

WHATCOM COUNTY CONTRACT INFORMATION SHEET

Whatcom County Contract No.
202510099

Originating Department:	Public Works
Division/Program: <i>(i.e. Dept. Division and Program)</i>	Natural Resources
Contract or Grant Administrator:	Gary Stoyka
Contractor's / Agency Name:	Whatcom Land Trust

Is this a New Contract? If not, is this an Amendment or Renewal to an Existing Contract? Yes ☒ No ☐ If Amendment or Renewal, (per WCC 3.08.100 (a)) Original Contract #: _____

Does contract require Council Approval? Yes ☒ No ☐ If No, include WCC: _____

Already approved? Council Approved Date: _____ (Exclusions see: Whatcom County Codes 3.06.010, 3.08.090 and 3.08.100)

Is this a grant agreement? Yes ☐ No ☒ If yes, grantor agency contract number(s): _____ CFDA#: _____

Is this contract grant funded? Yes ☐ No ☒ If yes, Whatcom County grant contract number(s): _____

Is this contract the result of a RFP or Bid process? Contract _____ Cost Center: 12461002

Yes ☐ No ☒ If yes, RFP and Bid number(s): _____

Is this agreement excluded from E-Verify? No ☐ Yes ☒ If no, include Attachment D Contractor Declaration form.

If YES, indicate exclusion(s) below:

☐ Professional services agreement for certified/licensed professional.	☐ Goods and services provided due to an emergency
☐ Contract work is for less than \$100,000.	☐ Contract for Commercial off the shelf items (COTS).
☐ Contract work is for less than 120 days.	☐ Work related subcontract less than \$25,000.
☐ Interlocal Agreement (between Governments).	☐ Public Works - Local Agency/Federally Funded FHWA.

Contract Amount:(sum of original contract amount and any prior amendments): \$ 200,000 This Amendment Amount: \$ _____ Total Amended Amount: \$ _____	Council approval required for; all property leases, contracts or bid awards exceeding \$75,000 , and professional service contract amendments that have an increase greater than \$10,000 or 10% of contract amount, whichever is greater, except when: 1. Exercising an option contained in a contract previously approved by the council. 2. Contract is for design, construction, r-o-w acquisition, prof. services, or other capital costs approved by council in a capital budget appropriation ordinance. 3. Bid or award is for supplies. 4. Equipment is included in Exhibit "B" of the Budget Ordinance 5. Contract is for manufacturer's technical support and hardware maintenance of electronic systems and/or technical support and software maintenance from the developer of proprietary software currently used by Whatcom County.
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Summary of Scope: Agreement to provide funding from the Conservation Futures Fund to fulfill requirements of the Purchase and Sale Agreement for the Whatcom Land Trust to acquire Phase 2 of the Stewart Mountain Community Forest.

Term of Contract: 10/7/25	Expiration Date: 10/31/25
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Contract Routing:	1. Prepared by: Gary Stoyka	Date: 9/26/25
	2. Attorney signoff: Christopher Quinn	Date: 9/26/25
	3. AS Finance reviewed:	Date: _____
	4. IT reviewed (if IT related):	Date: _____
	5. Contractor signed: 	Date: _____
	6. Executive contract review: 	Date: 10/8/2025
	7. Council approved (if necessary): 	Date: 10/7/2025
	8. Executive signed: 	Date: 10/8/2025
	9. Original to Council:	Date: _____

**WHATCOM COUNTY
PUBLIC WORKS DEPARTMENT**

**Elizabeth Kosa
Director**



NATURAL RESOURCES

322 N. Commercial, 2nd Floor
Bellingham, WA 98225
Telephone: (360) 778-6230
FAX: (360) 778-6231
www.whatcomcounty.us

MEMORANDUM

TO: The Honorable Satpal Singh Sidhu, Whatcom County Executive, and The Honorable Members of the Whatcom County Council

THROUGH: Elizabeth Kosa, Public Works Director *ek*

FROM: Gary Stoyka, Natural Resources Manager *gsto*

DATE: September 26, 2025

RE: Agreement with Whatcom Land Trust for Acquisition of Phase 2 of the Stewart Mountain Community Forest

Please find attached for your review a copy of an agreement between Whatcom County and the Whatcom Land Trust to provide funding from the Conservation Futures Fund to fulfill requirements of a Purchase and Sale Agreement for the Whatcom Land Trust to acquire Phase 2 of the Stewart Mountain Community Forest. The authorized agreement will be signed electronically through DocuSign.

Requested Action

Public Works respectfully requests that the County Council authorize the County Executive to sign this agreement.

Background and Purpose

On August 5th, 2025 the Whatcom County Council entered into a grant agreement with the Washington Department of Ecology to provide grant funds for the purchase of 1,616 acres of land as Phase 2 of the Stewart Mountain Community Forest. On September 9th, 2025 the County Council approved a motion to have the Whatcom Land Trust be the owner of the Stewart Mountain Community Forest and to develop a governing board for the Community Forest to include Whatcom County and the Whatcom Land Trust along with other parties. On September 23rd, 2025 the County Council approved a supplemental budget request for the County to provide \$200,000 in Conservation Futures Fund funding toward the acquisition of Phase 2 of the Community Forest and to allow extension of the Purchase and Sale Agreement from September 30th, 2025 to the end of 2025. Per the Purchase and Sale agreement, an escrow payment of \$267,000 is due by October 10th, 2025 to extend the sale date. This agreement provides the Whatcom Land Trust with \$200,000 of the total amount due to be deposited into the escrow account. The Whatcom Land Trust will provide the remaining \$67,000.

Funding Amount and Source

This agreement will provide \$200,000 in funding from the Conservation Futures Fund for an escrow payment due on October 10th, 2025. This funding was authorized by the County Council in a supplemental budget request on September 23rd, 2025.

Please contact Gary Stoyka at extension 6218, if you have any questions or concerns regarding the terms of this agreement.

Encl.
Grant Agreement Amendment

Agreement between Whatcom County and Whatcom Land Trust to Provide Funding for Escrow Payment for Acquisition of Phase 2 of Stewart Mountain Community Forest

Background

Whatcom Land Trust, hereafter “WLT”, and Whatcom County, hereafter “the County”, are working collaboratively with the Nooksack Indian Tribe and Evergreen Land Trust on the development of the Stewart Mountain Community Forest, hereafter “SMCF” located near Acme, Washington. This project supports the following public benefit goals:

1. Enhance watershed health and improve water quality and quantity.
2. Promote an ecological forestry-based economy for living-wage jobs.
3. Increase biodiversity and enhance fish and wildlife habitat.
4. Expand community access for cultural uses and non-motorized recreation.

SMCF partners have been working with the property owners for several years to develop the SMCF, which is to be managed collaboratively by the project partners. Phase 1 acquisition occurred in 2022 with purchase of 550 acres by the WLT. The project partners recently decided that the best ownership arrangement for the Phase 2 acquisition is for the WLT to purchase the property and transfer ownership to a new subsidiary of WLT once one can be formed. The Whatcom County Council approved that ownership model by motion at the September 9th, 2025 council meeting. Based on that understanding, the WLT entered into a Purchase and Sale Agreement, provided in Exhibit A, with Stewart Mountain Forest LLC to purchase 1,616 acres for \$8,910,300 on September 8, 2025. The funds for purchase will come from a grant to the County from the Washington State Department of Ecology in the amount of \$5,517,000 and a grant to WLT from the Washington Recreation and Conservation Office in the amount of \$3,000,000 with the remaining funds coming from funds raised by WLT for the purchase. The deadline for purchase of the property in the Purchase in Sale Agreement is October 15, 2025. It has been determined that project partners cannot provide funding for closing by that date. The Purchase and Sale Agreement allows the closing date to be extended to January 6, 2026 if a closing extension payment in the amount of \$267,300 is provided in earnest money by October 10th, 2025. This purpose of this agreement is to provide \$200,000 in Conservation Futures Funds toward the payment necessary to extend the closing date to January 6, 2026.

Recognized Public Benefit to be Achieved Through This Funding Agreement

The public benefits to be achieved through this Agreement include the following outcomes, all of which serve a substantial public interest to Whatcom County consistent with the goals of the Conservation Futures Fund and applicable state and local laws:

Agreement between Whatcom County and Whatcom Land Trust to Provide Funding for Escrow Payment for Acquisition of Phase 2 of Stewart Mountain Community Forest

- Enhanced watershed health and improved water quality and quantity, contributing to long-term ecosystem resilience and clean water supply for local communities.
- Promotion of an ecological, forestry-based economy, creating sustainable, living-wage jobs through forest stewardship practices that support both economic development and conservation.
- Increased biodiversity and improved habitat for fish and wildlife, including species of cultural and ecological importance, contributing to regional environmental sustainability.
- Expanded community access to the forest for cultural uses and non-motorized recreation, including hiking, education, traditional practices, and public enjoyment, thereby increasing public engagement with conservation lands and supporting community well-being.

WLT and the County, collectively referred to as the “parties”, agree to the following:

1. Definitions. For purposes of this Agreement, the following terms shall have the meanings set forth below:

"SMCF" means the Stewart Mountain Community Forest.

"Public Benefits" means the outcomes identified herein and above, including watershed health, ecological employment, biodiversity, and public access.

"Governing Board" means the management body described in Section 5.

"Forest Management Plan" means the document described in Section 7, developed to guide long-term stewardship of the SMCF.

"Subsidiary" means the wholly-owned entity formed by WLT to hold title to the subject property.

2. WLT will facilitate purchase of Phase 2 of the SMCF, consisting of the parcels listed below and referred to herein as “subject property”, through the executed Purchase and Sale Agreement between the WLT and the landowner, Stewart Mountain Forest, LLC.

Agreement between Whatcom County and Whatcom Land Trust to Provide Funding for Escrow Payment for Acquisition of Phase 2 of Stewart Mountain Community Forest

Parcel Numbers:

3704014630580000

3705060630650000

3705070703970000

3705070502250000

3704122683820000

3704122641950000

3704112653180000

3. Term: The term of this agreement begins upon signature and shall end on January 6, 2026, except for Items #6 and #8, which shall continue in perpetuity.
4. Following acquisition of the subject property, the parties anticipate that WLT shall facilitate the establishment of a wholly-owned subsidiary and, once established, shall transfer ownership of the subject property to that subsidiary. WLT shall include Whatcom County in the articles of incorporation for the subsidiary as a member of the governing board. WLT shall consult with the County should this plan need to be modified. Any modifications will be consistent with the overall objectives of the SMCF.
5. Following acquisition of the subject property, the parties anticipate that WLT shall facilitate the establishment of an agreement forming a governing board consisting at a minimum of WLT, the County, the Nooksack Indian Tribe, and the Evergreen Land Trust to govern management of the SMCF, which shall include all of the subject properties. WLT shall consult with the County should this plan need to be modified. Any modifications will be consistent with the overall objectives of the SMCF.
6. If purchased, the WLT shall manage the property in accordance with the requirements of Whatcom County Code Chapter 3.25 and consistent with the public benefit goals identified in this Agreement and consistent with RCW 83.34.240.
7. WLT and County shall participate through the SMCF governing board to develop a forest management plan. The forest management plan shall be developed to include the following goals:
 - a. Enhance watershed health and improve water quality and quantity.
 - b. Promote an ecological forestry-based economy for living-wage jobs.
 - c. Increase biodiversity and enhance fish and wildlife habitat.
 - d. Expand community access for cultural uses and non-motorized recreation.

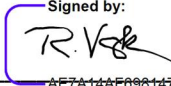
Agreement between Whatcom County and Whatcom Land Trust to Provide Funding for Escrow Payment for Acquisition of Phase 2 of Stewart Mountain Community Forest

8. WLT, or its wholly-owned subsidiary, shall manage the SMCF in accordance with the approved forest management plan, once developed. WLT shall grant the County, through the SMCF governing board, the ability to assess whether WLT, or its subsidiary, is managing the SMCF accordingly. If the County determines through appropriate documentation that WLT is not managing the SMCF in accordance with these goals, WLT shall refund the Conservation Futures Fund, or its successor, the payment provided in Item #10 below.
9. WLT shall deposit \$67,300 into the escrow account at Whatcom Land Title (Order #60021404-854) established for this property transaction in accordance and by the deadline with the Purchase and Sale Agreement.
10. The County will provide a payment in the amount of \$200,000 from the Conservation Futures Fund to be deposited into the escrow at Whatcom Land Title (Order #60021404-854) established for this property transaction by October 10th, 2025. WLT will ensure that the check is cashed no later than December 31, 2025. If WLT terminates the Purchase and Sale Agreement, these funds will be returned to Whatcom County.
11. WLT shall use funds provided by the County under this agreement for the closing extension payment required to extend the Purchase and Sale Agreement until January 6, 2026.
12. Representations and Warranties of WLT. WLT represents and warrants to the County that:
 - a. It has full authority to enter into this Agreement and carry out its obligations consistent with federal, state and local law.
 - b. The funds provided by the County will be used exclusively for the purpose set forth herein this Agreement.
13. Dispute Resolution. Disputes arising under this Agreement shall first be addressed through good-faith negotiations. If unresolved, the matter shall be submitted to mediation before any legal action. Venue shall be in Whatcom County, Washington.
14. Assignment and Transfer. WLT shall not transfer ownership of the subject property or assign this Agreement without prior written consent of the County, except to its wholly-owned subsidiary as described herein.
15. Severability. If any provision of this Agreement is found to be invalid or unenforceable, the remaining provisions shall remain in full force and effect.

**Agreement between Whatcom County and Whatcom Land Trust to Provide
Funding for Escrow Payment for Acquisition of Phase 2 of Stewart Mountain
Community Forest**

IN WITNESS WHEREOF, the parties have executed this Agreement this 10/8/2025 day of _____, 20__.

Whatcom Land Trust:

Signed by:  10/8/2025

AE7A14AF0981479...
Rachel Vasak Date
Whatcom Land Trust Executive Director

WHATCOM COUNTY:

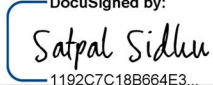
Recommended for Approval:
Elizabeth Kosa 9/26/2025

Elizabeth Kosa Date
Whatcom County Public Works Director

Approved as to form:
Christopher Quinn approved via email 9/26/2025

Christopher Quinn Date
Chief Civil Deputy Prosecuting Attorney

Accepted for Whatcom County:

DocuSigned by:  10/8/2025
By: _____
1192C7C18B664E3...
Satpal Singh Sidhu Date
Whatcom County Executive

**Agreement between Whatcom County and Whatcom Land Trust to Provide
Funding for Escrow Payment for Acquisition of Phase 2 of Stewart Mountain
Community Forest**

Exhibit "A"
Purchase and Sale Agreement

WHATCOM COUNTY, Washington

Internal Use Only
Contract #:
Tract #:
Part / All
Sale Name:
Fund:

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT (this “**Agreement**”) is made and entered into as of the 8th day of SEPTEMBER 2025 (the “**Effective Date**”), by and between **Stewart Mountain Forest, LLC**, a Delaware limited liability company with a mailing address of c/o Conservation Resources, 8 Center Street, Exeter, NH 03833 (“**Seller**”), and **Whatcom Land Trust**, a Washington not-for-profit corporation with a mailing address of Post Office Box 6131, Bellingham, WA 98227 (“**Purchaser**”).

BACKGROUND

A. Seller is the owner of certain property consisting of approximately 1,616 acres of timberland located in Whatcom County, Washington as more particularly described in **Exhibit A** and depicted on **Exhibit B** to this Agreement (the “**Property**”).

B. Purchaser wishes to purchase the Property from Seller and Seller wishes to sell the Property to Purchaser, on the terms and conditions set forth in this Agreement.

AGREEMENTS

For and in consideration of the mutual covenants contained this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. AGREEMENT TO BUY AND SELL. Seller hereby agrees to sell the Property to Purchaser and Purchaser hereby agrees to purchase the Property from Seller, under the terms and conditions set forth in this Agreement.

2. PURCHASE PRICE. The purchase price for the Property (the “**Purchase Price**”) shall be **Eight Million Nine Hundred Ten Thousand and No/100 Dollars (\$8,910,000.00)**. The Purchase Price shall be paid as follows:

A. EARNEST MONEY. Purchaser will deposit with **Whatcom Land Title Company, Inc.** (“**Escrow Agent**”) an amount of **Two Hundred Sixty-Seven Thousand Three Hundred and No/100 Dollars (\$267,300.00)** as an earnest money deposit (the “**Earnest Money**”) within three (3) business days after the Effective Date. The Earnest Money shall be paid by federal wire transfer, cashier’s check, or other immediately available funds. Within five (5) business days after Purchaser deposits the Earnest Money with Escrow Agent, the parties shall execute an escrow agreement in the form provided by Escrow Agent, as reasonably approved by Purchaser and Seller. Escrow Agent shall hold the Earnest Money in escrow, to be applied against the Purchase Price at Closing (defined below) or otherwise disbursed in accordance with this Agreement.

B. BALANCE. Unless this Agreement is terminated prior to Closing, Purchaser shall pay the balance of the Purchase Price (subject to prorations and adjustments set forth in this Agreement) to

Escrow Agent at Closing by federal wire transfer, cashier's check, or other immediately available funds sufficient to allow Escrow Agent to transmit Seller's proceeds to Seller by federal wire transfer.

3. CLOSING. The consummation of the purchase and sale contemplated by this Agreement (the "**Closing**") shall occur on the Fifteenth (15th) day after the Inspection Deadline (defined below) (the "**Closing Date**"), or such earlier date as is mutually agreed upon by Purchaser and Seller. The Closing will occur through escrow conducted by Escrow Agent, and each party shall deliver to Escrow Agent all documents and funds necessary to complete the Closing on or before the Closing Date. Notwithstanding the foregoing, Purchaser shall have the one-time right to extend the Closing Date to January 6, 2026, by delivering to Seller, with a copy to Escrow Agent, written notice of Purchaser's election to extend the Closing Date prior to the Inspection Deadline. A payment of Two Hundred Sixty-Seven Thousand Three Hundred and No/100 Dollars (\$267,300.00) (the "**Closing Extension Payment**") is due fifteen (15) days after delivery of written notice of Purchaser's election to extend the Closing Date. The Closing Extension Payment is consideration for Seller's agreement to extend the Closing Date. The Closing Extension Payment is non-refundable and shall not be credited to the Purchase Price (except in the case of a default by Seller for which Purchaser has the right to terminate this Agreement and exercises such right).

4. TITLE. Seller is the owner of the Property and will convey to Purchaser good and marketable title to the Property at Closing by customary Washington Statutory Warranty Deed (the "**Deed**"), warranting title against damages or losses resulting from claims of parties claiming by, through, or under Seller, but not otherwise. Such conveyance shall be subject to zoning ordinances affecting the Property, general utility easements of record servicing or crossing the Property, subdivision restrictions on record, and those matters set forth on **Exhibit C** to this Agreement (collectively, the "**Permitted Encumbrances**"). Seller shall terminate any hunting or recreational leases currently affecting the Property as of the Closing Date.

5. INTENTIONALLY DELETED.

6. SURVEY. Purchaser shall have the right to obtain a survey of the Property (the "**Survey**") from a licensed surveyor experienced with preparing subdivision/partition plats in Whatcom County. The Survey shall identify the acreage of the Property and such other information as is required to establish the Property as a separate parcel for assessing purposes. The surveyor shall prepare a legal description of the Property based upon the Survey (the "**Property Description**"). The Survey and Property Description shall be subject to Seller's reasonable approval and revision. If Purchaser does not obtain the Survey, the Deed shall use the historic legal descriptions of the Property.

7. INSPECTIONS AND DUE DILIGENCE. Commencing on the Effective Date, and subject to the rights of any tenants on the Property, Purchaser and its agents, employees, and contractors shall have the right to enter the Property during regular business hours and without interfering with Seller's operations on the Property, for the purpose of making the Survey, and conducting other surveys, inspections, soil tests, and investigations of the Property; provided, however, that Purchaser shall not be permitted to conduct any soil borings or other invasive testing without the prior written consent of Seller, which may be withheld in Seller's sole discretion. Purchaser shall and does hereby agree to indemnify, defend, and hold Seller harmless from any loss, damage, cost, expense, claim, or liability to the Property or suffered by Seller or others as a result of the entry onto the Property by Purchaser or any party acting on behalf or under the direction of Purchaser. This indemnity shall survive the Closing, and the rescission, cancellation, or termination of this Agreement.

8. TITLE EXAMINATION. Purchaser shall have until 5:00 p.m. local Whatcom County time on September 30, 2025 (the "**Inspection Deadline**") within which to examine title to the Property, obtain a commitment for an owner's policy of title insurance issued by Escrow Agent or other title insurer selected by Purchaser, and to provide Seller with written objection to any matter affecting title, other than the Permitted Exceptions. If Purchaser does not notify Seller of any title objections prior to the Inspection

Deadline, this contingency shall expire and Purchaser shall have no further right to object to matters of title (other than new matters affecting title arising after the date of the title commitment and prior to the Closing Date). In the event Purchaser notifies Seller of a title objection, Seller shall have five (5) business days within which to elect to cure said objection. If Seller elects not to cure the objection, Purchaser shall have the right to terminate this Agreement and receive a refund of the Earnest Money by delivering written notice of termination within three (3) business days after receipt of Seller's election (otherwise, Purchaser shall proceed with the purchase of the Property as-is, subject to the title objection, and with no reduction in the Purchase Price). In the event Seller elects to cure an objection, Seller shall have a reasonable time within which to cure the objection, and the Closing Date shall be postponed as necessary to accommodate Seller's efforts to cure the title objection. If Seller is unable to cure or elects to discontinue efforts to cure the objection, Purchaser shall have the right to terminate this Agreement by delivering a written notice of termination to Seller. If Purchaser terminates this Agreement pursuant to this Section 8, Escrow Agent shall refund the Earnest Money to Purchaser.

9. ENVIRONMENTAL ASSESSMENT. Purchaser shall have until the Inspection Deadline to complete a Phase 1 Environmental Site Assessment of the Property (the "ESA") and provide Seller with written notice of any "recognized environmental condition" (as that term is defined by ASTM Standard E2247-23, *Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process for Forestland or Rural Property*) located on the Property (a "REC"). If Purchaser does not notify Seller of any REC prior to the Inspection Deadline, then this contingency shall expire and Purchaser shall have no further right to object to environmental matters affecting the Property (other than RECs not reflected in the ESA and arising after the date of the ESA and prior to the Closing Date). In the event Purchaser notifies Seller of the existence of a REC, Seller shall have five (5) business days within which to elect to cure said REC. If Seller elects not to cure the REC, Purchaser shall have the right to terminate this Agreement and receive a refund of the Earnest Money by delivering written notice of termination within three (3) business days after receipt of Seller's election (otherwise, Purchaser shall proceed with the purchase of the Property as-is, subject to the REC, and with no reduction in the Purchase Price). In the event Seller elects to cure a REC, Seller shall have a reasonable time within which to cure the REC, and the Closing Date shall be postponed as necessary to accommodate Seller's efforts to cure the REC. If Seller is unable to cure or elects to discontinue efforts to cure the REC, Purchaser shall have the right to terminate this Agreement by delivering a written notice of termination to Seller. If Purchaser terminates this Agreement pursuant to this Section 9, Escrow Agent shall refund the Earnest Money to Purchaser.

10. CLOSING COSTS. Purchaser shall pay all escrow and title fees, deed recording fees, title examination fees, title insurance premiums, the cost of the Survey, the ESA, and other due diligence. Seller shall pay the excise and transfer taxes assessed against the transfer of the Property to Purchaser.. Each party shall pay its own attorney's fees, consultant's fees, and other costs incurred by that party.

11. REAL PROPERTY TAXES. Real property taxes for the current year shall be prorated as of the Closing Date. If the tax amount is not available for the year of Closing, the prorations shall be based on the prior year amounts. All prorations shall be final and binding upon Seller and Purchaser. Seller shall not be responsible for any rollback or recapture property taxes, or any penalties in lieu thereof.

12. INTENTIONALLY DELETED.

13. CONDITION OF THE PROPERTY. Seller warrants that on the Closing Date, any improvements on the Property will be in the same condition as they are on the Effective Date, normal wear and tear excepted. Seller represents that to the best of Seller's knowledge: (a) there are no existing or proposed governmental orders of condemnation affecting the Property and Seller has received no notice of any such order or proceedings; (b) the Property has never been used for the use, discharge, or storage of any hazardous material or any landfill for garbage or refuse in violation of any law; and (c) the Property is free of any underground storage tanks, petroleum product contamination, hazardous substance, asbestos,

contaminants, oil, or radioactive or other materials, the removal of which is required, or the maintenance of which is required, or the maintenance of which is prohibited, penalized, or regulated by any local, state or federal agency, authority, or government unit. The phrase "to the best of Seller's knowledge" means the actual present knowledge of Kent Gilges without independent investigation or inquiry.

14. EXECUTION OF DOCUMENTS. At Closing, each party shall execute all deeds, affidavits, closing statements, Real Estate Excise Tax Affidavits, ERISA certifications, and other pertinent documents necessary to consummate the purchase and sale as contemplated under the terms of this Agreement.

15. BROKERAGE. Seller and Purchaser each represent and warrant to the other that no brokers, agents, or consultants are due a real estate licensee's commission upon, or as a result of, this transaction, and Seller and Purchaser agree to indemnify and hold the other harmless from any such claim by any broker or agent, alleging an agreement with Seller or Purchaser, as the case may be.

16. NOTICE. Any and all notices, elections and communications required by this Agreement shall be made or given in writing and will be delivered in person, sent by reputable overnight courier (such as FedEx or UPS), or sent by postage prepaid United States mail, certified or registered, return receipt requested, to the other party at the addresses set forth below, or such other address as may be furnished by notice in accordance with this Section 16. The effective date of notice shall be the date of delivery or the date delivery is first refused, as shown on the receipt provided by the carrier. The notice addresses are:

Seller: Stewart Mountain Forest, LLC
8 Center Street
Exeter, NH 03833
Attn: Kent Gilges

with copy to: Jeff Selser
Fletcher, Selser & Devine
30 Milk Street, 3rd Floor
Portland, ME 04101

Purchaser: Whatcom Land Trust
Post Office Box 6131
412 North Commercial Street
Bellingham, WA 98227
Attn: Alex Jeffers

with copy to: Carmichael Clark, PS
1700 D Street
Bellingham, WA 98225
Attn: Luke Phifer

17. MISCELLANEOUS. This Agreement shall be governed by the laws of the State of Washington, without application of its conflicts of law principles. This Agreement shall be binding upon Purchaser and Seller, and their respective successors and permitted assigns. Purchaser may not assign this Agreement or any rights under this Agreement without the express prior written consent of Seller, to be granted in such Seller's sole discretion; except that Purchaser may assign this Agreement to an entity controlled by, controlling, or under common control with Purchaser without Seller's consent. This Agreement is a complete integration of every agreement and representation made by Seller and Purchaser with respect to the Property. This Agreement supersedes all previous discussions, contracts, letters of intent, and all agreements between Seller and Purchaser with respect to the Property and the subject matter of this

Agreement. No implied covenant or prior oral or prior written agreement shall be held to vary the provisions of this Agreement, any law or custom to the contrary notwithstanding. This Agreement may only be modified in writing executed by Purchaser and Seller. If any term or provision of this Agreement is held to be invalid, illegal, or unenforceable, the validity of the other terms and provisions of this Agreement shall in no way be affected and shall remain in full force and effect so long as the purpose of this Agreement can be carried out. Time is of the essence in the performance of any obligations under this Agreement. Anywhere in this Agreement where the word "included" or "including" is used, such word is deemed to be non-inclusive and not limited.

18. SPECIAL STIPULATIONS. In the event of a conflict with any of the other provisions of this Agreement, the following special stipulations shall control:

(a) Except for those specifically provided in this Agreement, Seller makes no representations or warranties of any kind or nature with respect to the condition of any portion of the Property or any personal property or improvements located on the Property. If the Closing occurs, Purchaser, by acceptance of the Deed, shall be deemed to have accepted the Property "as is" with respect to all remaining conditions, including, but not limited to, environmental conditions and the volume, condition, or quality of the timber resources on the Property. Purchaser will not rely on any materials or documentation provided by Seller, but solely on the independent study of Purchaser and its consultants and Purchaser hereby waives any cause of action against Seller or liability of Seller for negligent misrepresentation as to the same, regardless of any inaccuracy or incompleteness of any information or materials provided to Purchaser by Seller.

(b) Seller makes no warranty as to the acreage or the amount, kind, or condition of the timber resources on the Property.

(c) Purchaser (and any assignee of Purchaser) hereby represents and warrants to Seller, and will represent and warrant to Seller at Closing, that Purchaser is not an "employee benefit plan" as that term is defined in Section 3.(3) of the Employee Retirement Income Security Act of 1974 ("ERISA").

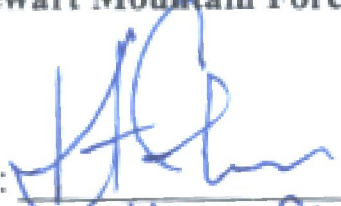
19. WAIVER OF TRIAL BY JURY. TO THE FULLEST EXTENT PERMITTED BY LAW, SELLER AND PURCHASER HEREBY WAIVE THE RIGHT TO A TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM, WHETHER IN CONTRACT, TORT, OR OTHERWISE, RELATING DIRECTLY OR INDIRECTLY TO ANY MATTERS ARISING OUT OF THIS AGREEMENT, THE CLOSING DOCUMENTS, AND/OR ANY ACT OR OMISSION BY EITHER SELLER OR PURCHASER.

[end of Agreement; signatures on following page(s)]

IN WITNESS WHEREOF, Seller and Purchaser have executed this Agreement as of the Effective Date.

SELLER:

Stewart Mountain Forest, LLC

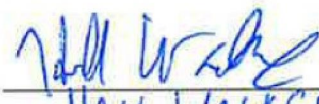
By: 

Name: KENT GILGES

Title: MANAGING MEMBER

PURCHASER:

Whatcom Land Trust

By: 

Name: HALL WALKER

Title: President

Exhibit A

PROPERTY DESCRIPTION

PARCEL 1: 370401 463058 0000 PID 28413

ALL OF SECTION 1, TOWNSHIP 37 NORTH, RANGE 4 EAST OF W.M., EXCEPTING THEREFROM GOVERNMENT LOT 4, SITUATE IN WHATCOM COUNTY, WASHINGTON.

PARCEL 2: Intentionally deleted.

PARCEL 3: Intentionally deleted.

PARCEL 4: 370411 265318 0000 PID 33851

THE NORTH HALF OF SECTION 11, TOWNSHIP 37 NORTH, RANGE 4 EAST OF W.M., SITUATE IN WHATCOM COUNTY, WASHINGTON.

PARCEL 5: 370411 265318 0000 PID 33851 (RMDR)

THE SOUTH HALF OF SECTION 11, TOWNSHIP 37 NORTH, RANGE 4 EAST OF W.M., EXCEPT THAT PORTION LYING SOUTHERLY OF THE THREAD OF JONES CREEK, SITUATE IN WHATCOM COUNTY, WASHINGTON.

PARCEL 6: 370412 268382 0000 PID 33859

THE NORTH HALF OF SECTION 12, TOWNSHIP 37 NORTH, RANGE 4 EAST OF W.M., SITUATE IN WHATCOM COUNTY, WASHINGTON.

PARCEL 7: 370412 264195 0000 PID 33856

THE SOUTH HALF OF SECTION 12, TOWNSHIP 37 NORTH, RANGE 4 EAST OF W.M., EXCEPT THAT PORTION LYING SOUTHERLY OF THE THREAD OF JONES CREEK, SITUATE IN WHATCOM COUNTY, WASHINGTON.

PARCEL 8: 370506 063065 0000 PID 36433

GOVERNMENT LOTS 5, 10, AND 11, SECTION 6, TOWNSHIP 37 NORTH, RANGE 5 EAST, W.M., EXCEPTING THEREFROM RIGHT OF WAY FOR TURKINGTON ROAD, COUNTY ROAD NO. 241, OVER AND ACROSS THE EAST LINE OF SAID GOVERNMENT LOT 5, SITUATE IN WHATCOM COUNTY, WASHINGTON.

PARCEL 9: 370507 070397 0000 PID 36531

GOVERNMENT LOTS 1 AND 2, SECTION 7, TOWNSHIP 37 NORTH, RANGE 5 EAST OF W.M.,
SITUATE IN WHATCOM COUNTY, WASHINGTON.

PARCEL 10: 370507 050225 0000 PID 36526

GOVERNMENT LOT 3, SECTION 7, TOWNSHIP 37 NORTH, RANGE 5 EAST OF W.M., EXCEPT
THAT PORTION LYING SOUTHERLY OF THE THREAD OF JONES CREEK, SITUATE IN
WHATCOM COUNTY, WASHINGTON.

Exhibit B

DEPICTION OF PROPERTY

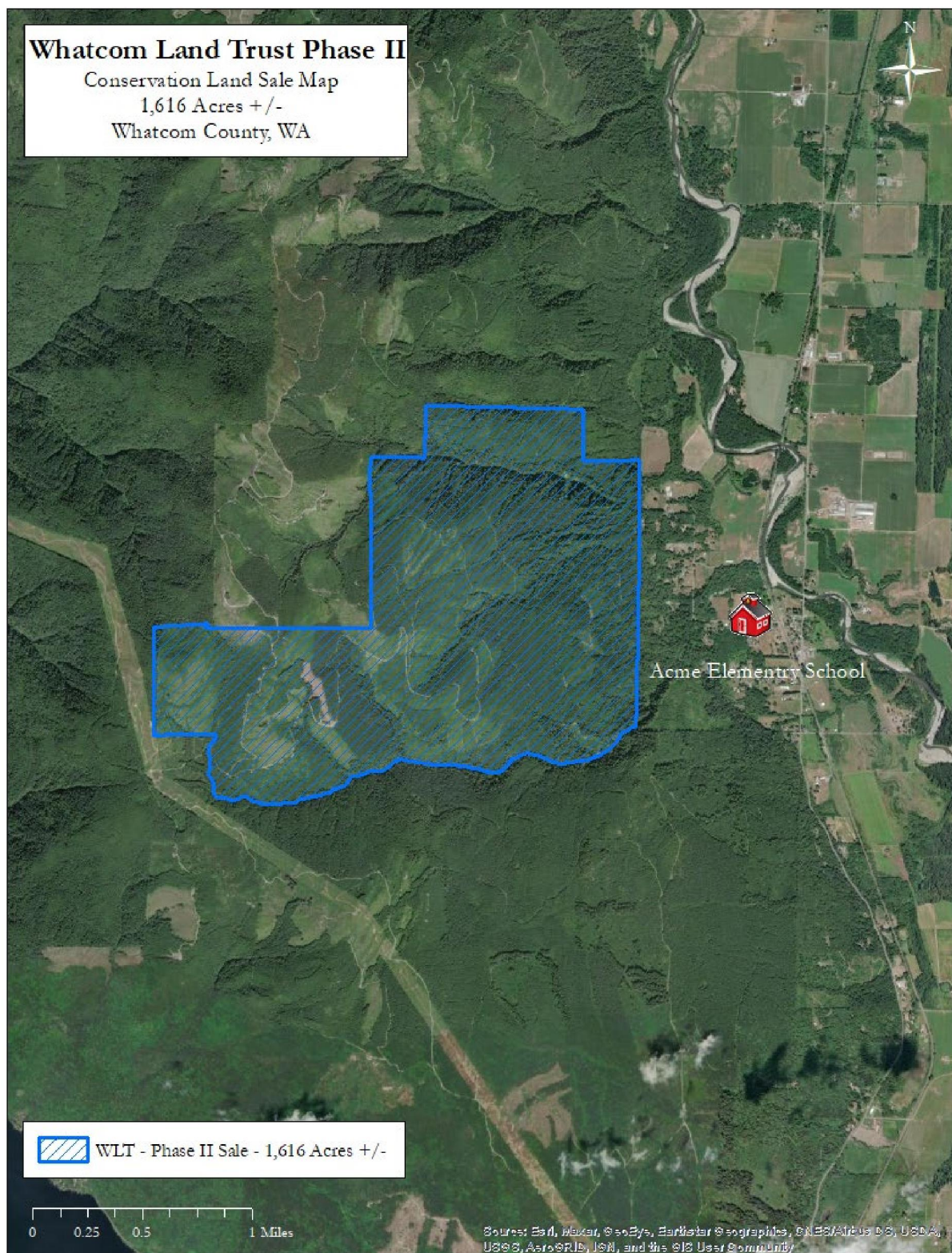


Exhibit C

PERMITTED ENCUMBRANCES

1. Liens for taxes, assessments, and other governmental charges which are not yet due and payable as of the Closing.
2. All land use (including environmental and wetlands), building, and zoning laws, regulations, codes, and ordinances affecting the Property.
3. Any rights of the United States of America, the State of Washington, or others in the use and continuous flow of any brooks, streams, or other natural water courses or water bodies within, crossing, or abutting the Property, including, without limitation, riparian rights and navigational servitudes.
4. Title to that portion of the Property, if any, lying below the mean high water mark of abutting tidal waters.
5. All public and private roads and streets and all railroad and utility lines, pipelines, service lines, and facilities to the extent the foregoing physically exist on the Property as of the Effective Date.
6. All encroachments, overlaps, boundary line disputes, shortages in area, cemeteries and burial grounds, and other matters not of record, which would be disclosed by an accurate survey or physical inspection of the Property.
7. Prior reservations or conveyances of mineral rights, mineral leases, or water leases of record (but not mineral leases or mineral reservations made or entered into by Seller).
8. Any potential compensating, "roll back," additional, or supplemental taxes that may result from a redesignation or reclassification of the Property by the applicable county tax assessor's office as anything other than the tax classification as of the Effective Date, resulting from the sale of the Property from Seller to Purchaser, or from any change in use or other actions of Purchaser following the Closing Date.
9. Easements, rights of way, and other matters not inconsistent with the use of the Property as commercial timberland.
10. Lack of deeded legal access to any portion of the Property, if such lack of deeded legal access is evident from an inspection of available maps, surveys, or other publicly available information.