

Miller Land & Timber

Offering Memorandum



Miller Land &
Timber Property

24+ Acres • 154-Lot Approved Townhome Site Plan • North Bend, WA

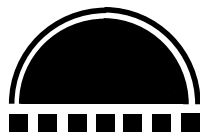
CONFIDENTIAL OFFERING MEMORANDUM

The Miller Land & Timber ("Company" or "Miller") has engaged CenturyPacific, LLLP as real estate advisor and agent on an exclusive basis in connection with a proposed sale of the 24-acre North Bend Property (the "Property") located in North Bend, Washington.

This Confidential Offering Memorandum ("Memorandum") is being delivered to a limited number of parties who may be interested in the Property. By acceptance hereof, each recipient agrees not to reproduce or use in whole or in part the information contained herein, or any other information that is not already public, and to use this Memorandum only for the purpose of evaluating the offering made hereby.

This Memorandum has been prepared based partly upon information furnished by the Company which has reviewed it and authorized its use for the purpose and in the manner described above. Neither the Company, its shareholders, partners nor affiliates, makes any representations or warranties with regard to the accuracy or completeness of the information contained herein. CenturyPacific, LLLP has conducted a limited review of the information contained in this Memorandum, but has not independently verified the accuracy or completeness thereof. CenturyPacific, LLLP does not represent or warrant the accuracy or completeness of the information contained in this Memorandum. Nothing contained in this Memorandum should be construed as a representation by any person as to the future possibilities or performance of the Property.

EACH POTENTIAL PURCHASER IS EXPECTED TO
CONDUCT ITS OWN DUE DILIGENCE.



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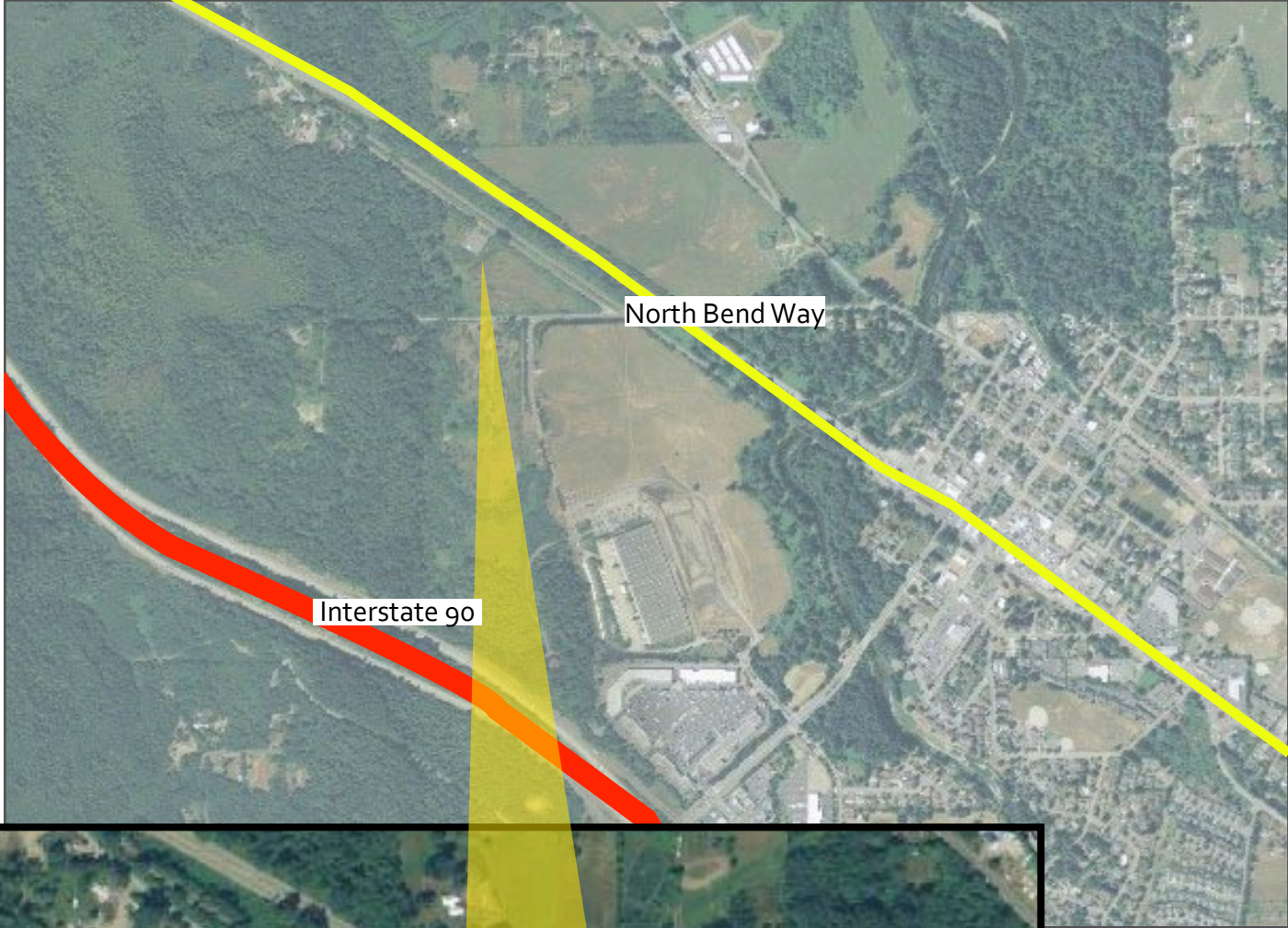
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CENTURYPACIFIC, LLLP



North Bend Way

Interstate 90



North Bend Way

Nw 8th Street

N



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I. Investment Summary

THE INVESTMENT

Miller Land & Timber ("Miller") is offering for sale approximately 24.31 acres of property ("the Property") in the City of North Bend, WA. The Property enjoys an approved and vested master development plan and binding site plan for a 154-lot townhome project and 2,500 to 5,000 square feet of commercial (referred to as "B1" under the Maps & Photos section).

Lot sizes for B1 range from approximately 1,500 square feet to 4,000 square feet. A complete list of lots and their sizes is included in this offering memorandum. Sufficient water and sewer capacity is available and is owned by the Seller to allow for immediate final design and building permit submittal.

In addition to B1, conceptual approval is provided for 150 "flat-style" multi-family units together with 82 townhome units and 2,500 to 5,000 square feet of commercial space (referred to as "B2" under the Maps & Photos section). Final binding site plan approval has not been granted for B2.

In regards to both B1 and B2, with the exception of assisted living/senior care units, individual residential units shall be divided for ownership in fee as opposed to ownership for rental use. In other words, the development of this project shall be condo / for sale product and not apartments unless the project is built as a senior care or assisted living facility.

Miller is seeking proposals to purchase the entire Property.

TERMS & PRICE

\$6,200,000, all cash at closing

TIMING FOR PROPOSALS

Letters of intent may be submitted to CenturyPacific, LLLP at any time.

DUE DILIGENCE & CLOSING

Miller Land & Timber envisions a due diligence and closing period totaling no more than sixty (60) days.

PROPERTY

The Property includes approximately 24.37 acres located to the southwest of W. North Bend Way under tax parcel number 052308-9016. It is characterized by upper and lower "shelf" areas defined by topography with a total of approximately 24 acres including 10 acres on the upper/southern shelf and 14 acres on the lower/northern shelf. The site is lightly treed and provides direct views of Mt. Si. The Preferred Master / Binding Site Plan Option of 154 townhomes includes:

- 72 lots plus 2,500 to 5,000 square feet of commercial on the 14-acre lower shelf and
- 82 lots on the 10-acre upper shelf

There is as much as 80 feet of elevation difference between the south and north portions of the site. The northern lower 14 acres is at approximately 431 feet in elevation. The southern upper 10 acres is at approximately 490 feet in elevation. This dramatic differential provides for two distinct development areas of the property and outstanding views of Mt. Si and the former Tollgate Farm.

Owner:	Miller Land & Timber LLC
Parcel Size:	24.37 acres
Building Size:	Vacant lot
Parcel No.:	0523089016
Site Address:	West end of NW 8th Street in North Bend, Washington.
Assessed Value:	\$1,061,400 (i.e., \$1.00 per square foot)
2010 Taxes:	\$10,951.30
Jurisdiction:	North Bend, WA
Zoning:	EP-1: Employment Park I
Utilities:	All utilities are available. Seller owns 118 sewer ERUs and associated water ERUs from the City of North Bend, enough to service the 154-lot townhome Preferred Master / Binding Site Plan known as B1.
Improvements:	Site is currently unimproved with no leases on the property
Legal Description:	Southeast Quarter of the Southeast Quarter of Section 5, Township 23 North, Range 8 East, Willamette Meridian

ZONING

The Property is zoned EP 1 – Employment Park I in King County allowing for a broad set of employment and residential uses. The Development Agreement determined that B1 and B2 conform with the underlying zoning.

ACCESS

The Property is located at approximately 1530 NW 8th Street at the west end of NW 8th Street in North Bend, Washington. From Seattle, head east on Interstate 90 and take Exit 27 (the first North Bend exit) and proceed 2.9 miles towards town. Turn right on NW 8th Street and continue approximately .1 mile to the site at the end of the road on the right hand side. Alternatively, take Exit 31 (the main North Bend exit) and proceed .5 mile towards town. Turn left on W. North Bend Way and proceed .5 mile to NW 8th Street. Turn left on NW 8th Street and continue approximately .1 mile to the site at the end of the road on the right hand side.

The site is just minutes from:

- Interstate 90 and State Route 18
- Recreational opportunities including trails along the South Fork of the Snoqualmie River and a Jack Nicklaus Signature Tournament Golf Course
- Internationally acclaimed Salish Lodge and Spa at Snoqualmie Falls
- Established housing communities at Snoqualmie Ridge, the Uplands, Si View and others

ACCESS EASEMENT

The Buyer shall provide access to the property located to the southwest of the subject property. This access is shown in the current development plans.

SOILS

The northern 14 acres of the site are composed of younger alluvium composed of sand, silt and gravel. The southern 10-acre portion of the site consists of a bedrock knoll composed of intrusive and metamorphic rock

TITLE

Stewart Title Company has prepared a preliminary title report which is available upon request

ENVIRONMENTAL IMPACT STATEMENT & ISSUES

An environmental impact statement was prepared for the Property for a previous proposal on more than 228 acres previously owned by the Seller. The subject 24 acres is the remaining portion of this 228 acres. The City Council relied on this EIS and the subsequent SEPA Addendum in making its conclusion that all SEPA work has been completed. A copy of the draft and final EISs as well as the SEPA Addendum are available for inspection at the offices of CenturyPacific.

The site is currently vacant forestland. All potential Buyers shall conduct their own due diligence in regards to the environmental conditions of the Miller Residential property.

AREA INFORMATION

The Property is located at the west end of NW 8th Street in a relatively undeveloped area. Land to the immediate west was previously sold to the Trust For Public Land by Miller in 2001 and is currently owned by King County for permanent open space. To the north are a series of residential houses. Gardiner Creek provides the eastern boundary followed by two parcels of land owned by Puget Sound Energy and Tanner Electric. To the south across NW 8th Street are several privately owned undeveloped parcels. The commercial center of North Bend is located less than a mile to the south.

APPROVED MASTER SITE PLAN AND BINDING SITE PLAN

On March 21, 2006, the North Bend City Council approved the Miller Development Agreement Ordinance (Ordinance #1246). The Miller Development Agreement became effective on April 3, 2006. The Development Agreement is valid for a period of ten (10) years. A copy of the Development Agreement is available upon request. Detailed attachments to the Development Agreement are available as part of Tier II and Tier III marketing materials available to serious parties.

KEY CONDITIONS OF THE MASTER / BINDING SITE PLAN

Key components of the Development Agreement include:

- Approval of a Master Site Development Plan for:
 - o B1: 154 townhomes and 2,500 to 5,000 square feet of commercial, and
 - o B2: 236 multi-family units with 82 townhomes on the upper shelf and 150 flat-style multi-family units on the lower shelf plus 2,500 to 5,000 square feet of commercial.
- Approval of a Binding Site Plan for B1 and conceptual approval of the Binding Site Plan for B2.
- Special development conditions including a 50-foot height limit.
- Vested development rights including zoning, development standards, reservation of transportation capacity, continued reservation for sufficient water and sewer service.
- City staff is directed to approve all final development plans, binding site plans, and administrative and/or ministerial permits and approvals required to implement B1 and B2.

II. Maps & Photos



Property Photo







**Miller Land &
Timber Property**

Miller Land & Timber Property

North Bend UGA Existing Zoning Map Map 1-2

Legend

Zoning Districts

- Residential**
 - LDR Low Density Residential
 - HDR High Density Residential
- Commercial**
 - DC Downtown Commercial
 - IC Interchange Commercial
 - NB Neighborhood Business
- Employment Park**
 - EP-1 Employment Park -1
 - EP-2 Employment Park -2
- Other**
 - POSPP Parks / Open Space / Public Facilities

City Limits

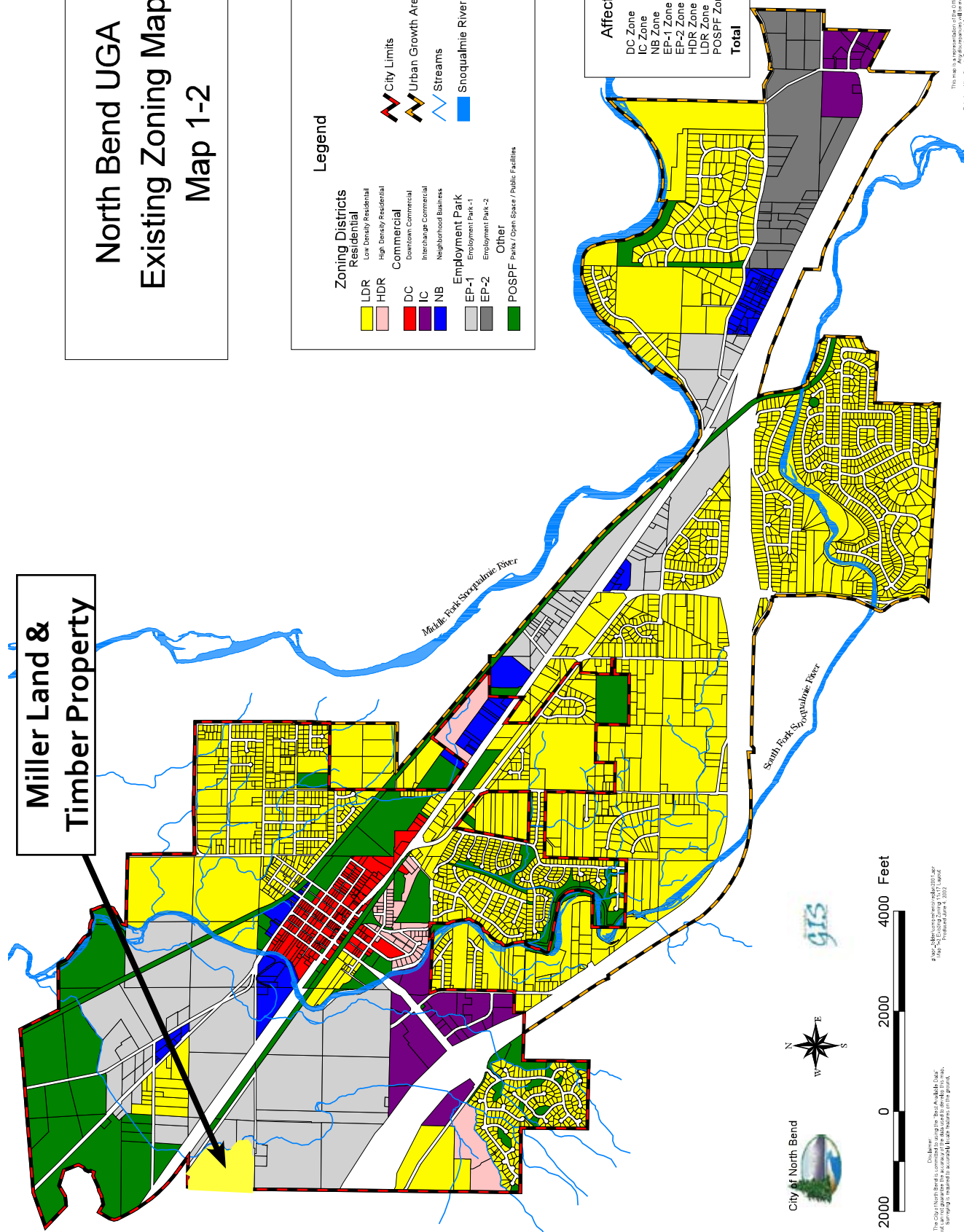
Urban Growth Area Limits

Streams

Snoqualmie River Forks

Affected Acres In UGA

DC Zone	57.90
IC Zone	113.98
NB Zone	75.41
EP-1 Zone	516.68
EP-2 Zone	142.75
HDR Zone	57.18
LDR Zone	1610.86
POSPP Zone	442.88
Total	3017.84



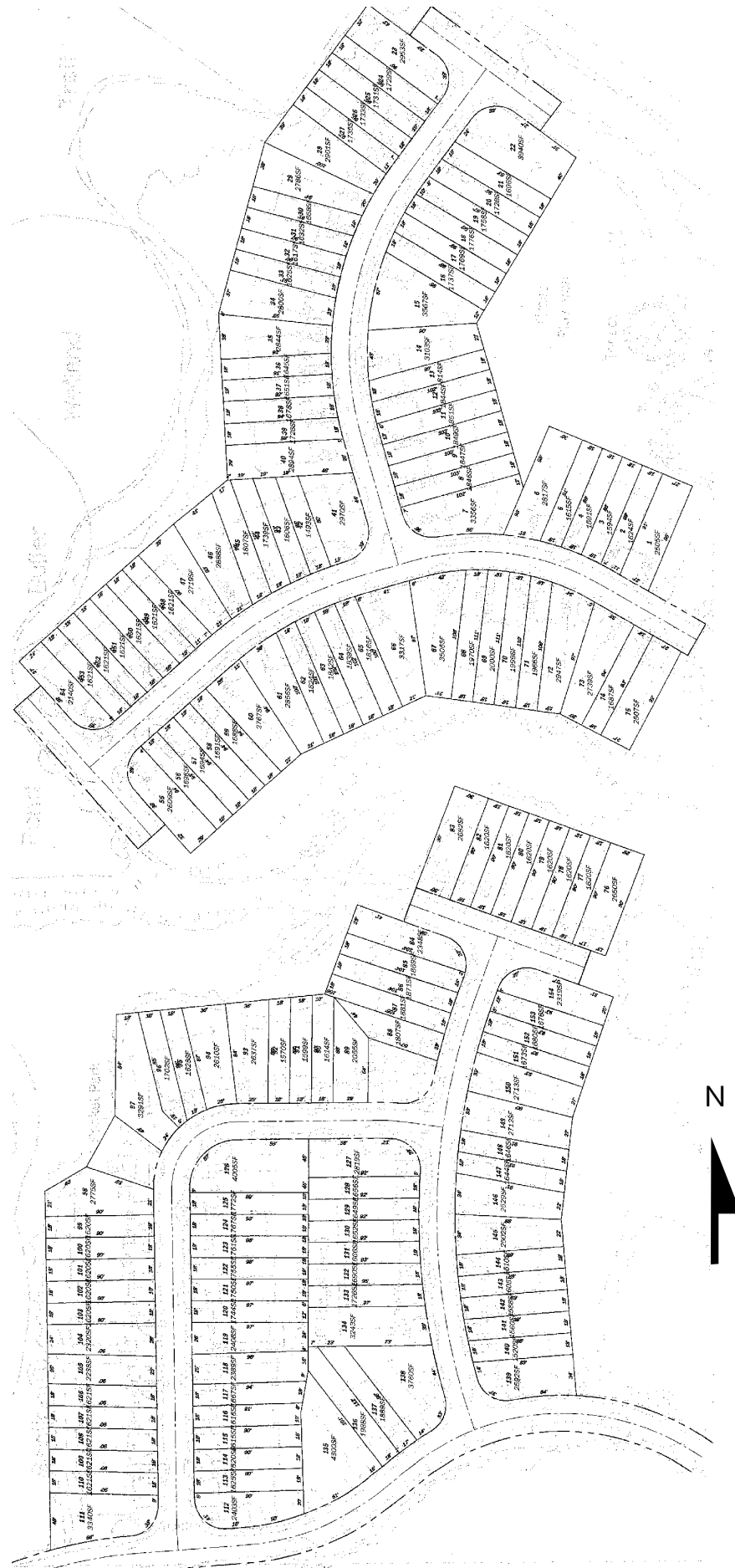
City of North Bend

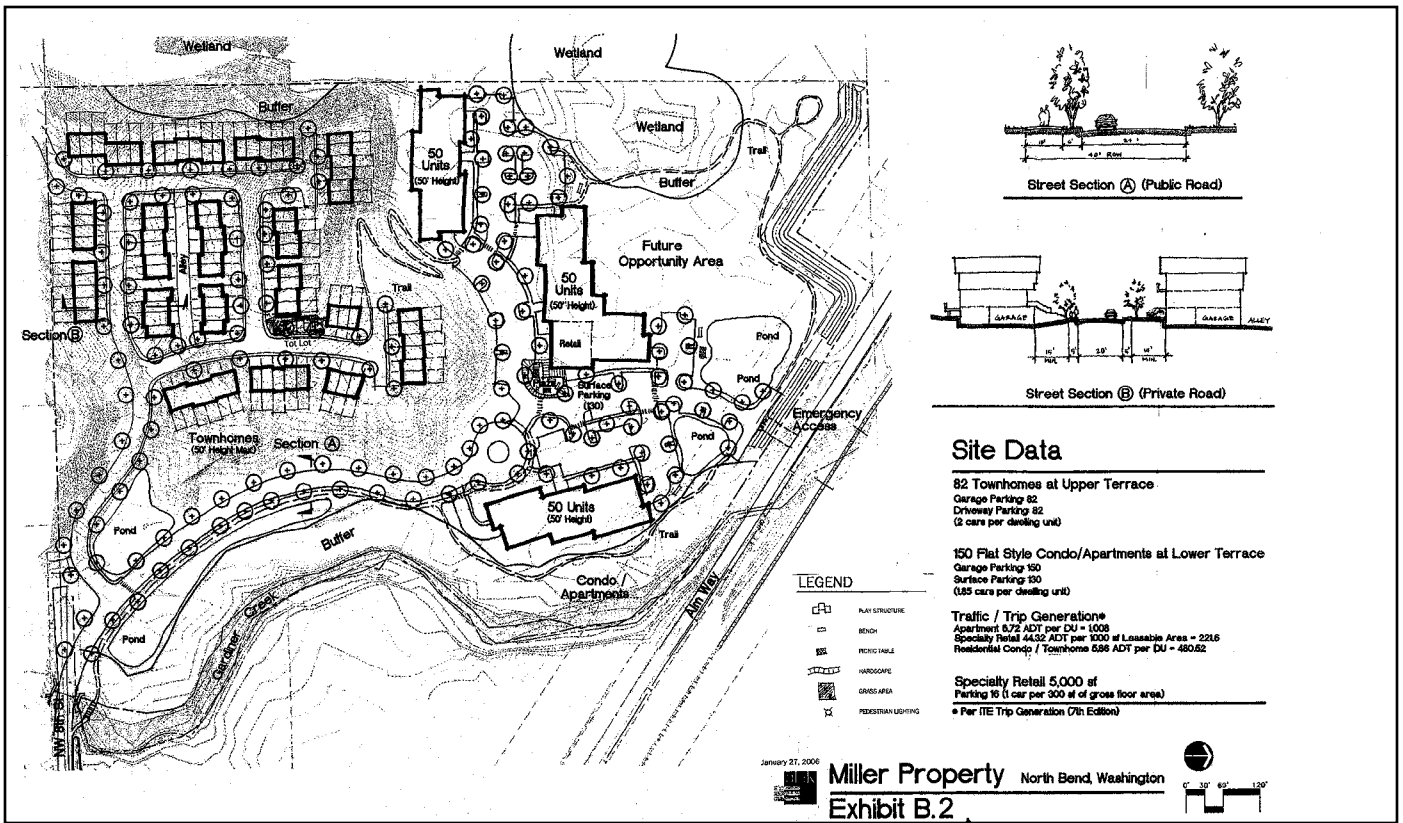
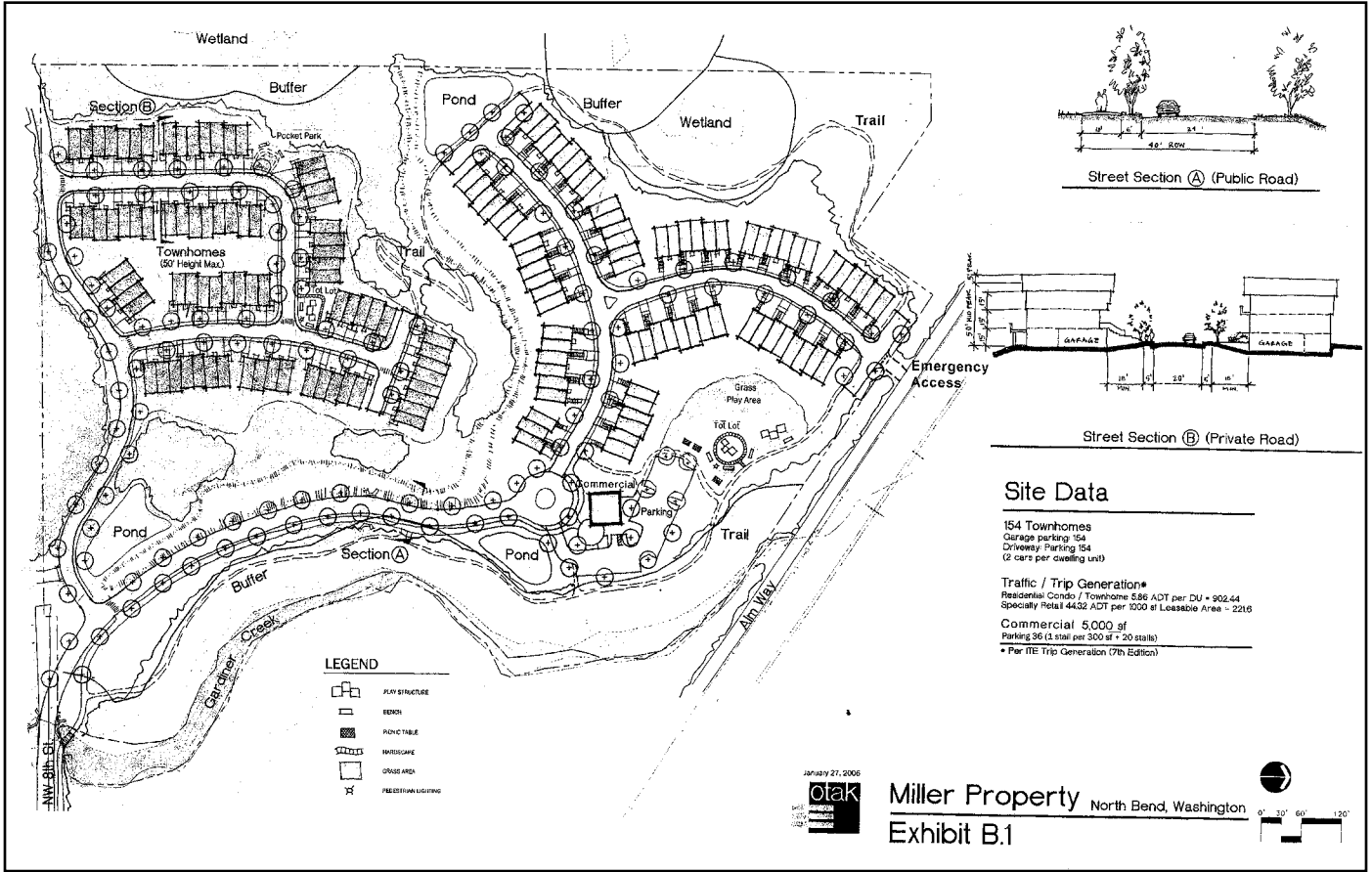
GIS

0 2000 4000 Feet

Disclaimer: The City of North Bend is committed to using the Best Available Data (BAD) for all GIS data. Surveying is required to accurately locate features on the ground. This map is a reproduction of the City of North Bend's GIS data. Any discrepancies will be resolved and the user will be responsible for the final use. Date: 06/24/2014. Prepared June 1, 2014.

Townhome Concept B1





Lot Number	Frontage Width (ft)	Lot Area (sf)	Building Envelope (sf)
1	27	2505	810
2	18	1624	810
3	18	1594	810
4	18	1591	810
5	18	1615	810
6	30	2817	810
7	25	3356	810
8	18	1846	810
9	18	1847	810
10	18	1849	810
11	18	1851	810
12	18	1844	810
13	18	1814	810
14	43	3103	810
15	67	3567	810
16	18	1737	810
17	18	1769	810
18	18	1776	810
19	18	1758	810
20	18	1728	810
21	18	1696	810
22	44	3940	810
23	27	2953	810
24	18	1729	810
25	18	1731	810
26	18	1733	810
27	18	1735	810
28	20	2901	810
29	20	2786	810
30	18	1668	810
31	18	1632	810
32	18	1617	810
33	18	1625	810
34	23	2800	810
35	23	2844	810
36	18	1645	810
37	18	1651	810
38	18	1678	810
39	18	1728	810
40	29	2894	810

Lot Number	Frontage Width (ft)	Lot Area (sf)	Building Envelope (sf)
41	35	2970	810
42	18	1493	810
43	18	1606	810
44	18	1739	810
45	18	1807	810
46	21	2888	810
47	21	2719	810
48	18	1621	810
49	18	1621	810
50	18	1621	810
51	18	1621	810
52	18	1621	810
53	18	1621	810
54	20	2140	810
55	24	2609	810
56	18	1696	810
57	18	1694	810
58	18	1691	810
59	18	1688	810
60	37	2767	810
61	38	2856	810
62	18	1824	810
63	18	1842	810
64	18	1839	810
65	18	1816	810
66	47	3317	810
67	48	3506	810
68	18	1970	810
69	18	2000	810
70	18	1999	810
71	18	1966	810
72	39	2947	810
73	38	2739	810
74	18	1687	810
75	27	2507	810
76	30	2650	810
77	18	1620	810
78	18	1620	810
79	18	1620	810
80	18	1620	810

Lot Number	Frontage Width (ft)	Lot Area (sf)	Building Envelope (sf)
81	18	1620	810
82	18	1620	810
83	30	2682	810
84	18	2348	810
85	18	1869	810
86	18	1871	810
87	18	1881	810
88	23	1807	810
89	29	2055	810
90	18	1614	810
91	18	1599	810
92	18	1570	810
93	25	2637	810
94	26	2610	810
95	18	1627	810
96	10	1702	810
97	24	3291	810
98	21	2775	810
99	18	1620	810
100	18	1620	810
101	18	1620	810
102	18	1620	810
103	18	1620	810
104	28	2320	810
105	25	2338	810
106	18	1621	810
107	18	1621	810
108	18	1621	810
109	18	1621	810
110	18	1621	810
111	28	3340	810
112	25	2403	810
113	18	1625	810
114	18	1620	810
115	18	1615	810
116	18	1616	810
117	18	1667	810
118	25	2389	810
119	26	2408	810
120	18	1744	810

Lot Number	Frontage Width (ft)	Lot Area (sf)	Building Envelope (sf)
121	18	1750	810
122	18	1755	810
123	18	1761	810
124	18	1767	810
125	18	1772	810
126	34	4005	810
127	24	2819	810
128	18	1656	810
129	18	1649	810
130	18	1652	810
131	18	1666	810
132	18	1690	810
133	18	1726	810
134	33	3243	810
135	77	4300	810
136	18	1988	810
137	17	1889	810
138	30	3760	810
139	32	2592	810
140	18	1520	810
141	18	1560	810
142	18	1588	810
143	18	1605	810
144	18	1610	810
145	34	2502	810
146	34	2529	810
147	18	1644	810
148	18	1646	810
149	33	2712	810
150	33	2713	810
151	18	1673	810
152	18	1680	810
153	18	1676	810
154	22	2319	810

IV. Transaction Details

The offering of the North Bend property is being distributed exclusively by CenturyPacific, LLLP (the "Investment Team") to a select group of pre-qualified investors. The prospective investor will be selected by the Seller in its sole and absolute discretion based on a variety of factors including, but not limited to, offer price, financial strength and ability to close in a timely fashion.

The Investment Team will be available to assist prospective investors to arrange site inspections and to answer any questions related to information contained in this Offering Memorandum.

All inquiries should be directed to: **CenturyPacific, LLLP**
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DISCLAIMER

Materials contained in this Investment Offering are confidential, furnished solely for the purpose of considering the purchase of the North Bend property (the "Property") located in North Bend, Washington; described herein and are not to be used for any other purpose or to be made available to any other person without the express written consent of CenturyPacific, LLLP (the "Investment Team") and Miller Land & Timber LLC (the "Seller"). The material is based, in part, upon information supplied by Seller and, in part, upon information obtained by the Investment Team from sources they deem to be reliable. Summaries contained herein of any legal documents are not intended to be comprehensive statements of the terms of such documents, but rather are outlines of some of the principal provisions contained therein. No warranty or representation, expressed or implied, is made by Seller, the Investment Team or any of their related entities as to the accuracy or completeness of the information contained herein. Prospective investors should make their own investigations, projections and conclusions. Interested buyers should be aware that the Seller is selling the Property in "AS IS" CONDITION WITH ALL FAULTS, WITHOUT REPRESENTATIONS OR WARRANTIES OF ANY KIND OR NATURE. It is expected that prospective investors will conduct their own independent due diligence concerning the Property, including such engineering and environmental inspections as they deem necessary to determine the condition of the Property and the existence or absence of any potentially hazardous materials used in the construction or maintenance of the Property. No representations, expressed or implied, are made as to the foregoing matters by Seller, the Investment Team or any of their officers, employees, affiliates and/or agent. Information contained in this Offering Memorandum is further governed by the Confidentiality Agreement.



CENTURYPACIFIC, LLLP