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MEDIATED SETTLEMENT AGREEMENT
(August 16, 2007)

Parties: the parties to this agreement are One Pacific Corporation ("OPC") and Rick Bowler ("Bowler") and the Westridge Place Homeowners Association ("HOA").

Scope of the settlement: The parties intend to settle all claims that were or could have been made in the dispute between HOA and OPC and Bowler.

Settlement terms:

1. This is a binding agreement, subject only to ratification by 2/3 of the homeowners within the gated area of the Westridge Development who vote in person or by proxy and 2/3 of the homeowners in the non-gated area of the Westridge Development who vote in person or by proxy. The signatories to this agreement shall actively support ratification of this Settlement Agreement. The vote on ratification shall be held no more than 60 days from the date of this agreement.
2. The four Appointed Directors of the Board of HOA agree to resign on ratification of this Settlement Agreement, as described in "1" above. The Board of HOA will call a special election to fill the four vacancies that will occur on resignation of the Appointed Directors. OPC agrees that he will not attempt to exercise any right to appoint Board Members and that on ratification of this Settlement Agreement, any such right of appointment ceases. The current elected board members will continue to serve until the election of board members in 2008 and agree that they will not run for reelection at that time.
3. The following will occur on ratification of this agreement. The parties agree to make such preparation as may be mutually beneficial in the interim so that on ratification the

1 terms of the settlement can be carried out in an efficient, timely and effective way:

2 a. HOA will assume maintenance and related obligations with respect to the
3 common areas and the amenities therein, including but not limited to trails,
4 wetlands, open spaces, gates, roads, gazebo, ponds, sprinkler systems, fountains
5 and the like, subject to the terms below.

6 b. With respect to the gates and security system, this agreement is conditioned on
7 Advanced Electric providing a warranty, drafted by HOA, in a form reasonably
8 acceptable to HOA and as good as Advanced Electric would provide to its regular
9 customers, warranting to HOA the good operation of the gates and related
10 equipment for one year. OPC will assign to HOA any and all warranties from the
11 manufacturer of component parts and of subcontractors and any further rights
12 against Advanced Electric or any other party that arise by operation of law or by
13 any express warranty.

14 c. OPC will provide to HOA all existing plans and specifications, including as-built
15 drawings, for the development and its amenities. These documents will be
16 provided to HOA at least 30 days before the date set for the vote on ratification of
17 this agreement.

18 d. The parties will obtain clarification of the ownership of the undeveloped
19 triangular piece of property on the south side of the north gate on the non-gated
20 side. This will be done whether or not the homeowners ratify the settlement.

21 e. A condition of this settlement agreement is the grant of a maintenance easement
22 by homeowner Lovall to HOA to allow HOA access to the area known as the
23 Back 40.

24 f. The property commonly known as the Design Center will cease to be used by
25 OPC and its affiliates for business purposes by February 14, 2008.

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1 g. OPC and Bowler will forgive any outstanding indebtedness that might be claimed
2 owed to OPC by HOA, including a note for the principal amount of \$52,000. The
3 parties acknowledge OPC contends that this note is due and owing and that HOA
4 disputes any obligation on that note.

5 h. Bowler will be allowed access to his property through the gated portion of the
6 Westridge development. This right to access without payment shall expire when
7 neither Rick Bowler, Marilee Thompson nor their children own the residence.
8 The separate agreement memorializing this right of access will also provide that
9 Bowler's use shall be on the same conditions and subject to the same rules found
10 in paragraphs 2.10, 2.11 and 2.11.1 of the 2004 Declaration, as modified to
11 substitute the proper parties, as owners in the gated portion of Westridge, except
12 that Bowler shall not be required to pay anything for such access. Any right of
13 access for any successor owner to the Bowler family shall be conditioned on
14 payment to the HOA of a reasonable road and gate fee for such access.

15 i. Bowler will continue to provide, at his expense, water and the electricity to run
16 the pump on his property to provide water for the existing or replacement fountain
17 pumps and sprinklers in the wetlands. A document will be recorded
18 memorializing this agreement that will bind Bowler's successors in interest in his
19 residential property. To the extent necessary to reflect the content and intent of
20 this agreement, HOA members will amend the CC&R's

21 j. OPC will certify to HOA that it is in compliance with the wetlands mitigation
22 plan as of the date HOA assumes responsibility for maintenance of the wetlands.
23 HOA agrees to takeover on November 1, 2008, responsibility for compliance with
24 the mitigation plan, assuming ratification of the settlement and fulfillment of
25 conditions. HOA will share equally the costs of bringing the wetlands into
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1 compliance with the mitigation plan, including completion of removal of invasive
2 species, completion of the fifth year monitoring plan and other steps required in
3 the March 1, 2007 letter from the City of Vancouver, up to a contribution by
4 HOA of \$3,000.

5 4. OPC agrees that it will not seek to join HOA in the pending putative class action brought
6 by Twyla Bailey et al. v. One Pacific et al., unless plaintiffs in that case seek a
7 declaration of rights, which, in good faith, OPC believes, requires HOA's participation in
8 order to have a full determination of the rights of the parties to the litigation.

9 5. This agreement will become effective on the ratification of homeowners as described in
10 "1" above. Until so ratified, the parties agree to cooperate so as to avoid further disputes
11 and to continue the status quo until that ratification. The parties agree that no litigation
12 will be instituted by either of them against the other until and unless the homeowners fail
13 to ratify this settlement.

14 6. On ratification, the parties mutually release each other, their board members, officers,
15 employees, and representatives past and present, including Port Real Estate Corp., from
16 all claims that were or could have been made for damages of any and all kinds, known or
17 unknown, made or not made based on conduct or a failure to act that has occurred or, in
18 the case of a failure to act, should have occurred as of this date. No claims by individual
19 homeowners including the claims in the putative class action, or defenses thereto are
20 released by this agreement.


21 7. In signing this agreement, Bowler represents that the four Appointed Directors will agree
22 to and actively support this settlement.

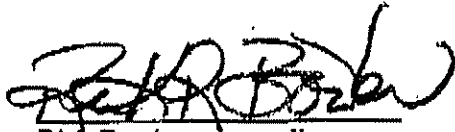
23 8. In signing this agreement, Cochran and Reneau represent that Board Member
24 Washington, who is not present at the mediation because of business travel, will agree to
25 and actively support this settlement and they will actively support it themselves.

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1 9. This is a binding agreement and not a letter of intent. In the event of dispute over the
2 terms of this or a more formal agreement the parties will draft to memorialize this
3 settlement in greater detail, the parties agree that John Barker is appointed arbiter of any
4 such disputes with power to decide such disputes in a binding and summary way, in his
5 discretion, and to award fees and costs to either or neither party. His authority includes
6 the addition of terms that a party might otherwise contend are an essential missing term
7 whose absence causes the agreement to be void or voidable.

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9 One Pacific Corporation

10 
11 By: Rick Bowler
Rick Bowler, Sr. Vice-President

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13 
14 Rick Bowler
15 Rick Bowler, personally

16
17 HOA
18 
19 By: Jim Cochran
20 Jim Cochran, Board Member

21 
22 Catherine Reneau
23 Catherine Reneau, Board Member 360-817-2679