NORTH 69°57'49" EAST A DISTANCE OF 22.07 FEET;
THENCE SOUTH 44°50'13" EAST A DISTANCE OF 392.05 FEET;
THENCE SOUTH 63°04'06" WEST A DISTANCE OF 50.38 FEET;
THENCE SOUTH 42°58'25" WEST A DISTANCE OF 167.45 FEET;
THENCE SOUTH 36°26'09" WEST A DISTANCE OF 53.96 FEET;
THENCE SOUTH 28°48'07" WEST A DISTANCE OF 33.97 FEET;
THENCE SOUTH 13°29'51" WEST A DISTANCE OF 173.39 FEET;
THENCE SOUTH 01°46'08" EAST A DISTANCE OF 73.31 FEET;
THENCE SOUTH 05°48'39" EAST A DISTANCE OF 80.26 FEET;
THENCE SOUTH 19°16'39" EAST A DISTANCE OF 63.01 FEET;
THENCE NORTH 88°08'18" WEST A DISTANCE OF 550.64 FEET TO THE POINT OF BEGINNING.

EXHIBIT A

EXHIBIT B

GRADING PLAN PREPARED BY MCKAY SPOSITO, DATED AUGUST 23, 2016

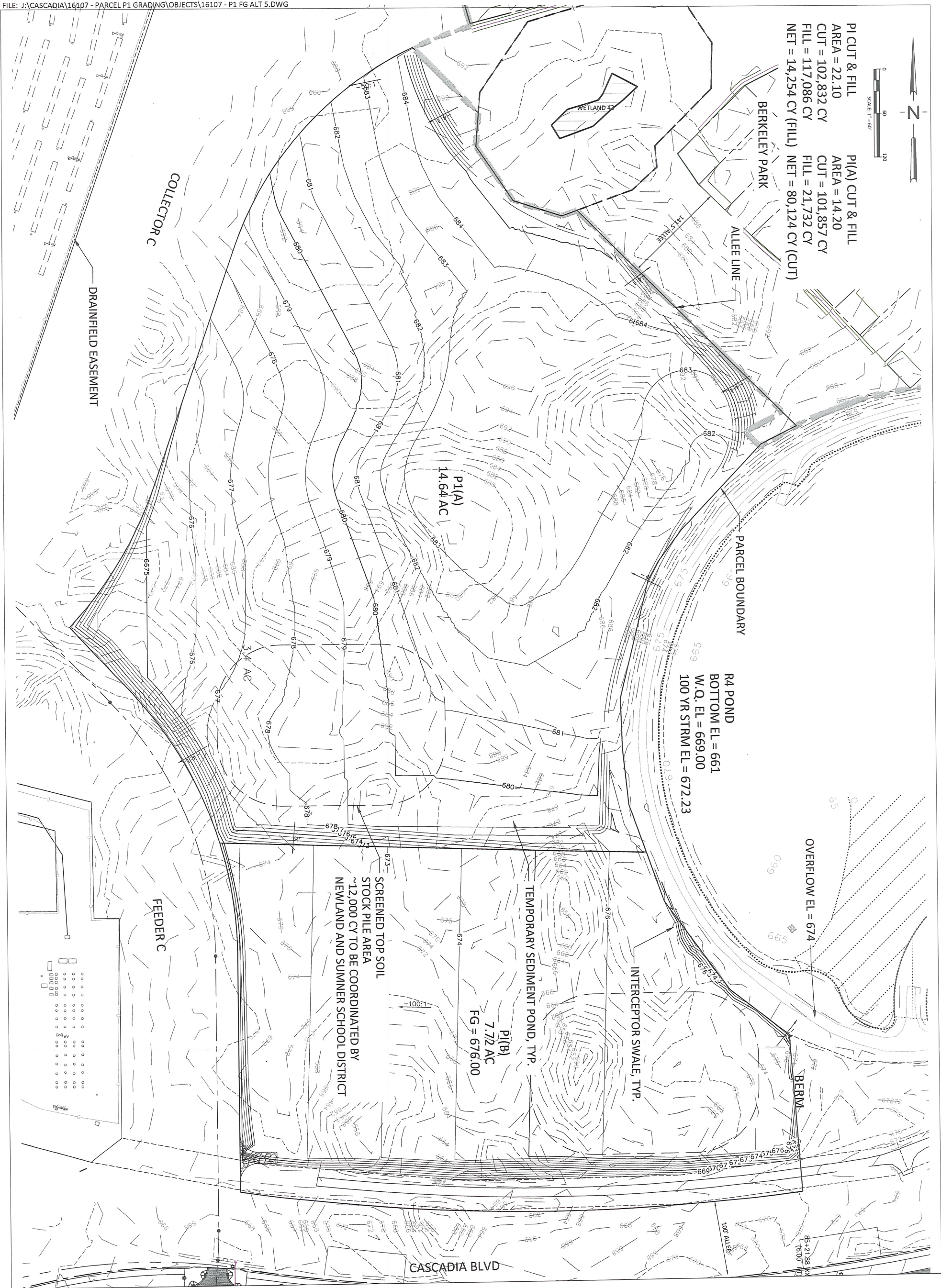


EXHIBIT C
SITE PLAN WITH FILL AREAS

EXHIBIT "C"

Fill Elevations Table

Number	Minimum Elevation	Maximum Elevation	Color
1	0.000	1.000	
2	1.000	2.000	
3	2.000	3.000	
4	3.000	4.000	
5	4.000	5.000	
6	5.000	6.000	
7	6.000	7.000	
8	7.000	8.000	
9	8.000	9.000	
10	9.000	10.000	
11	10.000	11.000	
12	11.000	12.000	
13	12.000	13.000	

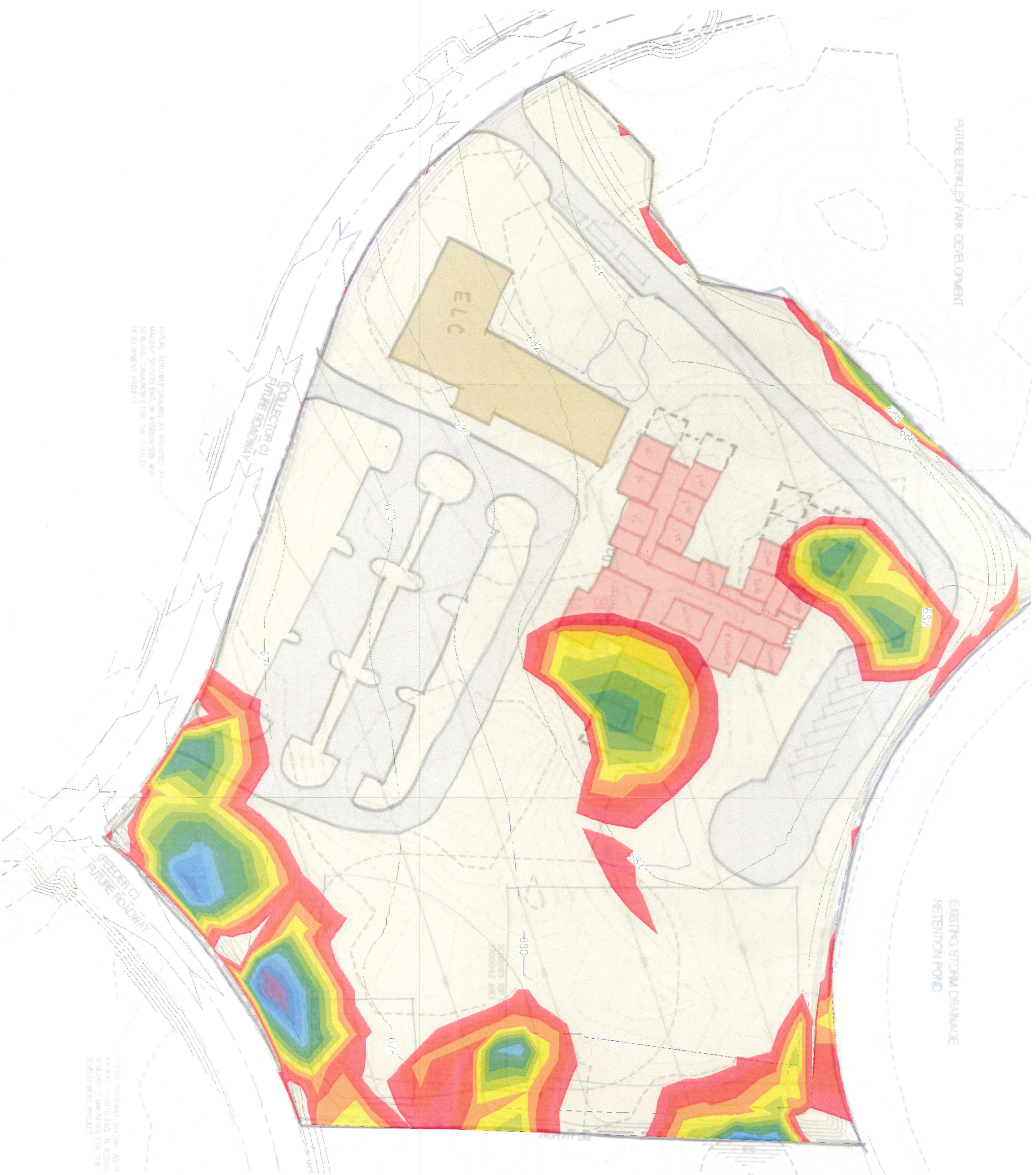


EXHIBIT D

INFRASTRUCTURE IMPROVEMENTS

The Infrastructure Improvements set forth below shall be made available by or caused to be made available by Seller, at no cost to Purchaser, to School Site No. 2 to allow reasonable and appropriate construction of Elementary No. 2 on a schedule to be determined between Seller and Purchaser during the Due Diligence Contingency Period to allow the opening of Elementary No. 2 by July 1, 2018. In accordance with Paragraph 9.2.2 of the Agreement, the parties acknowledge that the below described Infrastructure Improvements and locations thereof are intended to be finalized as terms and conditions of and with appropriate exhibits to the Escrow Holdback Agreement. The demarcation point between onsite and offsite and respective limits of Purchaser and Seller responsibility with respect to each of the Infrastructure Improvements shall be identified in the final exhibits.

1. Access: The westerly extension of Cascadia Boulevard East, Feeder C and Collector C as shown on Exhibit B shall be constructed to public road standards in accordance with the Tehaleh Development Agreement and applicable Pierce County Development Regulations and Road Standards to provide access to School Site No. 2. These road corridors shall be conveyed to, accepted by and opened by Pierce County as a public right-of-way.
2. Road Approaches: Two road approaches in accordance with Pierce County Development Regulations and Road Standards in the locations on Collector C as determined by the District, in its sole and absolute discretion
3. Storm Drainage: The Tehaleh Storm Drainage Facilities shall be stubbed onto School Site No. 2 at the locations to be determined by the parties in accordance with Paragraph 8.5.1. Appropriate off-site infrastructure of sufficient capacity to provide an adequate conveyance system for quantity and treatment from School Site No. 2 shall be constructed in accordance with the Tehaleh Development Agreement and applicable Pierce County Development Regulations and Standards and accepted by Pierce County.
4. Sanitary Sewer: Sanitary sewer lines and any necessary appurtenances thereto shall be stubbed onto School Site No. 2 at the locations to be determined by the parties in accordance with Paragraph 8.5.1. The sanitary sewer lines shall be constructed in accordance with all applicable standards, rules, and regulations of Pierce County.
5. Water System: Water system lines and any necessary appurtenances thereto shall be stubbed onto School Site No. 2 at the locations to be determined by the parties in accordance with Paragraph 8.5.1. Seller shall cause to be provided not less than 6 ERUs for domestic water and not less than 20 ERUs for irrigation purposes available to School Site No. 2. The water system lines shall further be of adequate size to provide fire flow to School Site No. 2 of not less than 2000 gpm for 1-1/2 hours. The water system lines shall be constructed in

accordance with all applicable standards and regulations of Tacoma Public Utilities and Pierce County.

6. Electrical Power: Electricity shall be stubbed onto School Site No. 2 at the locations to be determined by the parties in accordance with Paragraph 8.5.1. All electrical facilities shall be constructed in accordance with all standards, rules, and regulations of Puget Sound Energy and Pierce County.

7. Natural Gas: Natural gas shall be stubbed onto School Site No. 2 at the locations to be determined by the parties in accordance with Paragraph 8.5.1. All natural gas facilities and lines shall be constructed in accordance with all standards, rules and regulations of Puget Sound Energy and Pierce County.

8. Telephone: Telephone service shall be stubbed onto School Site No. 2 at the locations to be determined by the parties in accordance with Paragraph 8.5.1. All telephone facilities shall be constructed in accordance with all standards, rules and regulations of Century Link and Pierce County.

9. Cable and or Fiber Optic: Cable television and internet cable service shall be stubbed onto School Site No. 2 at the locations to be determined by the parties in accordance with Paragraph 8.5.1. All cable television and internet cabling transmission infrastructure shall be constructed in accordance with all rules and regulations of Century Link, Comcast, and Pierce County or such other utility service provider with jurisdiction.