

After Recording, Return to:

Bradley Andersen
Schwabe, Williamson & Wyatt
700 Washington Street, Suite 701
Vancouver, WA 98660

DEED OF CONSERVATION EASEMENT

THIS DEED OF CONSERVATION EASEMENT ("Deed") is made this 27 day of November, 2008 ("Effective Date") by and between Chinidere, LLC, a Washington limited liability company ("Chinidere") and Regal- A Land Acquisition & Development, LLC, a Washington limited liability company ("Regal") (individually, "Grantor"; collectively the "Grantors") and Columbia Riverkeeper, an Oregon not-for-profit corporation (the "Grantee").

Abbreviated Legal Description: Lots 1 and 2 of FELIZ SHORT PLAT
Assessor's Tax Parcel ID#: 03753630050000-2 and 03753630120000-1

Exhibits to this Deed include the following:

Exhibit A - Legal Description of the Property
Exhibit B - Plat
Exhibit C - Map of the Subdivision Showing Streams

REAL ESTATE EXCISE TAX

PAID

DEC 15 2008

RECITALS:

SKAMANIA COUNTY TREASURER

A. Chinidere and Regal each own certain parcels of real property in the City of Stevenson, Skamania County, Washington, together the parcels consist of approximately 25 acres, more or less, more particularly described and shown in Exhibit A attached hereto and incorporated herein by this reference (the "Property").

B. Chinidere owned the entire Property prior to June 4, 2008. Chinidere received final approval from the City of Stevenson on September 21, 2006 to subdivide the Property for residential development as shown on Exhibit B attached hereto and incorporated herein by this reference (the "Plat").

C. On June 4, 2008, Chinidere recorded a short plat in Skamania County under auditor's file number 2008170088 dividing the Property into Lot 1 and Lot 2 of the Feliz Short Plat.

On June 4, 2008, Chinidere conveyed Lot 1 of the Feliz Short Plat to Regal. Chinidere retained Lot 2 of the Feliz Short Plat. Chinidere and Regal shall each be considered a Grantor only with respect to the portion of the Property owned by that party.

D. The Property has two streams identified on the Plat that Grantee has determined support or have the potential to support significant grass-shrub, riparian and wetland communities as well as many other species which are dependent upon the Property's riparian habitats. The City of Stevenson identified the setbacks from these streams as 50 feet on either side of the streams as measured from the center of the stream based on the City's municipal code. Grantee desires to protect the riparian areas within the 50-foot setbacks on either side of the streams and has determined that these areas are worthy of preservation (the "Protected Areas"). These two streams are depicted on Exhibit C attached hereto and incorporated herein by this reference.

E. Grantors, as owners of the Property, own the affirmative rights to identify, preserve, and protect in perpetuity the Protected Areas, and Grantors desire and intend to transfer such rights to the Grantee.

F. The Grantee is an organization which qualifies as being tax exempt under 26 U.S.C. § 501(c) (of the Internal Revenue Code) as it exists on June 25, 1976 and one which has as one of its principal purposes the conducting or facilitating of scientific research; the conserving of natural resources, including but not limited to biological resources, for the general public; or the conserving of open spaces, including but not limited to wildlife habitat to be utilized as public access areas, for the use and enjoyment of the general public as defined under the Revised Code of Washington in § 84.34.250.

GRANT OF EASEMENT

NOW THEREFORE, in consideration of the recitals set forth above and in consideration of and subject to the mutual covenants, terms, conditions and restrictions contained in this Deed and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, pursuant to RCW 64.04.130 Grantors hereby convey and warrant to the Grantee, its successors and assigns, and the Grantee hereby accepts, a perpetual Conservation Easement consisting of the rights and restrictions enumerated herein, over and across the Property, together with access thereto. When used in this Deed, the capitalized term "Easement" is defined to include and refer to this Deed and the property interests and legal rights created herein.

1. Rights of the Grantee. The following rights and interests are conveyed to the Grantee:

A. To preserve, monitor, enhance, and protect in perpetuity, and in the event of their degradation or destruction to restore or to enforce the restoration of the Protected Areas of the Property.

B. To enter upon the Property to enforce the rights herein granted, and to determine that Grantors' activities are in compliance with the terms of the Easement, in a manner that does not unreasonably disturb the use of the Property by Grantors consistent with the Easement.

C. To enjoin any activity on or any use of the Property that is inconsistent with the Easement.

2. Remedies, Breach, and Restoration.

A. If the Grantee becomes aware that a violation of the terms of this Easement has occurred or is threatened to occur, the Grantee shall notify Grantors (or their successors) in writing of the violation. Grantors (or their successors) shall have thirty (30) days after the receipt of such notice to commence actions, including restoration of damage to the Property arising by reason of the failure of Grantors (or its successors) to comply with this Easement, that are reasonably calculated to correct the conditions caused by such violation.

B. State of Title. Each Grantor represents and warrants that the Grantor owns fee title to its respective parcel within the Property and that the Grantor has full right and authority to grant this Easement.

C. Compliance with Laws. Each Grantor represents and warrants that the Grantor has not received notice of and has no knowledge of any material violation of any federal, state, county, or other governmental or quasi-governmental statute, ordinance, rule, regulation, law, or administrative or judicial order with respect to its parcel within the Property.

D. No Litigation. Each Grantor represents and warrants that there is no action, suit, or proceeding pending, and that it has no knowledge that an action, suit or proceeding is threatened, against its respective parcel within the Property or any portion thereof relating to or arising out of the ownership or use of its respective parcel within Property, or any portion thereof, in any court or before or by any federal, state, county, or municipal department, commission, board, bureau, agency, or other governmental instrumentality.

E. Qualified to Hold Easement. The Grantee represents and warrants it is qualified to acquire and hold conservation easements under State and Federal law.

F. Authority to Execute Easement. Each Grantor and the Grantee each represent and warrant to the other that the respective undersigned individuals are duly authorized to enter into and consummate this Easement.

9. Costs, Legal Requirements, And Liabilities. Each Grantor retains all responsibilities and shall bear all costs and liabilities of any kind related to its ownership, operation, upkeep, and maintenance of its respective parcel within the Property. The Grantee assumes no responsibility and accepts no liability for any lands that are subject to this Easement, and shall not be held responsible in any way for the upkeep, maintenance, restoration or protection of these lands.

14. Assignment. The Grantee may assign the entirety of this Easement without the consent of either Grantor provided that the Grantee requires as conditions of such assignment, that the conservation purposes of this Easement continue to be carried out; that the assignment is made only to an organization qualified at the time of transfer as an eligible holder under the IRS Code and RCW 84.34.250 and RCW 64.04.130; and the assignee provides Grantors (or their successors) with such documents and information as may be reasonably necessary to confirm to Grantors (or their successors) the eligibility of the assignee to assume the Easement under applicable laws.

For purposes of compliance with IRS Code, Section 170A-14(g)(6)(ii), each Grantor hereby agrees that at the time of conveyance of this Easement to the Grantee a real property right immediately vests in the Grantee. The fair market value of this Easement as of the date of the conveyance shall be at least equal to the proportionate value that this Easement at the time of the conveyance bears to the fair market value of the Property as a whole at that time.

B. Binding Effect. Each Grantor intends that this Easement shall touch and concern the land and that it shall constitute a covenant that runs with and burdens title to the Property in perpetuity, and shall bind each Grantor, its successors and assigns, including any homeowners association formed for the subdivision and all future lot owners.

C. Severability. If any provision of this Easement or the application thereof to any person or circumstance is found to be invalid, the remainder of the provisions hereof and the application of such provision to persons or circumstances other than those to which it is found to be invalid, shall not be affected thereby.

D. Entire Agreement. This instrument sets forth the entire agreement of the parties with respect to the Easement and supersedes all prior discussions, negotiations, understandings, or agreements relating to the Easement.

TO HAVE AND TO HOLD the said Easement unto the said Grantee, its successors and assigns, forever.

[The remainder of this page left intentionally blank.]

Dated effective as of the date first written above.

GRANTORS:

CHINIDERE, LLC,
a Washington limited liability company

By: [Signature]
Name: JOHN FELIZ
Its: MANAGING MEMBER

REGAL- A LAND ACQUISITION &
DEVELOPMENT, LLC,
a Washington limited liability company

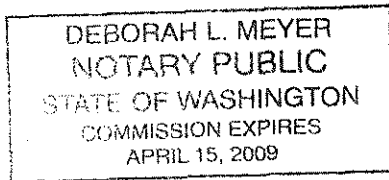
By: [Signature]
Name: RICK LEVICH
Its: MEMBER

By: [Signature]
Name: CARY ALBERS
Its: MEMBER

STATE OF WASHINGTON)
)ss.
COUNTY OF Clark)

On this 8th day of Sept., 2008, before me personally appeared John Feliz, to me known to be the Managing Member of CHINIDERE, LLC, a Washington limited liability company, and acknowledged the said instrument to be the free and

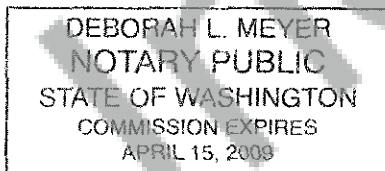
voluntary act and deed of said company, for the uses and purposes therein mentioned, and on oath stated that s/he was authorized to execute said instrument.



Deborah Meyer
Notary Public
Residing at Clark County
My Commission expires: 4-15-2009

STATE OF WASHINGTON)
COUNTY OF Clark)ss.

On this 16th day of Sept., 2008, before me personally appeared Rick Leavitt, to me known to be the Member of REGAL-A LAND ACQUISITION & DEVELOPMENT, LLC, a Washington limited liability company, and acknowledged the said instrument to be the free and voluntary act and deed of said company, for the uses and purposes therein mentioned, and on oath stated that s/he was authorized to execute said instrument.

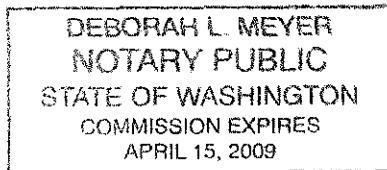


Deborah Meyer
Notary Public
Residing at Clark County
My Commission expires: 4-15-2009

STATE OF WASHINGTON)
COUNTY OF Clark)ss.

On this 16th day of Sept., 2008, before me personally appeared Gary W. Albers to me known to be the Member of REGAL-A LAND ACQUISITION & DEVELOPMENT, LLC, a Washington limited liability company, and

acknowledged the said instrument to be the free and voluntary act and deed of said company, for the uses and purposes therein mentioned, and on oath stated that s/he was authorized to execute said instrument.



Deborah Meyer
Notary Public
Residing at Clark County
My Commission expires: 4-15-2009

Unofficial Copy

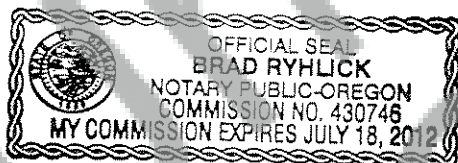
The foregoing Deed of Conservation Easement is hereby duly accepted by The Columbia Riverkeeper and has been executed on this 27th day of NOVEMBER, 2008.

THE COLUMBIA RIVERKEEPER

By: [Signature]
 Name: BRENT FOSTER
 Its: EXECUTIVE DIRECTOR

STATE OF OR)
) ss.
 COUNTY OF Harold River)

On this 4 day of Dec, 2008, before me personally appeared Brent Foster, to me known to be the Director of The Columbia Riverkeeper, an Oregon not-for-profit corporation, and acknowledged the said acceptance to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that s/he was authorized to execute said instrument.



[Signature]
 Notary Public
 Residing at Harold River, OR
 My Commission expires: 7/18/2012

Exhibit A

Legal Description of Property

Lot 1 and Lot 2 of FELIZ SHORT PLAT, recorded under Auditor's File No. 2008170088, records of Skamania County, Washington.

EXHIBIT A

PDX/110786/153658/BWA/1560061.3

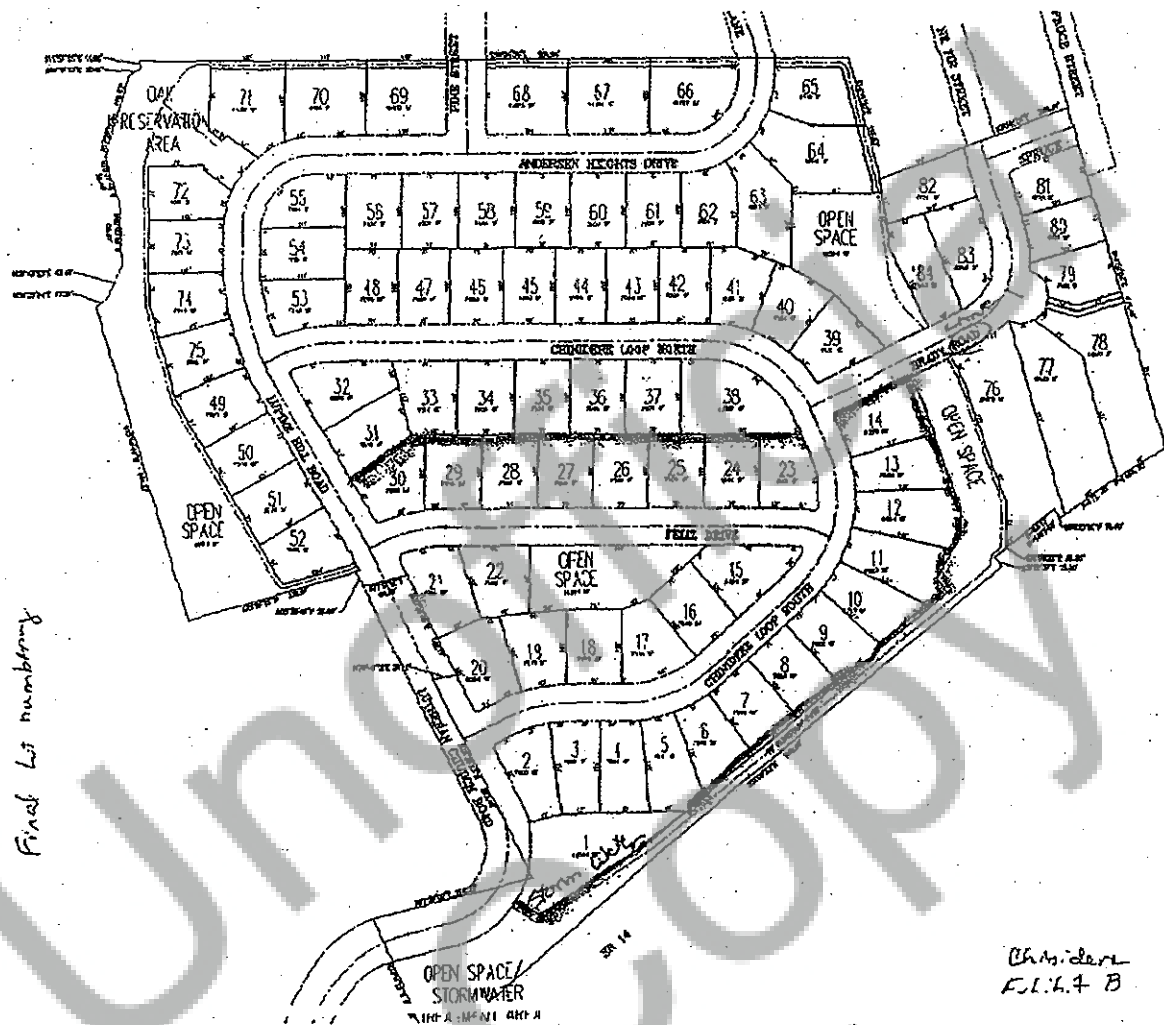
Exhibit B

Plat

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EXHIBIT B

PDX/110786/153658/BWA/1560061.3



Final Lot numbering

Chris. de
F.L.L.4 B

Exhibit C

Map of Subdivision Showing Streams

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CHINIDERE MOUNTAIN ESTATES

