

MEMORANDUM OF UNDERSTANDING

Between
Lake Washington Technical College
and
City of Duvall
and
CamWest Development, Inc.

This memorandum summarizes the discussions among Lake Washington Technical College (LWTC), the City of Duvall (Duvall) and CamWest Development, Inc., (CamWest) involving the purchase, transfer and exchange of certain real estate described below and constitutes a non-legally binding memorandum of understanding. The parties intend to complete the transactions described herein in a negotiated legally binding agreement that will be signed by all parties. All such transactions will be subject to the approval of the boards of directors or governing bodies of LWTC and Duvall.

Overview of Real Estate Transactions

The City of Duvall owns Parcel A as depicted in Attachment 1 (Assessor's Parcel Numbers 242606-9081, 9082, and 9083), parcels totaling approximately five acres. CamWest currently has options to purchase parcels of property as outlined in Attachment 1, identified as Parcels B, C & D. Parcel B, APN 242606-9023, is approximately five acres; Parcel C APN 242606-9064, approximately fifteen acres, and Parcel D, APN's 242606-9062 and 9004, totaling approximately ten acres. It is the intent of the parties that upon completion of the transactions below, that LWTC will own Parcel B, and approximately five acres of the southern portions of Parcels C & D. These properties will be used to develop an LWTC branch campus to serve the educational needs of the area. CamWest will own Parcels A, C and D, except for approximately five acres on the southern portions of Parcels C and D transferred to LWTC. CamWest will gift to Duvall approximately two acres on the northern portion of Parcel C or Parcel D for the building and operation of a police station to serve the needs of Duvall.

In addition, Duvall and CamWest contemplate that an agreement will be reached to provide for a park open to the public on a portion of Parcel D and/or Parcel C. This park will not, however, be located on any portion of Parcels C or D owned by LWTC. CamWest and Duvall will work together to determine the participation of each party in the ownership/maintenance of any such park.

LWTC and CamWest will also work together to assure that appropriate easements and/or rights-of-way are in place to allow certain roads/utilities to be constructed by CamWest to access Parcels C and D from Big Rock Road.

Lake Washington Technical College

LWTC intends to purchase from CamWest all rights, title and interest in Parcel B, commonly referred to as the Maurer property, outlined in Attachment 1. LWTC will utilize a state grant of

\$500,000, which must be matched by donated funds in the same amount or by an in-kind gift. CamWest will provide the match by gifting part of the market value of Parcel B. LWTC will make good faith efforts to finalize the purchase of the property as quickly as possible after final approval from the State Board for Community and Technical Colleges (State Board) and the Higher Education Coordinating Board (HECB).

Duvall will transfer all rights, title and interest in Parcel A to LWTC. The City of Duvall and surrounding area needs additional post high school educational opportunities, which LWTC has the ability to provide. Both parties agree that this branch campus would be in the best interest of Duvall, the surrounding communities, King County and the general public. Duvall will make good faith efforts to complete this transaction upon approval from the Duvall City Council.

LWTC will then transfer all rights title and interest in Parcel A to CamWest in exchange for the transfer of certain portions of Parcels C and D, outlined in Attachment 1. It is agreed that those portions of Parcels C and D transferred to LWTC will be the southern portions of each Parcel and will total approximately five acres.

The President of LWTC has received informal approval from the Board of Trustees of LWTC to pursue the purchase and transfer of properties as outlined above and will request a formal resolution from the Board of Trustees as soon as possible. It is anticipated that this could happen as early as November 14, 2005.

LWTC will then submit necessary documents to the State Board. The State Board reviews all such requests and then acts on approval for the purchase/transfer of real estate. LWTC has informally contacted the State Board and it is anticipated LWTC will present the proposal to complete the above transactions to the State Board on November 30, 2005. Once approved by the State Board, the State Board staff would provide the agenda item with needed documentation to the HECB for their approval.

City of Duvall

The City of Duvall will transfer all rights, title and interest in Parcel A to LWTC. LWTC intends to build and operate a branch campus to serve the needs of the community and public. Duvall will make good faith efforts to obtain approval for this transfer from the Duvall City Council as soon as possible. It is contemplated that approval could be obtained as early as November 10, 2005.

Duvall will receive from CamWest approximately two acres on Parcel C or D to establish a police station to serve the needs of the community.

Duvall will work together with CamWest to develop a plan for the ownership/maintenance of a public park that will be located on Parcel C and/or D, excluding those portions then owned by LWTC.

CamWest Development, Inc.

CamWest will gift a portion of the market value of Parcel B as a match for a \$500,000 grant allocated to LWTC by the state. CamWest will transfer to LWTC all rights, title and interests to Parcel B for an amount not to exceed \$500,000. LWTC intends to obtain approval to build a branch campus on Parcel B.

CamWest will transfer to LWTC all rights, title and interest to the southern portions of Parcels C and D to total approximately five acres. (Those southern portions are outlined in Attachment 1). In exchange for the transfer of those portions of Parcel C and D to LWTC, LWTC will transfer to CamWest all rights, title and interest to Parcel A. CamWest will then be able to access its northern portions of Parcel C from the west, and LWTC will be able to expand its branch campus with contiguous properties.

CamWest and LWTC will work together to develop appropriate agreed upon easements and/or right-of-way that would allow for the construction of utilities and the ingress/egress by CamWest to those northern portions of Parcels C and D owned by CamWest or reserved for the Duvall Police Station.

CamWest will work with Duvall in good faith to site a two acre pad that shall be deeded to the City of Duvall for future expansion of the Duvall Police Facility on the northern portion of Parcel C or D. Such facility shall have access off a public street.

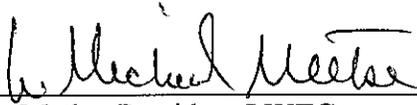
CamWest will work with Duvall in good faith to specify ownership and/or maintenance obligations for the anticipated park to be located on Parcel C or D or a combination of those Parcels. However, the park will not be located on those portions of C or D transferred to LWTC by CamWest.

All parties agree to proceed in good faith to expedite the above expressed understandings to facilitate resolution of these transactions in a timely manner. It is anticipated that all of the above transactions may not occur simultaneously. The parties agree to work together to complete the transactions as outlined. However, the parties also acknowledge that some flexibility in the progression of the transactions may be needed and agree to proceed otherwise based on mutual agreement.

All parties further commit to proceeding forward on all the above transactions once the first transfer or exchange of property occurs. All parties are interested in resolving the sale and exchanges as soon as practicable. To that end, the parties agree to enter into negotiations in good faith and make every effort to achieve the goals of the above outlined transactions.

Dated this 10th date of November, 2005.

Lake Washington Technical College

By: 
Dr. Metke, President LWTC

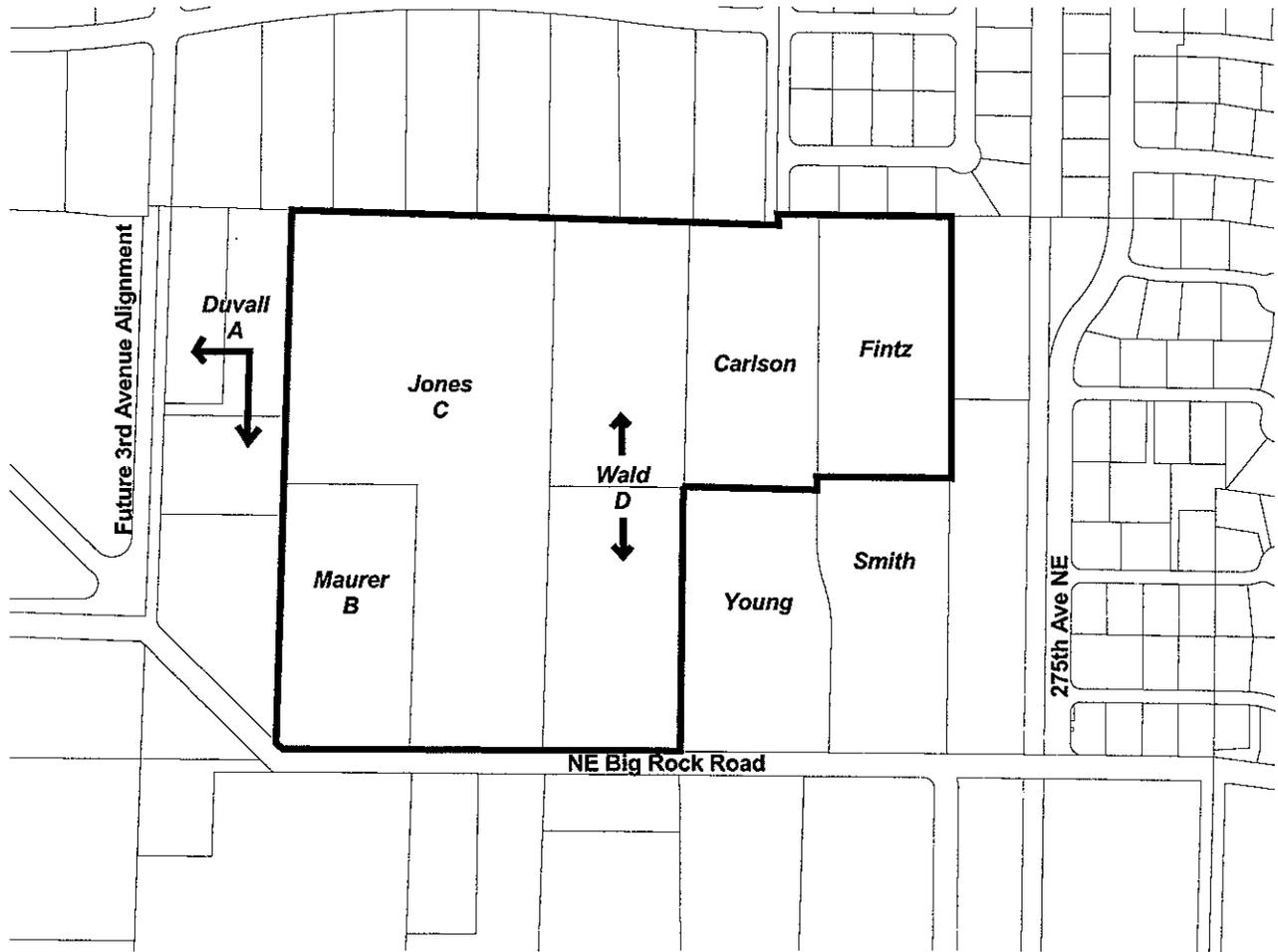
City of Duvall

By: 
Jeffrey Possinger, Mayor Pro Tem

CamWest Development, Inc.

By: 
Eric Campbell, President

LWTC/Camwest/Duvall MOV



City of Duvall
Vicinity Map

