

December 20, 2013

JOINT ESCROW INSTRUCTIONS

TO: Kelly Hilsinger, Escrow Officer  
First American Title Insurance Company  
531 Fern Street, #201, PO Box 29  
Eastsound, WA 98245-9444

Seller:	North Star Preserve, LLC ("LLC")
Buyer:	The San Juan Preservation Trust ("SJPT")
Property Interest:	Conservation Easement
Legal Description:	Lots 1 & 2 Stuart Estates and All of the Short Plat of North Star Ranch (full legal attached to Agreement for Purchase and Bargain Sale of Conservation Easement)
Price:	\$750,000.00
Title Order No.:	0610-09
Escrow No.:	
Closing Date:	On or before December 31, 2013

The following are the instructions to be followed by you as Escrow Agent in the above referenced transaction (the "Transaction"):

**A. Documents.** The following documents will be delivered to you, or prepared by you, in connection with the Transactions (collectively, the "**Documents**"):

1. Agreement for Purchase and Bargain Sale of Conservation Easement (LLC-SJPT), executed by Seller LLC and Buyer SJPT (the "**PSA**").
2. Grant Deed of Conservation Easement delivered by Buyer SJPT, to be duly executed by Seller LLC and Buyer SJPT (the "**Conservation Easement**").
3. Real Estate Excise Tax Affidavit prepared by you, to be duly executed by Seller LLC and Buyer SJPT (the "**REETA**").
4. Assignment of Rights delivered by Buyer SJPT or the State of Washington, to be duly executed by Buyer SJPT and the State of Washington, through its Salmon Recovery Funding Board, administered by the Recreation and Conservation Office (the "**Assignment of Rights**").

Kelly Hilsinger, Escrow Officer  
First American Title Insurance Company  
December 20, 2013  
Page 2

5. Nonforeign person affidavit prepared by you, to be duly executed by Seller LLC (the "**FIRPTA**").

6. Estimated settlement statement prepared by you, to be approved by Seller LLC and Buyer SJPT (the "**Settlement Statement**").

**B. Conditions to Closing.** Title Company may close this Transaction only upon the fulfillment of the conditions set forth below.

1. You shall confirm that (i) the appropriate parties have approved the Settlement Statement, (ii) you have received the Purchase Price for the Transaction, and (iii) you have sufficient funds to close the Transaction.

2. You shall confirm that (i) all Documents have been properly executed (and acknowledged, where applicable), (ii) the Documents to be recorded are in proper recordable form for recording in the official records of San Juan County, Washington (the "**Official Records**"), (iii) the Washington real estate excise tax affidavit, and any other ancillary documents, have been prepared by you and executed by the appropriate parties, and (iv) all exhibits, including correct property descriptions, are attached.

3. You shall confirm that First American Title Insurance Company (the "Title Company") is irrevocably committed to issue (i) to Buyer SJPT an ALTA 2006 standard coverage owner's policy of title insurance in the amount of \$900,000.00 as provided in the PSA (the "**Title Policy**").

4. You shall confirm that you are in a position to close the Transaction.

**C. Closing Procedures.** Upon the satisfaction of all of the above requirements **and upon instructions from the undersigned by telephone that all other requirements have been satisfied**, you shall do the following:

1. Record the following documents in the Official Records in the following order (collectively, the "**Record Documents**"):

- a. the Conservation Easement
- b. the Assignment of Rights

2. Disburse the Purchase Price for the Transaction in accordance with the approved Settlement Statement and as directed by the recipient parties.

Kelly Hilsinger, Escrow Officer  
First American Title Insurance Company  
December 20, 2013  
Page 3

3. Within ten (10) business days of recordation and filing of the above, send to the undersigned by overnight courier (i) the original and one copy of the original executed Title Insurance Policy to SJPT and (ii) recorder or title-certified copies of the Record Documents, with recording information thereon. Please make every reasonable effort to immediately obtain recorded copies of all Record Documents and forward the same to the undersigned.

**D. Closing Procedures.**

1. Any supplements or amendments hereto must be in writing, signed by authorized representatives of SJPT and LLC.

2. Your contact at SJPT will be the following person at the following address and telephone number:

The San Juan Preservation Trust  
P.O. Box 327  
Lopez Island, WA 98261  
Attention: Tim Seifert  
Cell Phone: 317-5523  
Tel: (360) 468-3202  
Fax: (360) 468-3509  
Email: [tim@sjpt.org](mailto:tim@sjpt.org)

3. Your contact for LLC will be the following person at the following address and telephone number:

North Star Preserve  
265 Robie Drive  
Auburn, California 95603  
Attn: Bob Gilliom  
Cell Phone: (916) 765-8265  
Telephone: (530) 550-7171  
Email: [rgilliom@sbcglobal.net](mailto:rgilliom@sbcglobal.net)

4. These joint escrow instructions may be executed in any number of counterparts, each of which shall be deemed an original and which together shall constitute one and the same instrument.


Kelly Hilsinger, Escrow Officer  
First American Title Insurance Company  
December \_\_, 2013  
Page 4

Sincerely,

BUYER:

THE SAN JUAN PRESERVATION TRUST


By:

  
Tim Seifert, Executive Director

SELLER:

NORTH STAR PRESERVE, LLC

By:

  
Bob Gilliom, Manager

-----  
ACCEPTED AND AGREED TO:

FIRST AMERICAN TITLE INSURANCE COMPANY

By:

\_\_\_\_\_  
Name: Kelly Hilsinger  
Title: Escrow Officer