

**FIRST AMENDMENT TO DEVELOPMENT AGREEMENT BY AND BETWEEN
THE CITY OF CLE ELUM, TRENDWEST INVESTMENTS, INC. AND
TRENDWEST PROPERTIES, INC. RELATING TO THE DEVELOPMENT OF
REAL PROPERTY LOCATED WITHIN THE CLE ELUM URBAN GROWTH
AREA, COMMONLY KNOWN AS THE "BULLFROG UGA"**

THIS FIRST AMENDMENT TO DEVELOPMENT AGREEMENT BY AND BETWEEN THE CITY OF CLE ELUM, TRENDWEST INVESTMENTS, INC. AND TRENDWEST PROPERTIES, INC. RELATING TO THE DEVELOPMENT OF REAL PROPERTY LOCATED WITHIN THE CLE ELUM URBAN GROWTH AREA, COMMONLY KNOWN AS THE "BULLFROG UGA" ("Agreement") is entered into as of the 28th day of March, 2017, by and between NEW SUNCADIA LLC, a Delaware Limited Liability Company registered to conduct business in the State of Washington ("Suncadia"), and the City of Cle Elum, a Washington municipal corporation (the "City").

RECITALS

A. The City and Suncadia's predecessors in interest previously entered into the Agreement dated October 30, 2002, together with all underlying documents and as amended, (collectively the "Development Agreement").

B. The parties believe it to be in their mutual best interests to extend the term of the Development Agreement as provided herein.

NOW, THEREFORE, in consideration of the forgoing, the parties hereto hereby agree as follows:

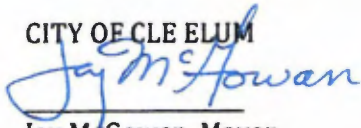
1. Section 1.3 of the Development Agreement is amended to read:

Subject to the potential default and/or termination provisions of Section 10 below, this Agreement shall be valid for a period of 25 years from the date it takes effect. At the end of that period the Trendwest UGA Property shall be subject to all policies, plans, rules, and regulations in effect for the City generally, whether they have been adopted since the effective date of this Agreement or not, and nothing shall prevent the City from adopting whatever subsequent policies, plans, rules, or regulations it deems are in the public interest for the City of Cle Elum as a whole.

2. Except as amended herein, the Development Agreement shall remain in full force and binding effect.

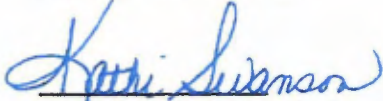
IN WITNESS WHEREOF, this Agreement has been entered into by and between Suncadia and the City as of the day and year first above written.

CITY OF CLE ELUM



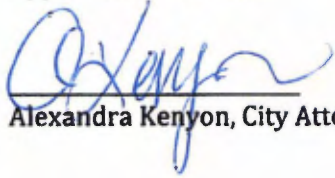
Jay McGowan, Mayor

Attest/Authenticated:



Kathi Swanson, City Clerk

Approved as to From:



Alexandra Kenyon, City Attorney

NEW SUNCADIA, LLC

A Delaware Limited Liability Company

By Easton Ridge Investors, LLC
A Delaware Limited Liability
Company
Its Managing Member

By: _____

Roger Beck
Managing Director

By: _____

Gary Kittleson
Vice President



March 10, 2017

Lucy Temple, City Planner
City of Cle Elum
119 West First Street
Cle Elum, WA 98922

Re: *Bullfrog Flats Development Agreement—Extension Request*

Dear Ms Temple:

As requested, attached please find New Suncadia's proposed amendment of the 2002 Bullfrog Flats Development Agreement. The only proposed modification is to extend the expiration of the Agreement by 10 years. This would make the new expiration date October 30, 2027.

Please do not hesitate to contact me if you have any questions or would like to discuss anything further regarding this proposed amendment.

Sincerely,

Roger Beck
Managing Director

Attachment

**Proposed Amendment to 2002 Development Agreement relating to Bullfrog Flats
(March 9, 2017)**

Revise Section 1.3 of the Agreement as follows:

Subject to the potential default and/or termination provisions of Section 10 below, this Agreement shall be valid for a period of ~~15~~25 years from the date it takes effect. At the end of that period the Trendwest UGA Property shall be subject to all policies, plans, rules, and regulations in effect for the City generally, whether they have been adopted since the effective date of this Agreement or not, and nothing shall prevent the City from adopting whatever subsequent policies, plans, rules, or regulations it deems are in the public interest for the City of Cle Elum as a whole.



February 28, 2017

Honorable Jay McGowan
Mayor, City of Cle Elum
119 West First Street
Cle Elum, WA 98922

Re: *Bullfrog Flats Development Agreement—Extension Request*

Dear Mayor McGowan:

As we have discussed, the Bullfrog Flats Development Agreement, dated and effective October 30, 2002, has a current expiration date of October 30, 2017. We are writing to request an extension of that expiration date to October 30, 2027. We believe this extension can be accomplished through a simple amendment of the termination date in Section 1.3 of the Agreement.

Please contact me at your convenience to discuss the potential next steps regarding this extension request.

Sincerely,

Roger Beck
Managing Director

cc: Rob Omans
Gary Kittleson