



# CITY OF OREGON CITY URBAN RENEWAL COMMISSION AGENDA

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Commission Chambers, 625 Center Street, Oregon City  
Wednesday, September 16, 2020 at 6:15 PM

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*The public is strongly encouraged to relay concerns and comments to the Commission in one of three ways:*

- *Email at any time up to 12 p.m. the day of the meeting to [recorderteam@orcify.org](mailto:recorderteam@orcify.org).*
- *Phone call (Monday – Friday, 8 am – 5 pm) to 503-496-1505, all messages will be relayed and/or citizens can sign-up to be called during the meeting to provide over-the-phone testimony.*
- *Mail to City of Oregon City, Attn: City Recorder, P.O. Box 3040, Oregon City, OR 97045.*

## CALL TO ORDER

## ROLL CALL

## CITIZEN COMMENTS

## DISCUSSION ITEM

1. Willamette Stone's Personal Service Agreement Extension Request for 922 Main St. Property

## COMMUNICATIONS

## ADJOURNMENT

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### PUBLIC COMMENT GUIDELINES

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*Citizens are allowed up to 3 minutes to present information relevant to the City but not listed as an item on the agenda. Prior to speaking, citizens shall complete a comment form and deliver it to the Staff Member. When the Chair calls your name, proceed to the speaker table and state your name and city of residence into the microphone. To assist in tracking your speaking time, refer to the timer on the table.*

*As a general practice, the Urban Renewal Commission does not engage in discussion with those making comments.*

*Electronic presentations are permitted but shall be delivered to the City Recorder 48 hours in advance of the meeting.*

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### ADA NOTICE

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*The location is ADA accessible. Hearing devices may be requested from the City Staff Member prior to the meeting. Individuals requiring other assistance must make their request known 48 hours preceding the meeting by contacting the City Recorder's Office at 503 657 0891*

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***Agenda Posted at City Hall, Pioneer Community Center, Library, City Web site.***

***Video Streaming & Broadcasts: The meeting is streamed live on Internet on the Oregon City's Web site at [www.orcity.org](http://www.orcity.org) and available on demand following the meeting. The meeting can be viewed live on Willamette Falls Television on channel 28 for Oregon City area residents. The meetings are also rebroadcast on WFMC. Please contact WFMC at 503 650 0275 for a programming schedule***



# CITY OF OREGON CITY

## Staff Report

625 Center Street  
Oregon City, OR 97045  
503-657-0891

**To:** Urban Renewal Commission  
**From:** City Manager Tony Konkol

**Agenda Date:** 09/16/2020

### **SUBJECT:**

Willamette Stone's Personal Service Agreement Extension Request for 922 Main St. Property

### **STAFF RECOMMENDATION:**

Approve developer's request to extend the Purchase and Sale Agreement ("PSA") between the Urban Renewal Commission and Willamette Stone Partners, LLC., for the development of 922 Main Street for 24 months from 12/2/2020 to 12/2/2022 contingent upon the following conditions:

- require an additional \$10,000 of earnest money deposit bring the total to \$15,000;
- obtain a briefing/update on the project;
- acquire market research information on office and retail rental space; and
- insist that the architectural design be revised to reflect and complement the existing historical nature of the downtown area.

### **EXECUTIVE SUMMARY:**

A Purchase and Sale Agreement (PSA) between the Urban Renewal Commission and Willamette Stone Partners, LLC was signed on 7/21/2017. The PSA expires on 12/2/2020.

Willamette Stone had previously requested a twenty-four (24) month extension and modification to the agreement, closing on 12/2/2022. The reason for the request to extend the existing PSA is rooted in the new challenging economic climate and the impact of the COVID-19 virus.

An Urban Renewal Commission Executive Session was held on August 5, 2020. the Urban Renewal Commission agreed to hear from Willamette Stone during a public session.

**BACKGROUND:**

On May 31, 2017, Willamette Stone Partners, LLC proposed a Purchase and Sale Agreement with the Urban Renewal Commission. The Commission agreed to sell 922 Main for a purchase price of \$110,000. The developer provided \$5,000 in earnest money.

On 1/18/2018 Greenbox Architecture submitted a pre-application form and summary of the proposal for a new mixed-use building, comprised of a retail component, parking component, and residential component. Implementing a quiet zone for the adjacent railroad has always been important to effectively design, capitalize, construct, and operate an urban residential building at this site.

Under the Federal Rail Administration's Train Horn Rule, locomotive engineers must sound a train's horn in advance of all public grade crossings. The Train Horn Rule also provides an opportunity for localities to mitigate the effects of train horn noise by establishing a "quiet zone." In a quiet zone, railroads are directed to cease the routine sounding of train horns when approaching public highway-rail grade crossings. Train horns may still be used in emergencies. Localities desiring to establish a quiet zone are first required to mitigate the increased risk caused by the absence of a horn.

To move forward with understanding the design and construction needs of a quiet zone, staff reached out to Wisser Rail Engineering to provide technical expertise related to railroad improvements and implementing a quiet zone. The opinion of probable cost for improvements was approximately \$2 million (in 2019 dollars). Unfortunately, local funds to pay for the quiet crossing do not yet exist. Consequently, the developer has determined that the company will not be able to adequately capitalize the costs for sound and vibration mitigation in its budget while maintaining the project's financial feasibility.

The developer has expressed that there are multiple examples of other successful commercial assets of operating adjacent to railroad lines throughout urban environments; therefore, the developer has chosen to forgo the residential component in favor of constructing an office and retail space building.

During the Urban Renewal Commission's Executive Session on August 5th, the developer sought the following amendments to the existing purchase sales agreement:

- modify the permissible design program from residential to commercial, notable an office use;
- extend the contract closing date by 24 months; and
- no change in business terms of the contract except for a modest increase in the earnest money deposit

During the executive session, staff recommended that the developer be permitted to provide an update on the project. The Urban Renewal Commission agreed to allow Willamette Stone make a presentation on the project during a public session.

Staff recommends that the Urban Renewal Commission accept the following deal points:

- Modify the permissible design program from residential to commercial, notable an office use;
- extend the contract closing date by 24 months, ending on 12/2/2022;
- revise the architectural design to reflect and complement the existing historical nature of the downtown area;
- increase the earnest money deposit by \$10,000 bringing the total deposit to \$15,000 which includes the initial \$5,000 deposit previously paid.

**OPTIONS:**

1. Do not extend the purchase sales agreement, allowing a challenging site to go back onto the market.
2. Approve the developer's initial offer to close within 24 months, ending on 12/2/2022; accept staff recommendations to increase the earnest money deposit to a total of \$15,000 to include the initial \$5,000 already provided; change permissible use to office space; revise the architectural design, hence, establishing Class A commercial/office space downtown.

**BUDGET IMPACT:**

Amount: \$15,000

FY(s): 2020

Funding Source(s): Willamette Stone

**922 Main Street - PSA Closing Timeline**

<b>Item</b>	<b>Date</b>	<b>Days</b>	<b>Notes</b>
PSA Execution Date	7/21/2017		Acknowledgement
Due Diligence Period Expiration	11/18/2017	120	Exhibit B, Section 1.A
Site Approval Period Expiration	11/2/2020	1080	Exhibit B, Section 1.B
Closing Date	12/2/2020	30	Exhibit C, Section 3.A
Extended Site Approval Period	11/2/2022	730	24 month extension period
Adjusted Closing Date	12/2/2022	30	Exhibit C, Section 3.A

COMMERCIAL ASSOCIATION OF REALTORS® OREGON/SW WASHINGTON  
PURCHASE AND SALE AGREEMENT AND RECEIPT FOR EARNEST MONEY  
(Oregon Commercial Form)

AGENCY ACKNOWLEDGMENT

Buyer shall execute this Acknowledgment concurrent with the execution of the Agreement below and prior to delivery of that Agreement to Seller. Seller shall execute this Acknowledgment upon receipt of the Agreement by Seller, even if Seller intends to reject the Agreement or make a counteroffer. In no event shall Seller's execution of this Acknowledgment constitute acceptance of the Agreement or any terms contained therein.

Pursuant to the requirements of Oregon Administrative Rules (OAR 863-015-0215), both Buyer and Seller acknowledge having received the Oregon Real Estate Agency Disclosure Pamphlet, and by execution below acknowledge and consent to the agency relationships in the following real estate purchase and sale transaction as follows:

(a) Seller Agent: Skip Rotticci of Colliers International firm (the "Selling Firm") is the agent of (check one):

Buyer exclusively;  Seller exclusively;  both Seller and Buyer ("Disclosed Limited Agency").

(b) Buyer Agent: \_\_\_\_\_ of \_\_\_\_\_ firm (the "Buying Firm") is the agent of (check one):

Buyer exclusively;  Seller exclusively;  both Seller and Buyer ("Disclosed Limited Agency").

If the name of the same real estate firm appears in both Paragraphs (a) and (b) above, Buyer and Seller acknowledge that a principal broker of that real estate firm shall become the Disclosed Limited Agent for both Buyer and Seller, as more fully set forth in the Disclosed Limited Agency Agreements that have been reviewed and signed by Buyer, Seller and the named real estate agent(s).

ACKNOWLEDGED

Buyer: Willamette Stone Partners, LLC or assigns

(sign) \_\_\_\_\_ Date: 9/21/2020

Seller: Urban Renewal District

(sign) \_\_\_\_\_ Date: 9/25/2020

[No further text appears on this page.]

## PURCHASE AND SALE AGREEMENT AND RECEIPT FOR EARNEST MONEY

1 This PURCHASE AND SALE AGREEMENT AND RECEIPT FOR EARNEST MONEY (this  
2 "Agreement") is accepted, made and entered into on the later of the two dates shown beneath the parties'  
3 signatures on the signature page attached hereto (the "Execution Date");

4  
5 BETWEEN: Urban Renewal District ("Seller")  
6 Address: 625 Center Street Oregon City, OR 97045  
7 Home Phone: \_\_\_\_\_  
8 Office Phone: 503.657.0891  
9 Fax No.: \_\_\_\_\_  
10 E-Mail: jgraham@orcity.org

11  
12 AND: Willamette Stone Partners, LLC or assigns ("Buyer")  
13 Address: 0240 SW Seymour Court, Portland, OR 97205  
14 Home Phone: \_\_\_\_\_  
15 Office Phone: 503.756.1407  
16 Fax No.: \_\_\_\_\_  
17 E-Mail: adrian@willametestone.com

18  
19  
20 1. Purchase and Sale.

21  
22 1.1 Generally. In accordance with this Agreement, Buyer agrees to buy and acquire from Seller, and  
23 Seller agrees to sell to Buyer the following, all of which are collectively referred to in this Agreement as the  
24 "Property:" (a) the real property and all improvements thereon generally described or located at **922 Main Street** in  
25 the City of **Oregon City**, County of **Clackamas** Oregon legally described on Exhibit A, attached hereto (the "Real  
26 Estate") (if no legal description is attached, the legal description shall be based on the legal description  
27 provided in the Preliminary Report (described in Section 5), subject to the review and approval of both  
28 parties hereto), including all of Seller's right, title and interest in and to all fixtures, appurtenances, and easements  
29 thereon or related thereto; (b) all of Seller's right, title and interest, if any, in and to any and all lease(s) to which the  
30 Real Estate is subject (each, a "Lease"); and (c) any and all personal property located on and used in connection with  
31 the operation of the Real Estate and owned by Seller (the "Personal Property"). If there are any Leases, see Section  
32 21.1, below. The occupancies of the Property pursuant to any Leases are referred to as the "Tenancies" and the  
33 occupants thereunder are referred to as "Tenants." If there is any Personal Property, see Section 21.2, below.

34  
35 1.2 Purchase Price. The purchase price for the Property shall be **One Hundred Ten Thousand**  
36 **dollars (\$110,000)** (the "Purchase Price"). The Purchase Price shall be adjusted, as applicable, by the net amount  
37 of credits and debits to Seller's account at Closing (defined below) made by Escrow Holder pursuant to the terms of  
38 this Agreement. The Purchase Price shall be payable as follows:

39  
40 1.2.1 Earnest Money Deposit.

41 (a) Within five (5) days of the Execution Date, Buyer shall deliver into Escrow (as defined  
42 herein), for the account of Buyer, **\$15,000.00** as earnest money (the "Earnest Money") in the form of:

43  Promissory note (the "Note");  Check; or  Cash or other immediately available funds.

45 If the Earnest Money is being held by the  Selling Firm  Buying Firm, then the firm holding such Earnest Money  
 46 shall deposit the Earnest Money in the  Escrow (as hereinafter defined)  Selling Firm's Client Trust Account   
 47 Buying Firm's Clients' Trust Account, no later than 5:00 PM Pacific Time three (3) business days after such firm's  
 48 receipt, but in no event later than the date set forth in the first sentence of this Section 1.2.1(a).  
 49

50 (b) If the Earnest Money is in the form of a Note, it shall be due and payable  no later  
 51 than 5:00 PM Pacific Time three (3) days after the Execution Date;  after satisfaction or waiver by Buyer of the  
 52 conditions to Buyer's obligation to purchase the Property set forth in this Agreement; or  Other: \_\_\_\_\_. If the terms  
 53 of the Note and this Agreement conflict, the terms of this Agreement shall govern. If the Note is not redeemed and  
 54 paid in full when due, then: (i) the Note shall be delivered and endorsed to Seller (if not already in Seller's  
 55 possession); (ii) Seller may collect the Earnest Money from Buyer, either pursuant to an action on the Note or an  
 56 action on this Agreement; and (iii) Seller shall have no further obligations under this Agreement.  
 57

58 (c) The purchase and sale of the Property shall be accomplished through an escrow (the  
 59 "Escrow") that Seller has established or will establish with Lawyers Title Company Portland, Oregon (the "Escrow  
 60 Holder") within 3 days after the Execution Date. Except as otherwise provided in this Agreement: (i) any interest  
 61 earned on the Earnest Money shall be considered to be part of the Earnest Money; (ii) the Earnest Money shall be  
 62 non-refundable upon satisfaction or waiver of all Conditions as defined in Section 2.1; and (iii) the Earnest Money  
 63 shall be applied to the Purchase Price at Closing.  
 64

65 1.2.2 Balance of Purchase Price. Buyer shall pay the balance of the Purchase Price at Closing  
 66 by  cash or other immediately available funds; or  Other: \_\_\_\_\_.  
 67

68 1.3 Section 1031 Like-Kind Exchange. Each party acknowledges that either party (as applicable, the  
 69 "Exchanging Party") may elect to engage in and affect a like-kind exchange under Section 1031 of the Internal  
 70 Revenue Code of 1986, as amended, involving the Property (or any legal lot thereof) (a "1031 Exchange"). The non-  
 71 exchanging party with respect to a 1031 Exchange is referred to herein as the "Cooperating Party." Buyer and Seller  
 72 each hereby agrees to reasonably cooperate with the other in completing each such 1031 Exchange; provided,  
 73 however, that such cooperation shall be at the Exchanging Party's sole expense and shall not delay the Closing for  
 74 the Property. Accordingly, the Exchanging Party may assign the Exchanging Party's rights with respect to the  
 75 Property (or any legal lot thereof) to a person or entity for the purpose of consummating a 1031 Exchange  
 76 ("Intermediary"), provided that such assignment does not delay the Closing for the Property (or applicable legal lot  
 77 thereof), or otherwise reduce or diminish the Exchanging Party's liabilities or obligations hereunder. Such  
 78 assignment by the Exchanging Party shall not release the Exchanging Party from the obligations of the Exchanging  
 79 Party under this Agreement. The Cooperating Party shall not suffer any costs, expenses or liabilities for cooperating  
 80 with the Exchanging Party and shall not be required to take title to the exchange property. The Exchanging Party  
 81 agrees to indemnify, defend and hold the Cooperating Party harmless from any liability, damages and costs arising  
 82 out of the 1031 Exchange.  
 83

## 84 2. Conditions to Purchase.

85  
 86 2.1 Buyer's obligation to purchase the Property is conditioned on the following:  
 87

88  None;

89  Within 0 days of the Execution Date, Buyer's approval of the results of (collectively, the "General  
 90 Conditions"): (a) the Property inspection described in Section 3 below; (b) the document

- 91 review described in Section 4 below; and (c) (describe any other condition) Feasibility  
 92 Analysis;
- 93  Within 0 days of the Execution Date, Buyer's receipt of confirmation of satisfactory financing (the  
 94 "Financing Condition"); and/or  
 95  Other:

96  
 97 The General Conditions, Financing Conditions or any other Conditions noted shall be defined as "Conditions."

98  
 99 2.2 If, for any reason in Buyer's sole discretion, Buyer has not timely given written waiver of the  
 100 Conditions set forth in Section 2.1, or stated in writing that such Conditions have been satisfied, by notice given to  
 101 Seller within the time periods for such conditions set forth above, this Agreement shall be deemed automatically  
 102 terminated, the Earnest Money shall be promptly returned to Buyer, and thereafter, except as specifically provided to  
 103 the contrary herein, neither party shall have any further right or remedy hereunder.

104  
 105 3. Property Inspection. Seller shall permit Buyer and its agents, at Buyer's sole expense and risk, to enter  
 106 the Property at reasonable times after reasonable prior notice to Seller and after prior notice by Seller to the Tenants  
 107 as required by the applicable Leases, if any, to conduct any and all inspections, tests, and surveys concerning the  
 108 structural condition of the improvements, all mechanical, electrical and plumbing systems, hazardous materials, pest  
 109 infestation, soils conditions, wetlands, Americans with Disabilities Act compliance, zoning, and all other matters  
 110 affecting the suitability of the Property for Buyer's intended use and/or otherwise reasonably related to the purchase  
 111 of the Property including the economic feasibility of such purchase. If the transaction contemplated in this Agreement  
 112 fails to close for any reason (or no reason) as a result of the act or omission of Buyer or its agents, Buyer shall  
 113 promptly restore the Property to substantially the condition the Property was in prior to Buyer's performance of any  
 114 inspections or work. Buyer shall indemnify, hold harmless, and defend Seller from all liens, costs, and expenses,  
 115 including reasonable attorneys' fees and experts' fees, arising from or relating to Buyer's entry on and inspection of  
 116 the Property. This agreement to indemnify, hold harmless, and defend Seller shall survive Closing or any termination  
 117 of this Agreement.

118  
 119 4. Seller's Documents. Within 5 days after the Execution Date, Seller shall deliver to Buyer or Buyer's  
 120 designee, legible and complete copies of the following documents, including without limitation, a list of the Personal  
 121 Property, and other items relating to the ownership, operation, and maintenance of the Property to the extent now in  
 122 existence and to the extent such items are or come within Seller's possession or control: Environmental Reports,  
 123 Surveys, Soils Reports, Plans, Permits, Approvals, Studies, Assessments, and Appraisals.

124  
 125 5. Title Insurance. Within 5 days after the Execution Date, Seller shall cause to be delivered to Buyer a  
 126 preliminary title report from the title company (the "Title Company") selected by Seller (the "Preliminary Report"),  
 127 showing the status of Seller's title to the Property, together with complete and legible copies of all documents shown  
 128 therein as exceptions to title ("Exceptions"). Buyer shall have 5 days after receipt of a copy of the Preliminary Report  
 129 and Exceptions within which to give notice in writing to Seller of any objection to such title or to any liens or  
 130 encumbrances affecting the Property. Within 5 days after receipt of such notice from Buyer, Seller shall give Buyer  
 131 written notice of whether it is willing and able to remove the objected-to Exceptions. Without the need for objection  
 132 by Buyer, Seller shall, with respect to liens and encumbrances that can be satisfied and released by the payment of  
 133 money, eliminate such exceptions to title on or before Closing. Within 5 days after receipt of such notice from Seller  
 134 (the "Title Contingency Date"), Buyer shall elect whether to: (i) purchase the Property subject to those objected-to  
 135 Exceptions which Seller is not willing or able to remove; or (ii) terminate this Agreement. If Buyer fails to give Seller  
 136 notice of Buyer's election, then such inaction shall be deemed to be Buyer's election to terminate this Agreement.  
 137 On or before the Closing Date (defined below), Seller shall remove all Exceptions to which Buyer objects and which

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138 Seller agrees, or is deemed to have agreed, Seller is willing and able to remove. All remaining Exceptions set forth in  
 139 the Preliminary Report and those Exceptions caused by or agreed to by Buyer shall be deemed  
 140 "Permitted Exceptions."

141  
 142 6. Default; Remedies. Notwithstanding anything to the contrary contained in this Agreement, in the event  
 143 Buyer fails to deposit the Earnest Money in Escrow strictly as and when contemplated under Section 1.2.1 above,  
 144 Seller shall have the right at any time thereafter, but prior to Buyer's deposit of the Earnest Money to Escrow, to  
 145 terminate this Agreement and all further rights and obligations hereunder by giving written notice thereof to Buyer. If  
 146 the conditions, if any, to Buyer's obligation to consummate this transaction are satisfied or waived by Buyer and  
 147 Buyer fails, through no fault of Seller, to close on the purchase of the Property, Seller's sole remedy shall be to retain  
 148 the Earnest Money paid by Buyer. In the event Seller fails, through no fault of Buyer, to close the sale of the  
 149 Property, Buyer shall be entitled to pursue any remedies available at law or in equity, including without limitation, the  
 150 return of the Earnest Money paid by Buyer or the remedy of specific performance. In no event shall either party be  
 151 entitled to punitive or consequential damages, if any, resulting from the other party's failure to close the sale of the  
 152 Property.

153  
 154 7. Closing of Sale.

155  
 156 7.1 Buyer and Seller agree the sale of the Property shall be consummated, in Escrow,  on or before  
 157 **30 days following issuance of site development permits by the City of Oregon City, and issuance of**  
 158 **construction loan whichever is sooner** or      days after the conditions set forth in Sections 2.1, 3, 4 and 5 have  
 159 been satisfied or waived in writing by Buyer (the "Closing" or the "Closing Date"). The sale of the Property shall be  
 160 deemed closed when the document(s) conveying title to the Property is/are delivered and recorded and the Purchase  
 161 Price is disbursed to Seller.

162  
 163 7.2 At Closing, Buyer and Seller shall deposit with the Escrow Holder all documents and funds  
 164 required to close the transaction in accordance with the terms of this Agreement. At Closing, Seller shall  
 165 deliver a certification in a form provided by the Escrow Holder confirming whether Seller is or is not a "foreign person"  
 166 as such term is defined by applicable law and regulations.

167  
 168 7.3 At Closing, Seller shall convey fee simple title to the Property to Buyer by  statutory warranty  
 169 deed or  Special Warranty Deed (the "Deed"). At Closing, Seller shall cause the Title Company to deliver to  
 170 Buyer a standard ALTA form owner's policy of title insurance (the "Title Policy") in the amount of the Purchase Price  
 171 insuring fee simple title to the Property in Buyer subject only to the Permitted Exceptions and the standard preprinted  
 172 exceptions contained in the Title Policy. Seller shall reasonably cooperate in the issuance to Buyer of an ALTA  
 173 extended form policy of title insurance. Buyer shall pay any additional expense resulting from the ALTA extended  
 174 coverage and any endorsements required by Buyer.

175  
 176 8. Closing Costs; Prorations. Seller shall pay the premium for the Title Policy, provided, however, if Buyer  
 177 elects to obtain an ALTA extended form policy of title insurance and/or any endorsements, Buyer shall pay the  
 178 difference in the premium relating to such election. Seller and Buyer shall each pay one-half (1/2) of the escrow fees  
 179 charged by the Escrow Holder. Any excise tax and/or transfer tax shall be paid in accordance with the local custom  
 180 determined by the Title Company and applicable law. Real property taxes for the tax year of the Closing,  
 181 assessments (if a Permitted Exception), personal property taxes, rents and other charges arising from existing  
 182 Tenancies paid for the month of Closing, interest on assumed obligations, and utilities shall be prorated as of the  
 183 Closing Date. If applicable, prepaid rents, security deposits, and other unearned refundable deposits relating to  
 184 Tenancies shall be assigned and delivered to Buyer at Closing.  Seller  Buyer  N/A shall be responsible for

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185 payment of all taxes, interest, and penalties, if any, upon removal of the Property from any special assessment or  
 186 program.  
 187

188 9. Possession. Seller shall deliver exclusive possession of the Property, subject to the Tenancies (if any)  
 189 existing as of the Closing Date, to Buyer  on the Closing Date or  \_\_\_\_\_.  
 190

191 10. Condition of Property. Seller represents that Seller has received no written notices of violation of any  
 192 laws, codes, rules, or regulations applicable to the Property ("Laws"). Seller represents that, to the best of Seller's  
 193 knowledge without specific inquiry, Seller is not aware of any such violations or any concealed material defects in the  
 194 Property. Unless caused by Buyer, Seller shall bear all risk of loss and damage to the Property until Closing, and  
 195 Buyer shall bear such risk at and after Closing. Except for Seller's representations set forth in this Section 10 and the  
 196 attached Exhibit E, Buyer shall acquire the Property "AS IS" with all faults and Buyer shall rely on the results of its  
 197 own inspection and investigation in Buyer's acquisition of the Property. It shall be a condition of Buyer's Closing  
 198 obligation that all of Seller's representations and warranties stated in this Agreement are materially true and correct  
 199 on the Closing Date. Seller's representations and warranties stated in this Agreement shall survive Closing for one  
 200 (1) year.  
 201

202 11. Operation of Property. Between the Execution Date and the Closing Date, Seller shall continue to  
 203 operate, maintain and insure the Property consistent with Seller's current operating practices. After Buyer has  
 204 satisfied or waived the conditions to Buyer's obligation to purchase the Property, and the Earnest Money is non-  
 205 refundable, Seller may not, without Buyer's prior written consent, which consent shall not be unreasonably withheld,  
 206 conditioned, or delayed, enter into: (a) any new leases or occupancy agreements for the Property; (b) any material  
 207 amendments or modification agreements for any existing leases or occupancy agreements for the Property; or (c)  
 208 any service contracts or other agreements affecting the Property that are not terminable at the Closing.  
 209

210 12. Assignment. Assignment of this Agreement:  is PROHIBITED;  is PERMITTED, without consent  
 211 of Seller;  is PERMITTED ONLY UPON Seller's written consent;  is PERMITTED ONLY IF the assignee is an  
 212 entity owned and controlled by Buyer. **Assignment is PROHIBITED, if no box is checked.** If Seller's written  
 213 consent is required for assignment, such consent may be withheld in Seller's reasonable discretion. In the event of a  
 214 permitted assignment, Buyer shall remain liable for all Buyer's obligations under this Agreement.  
 215

216 13. Arbitration. IF AND ONLY IF THIS SECTION IS INITIALED BY EACH OF BUYER AND SELLER, THE  
 217 **FOLLOWING SHALL APPLY TO THIS AGREEMENT:**  
 218

219 ANY DISPUTE BETWEEN BUYER AND SELLER RELATED TO THIS AGREEMENT, THE PROPERTY, OR THE  
 220 TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT WILL BE RESOLVED BY ARBITRATION GOVERNED  
 221 BY THE OREGON UNIFORM ARBITRATION ACT (ORS 36.600 et seq.) AND, TO THE EXTENT NOT  
 222 INCONSISTENT WITH THAT STATUTE, CONDUCTED IN ACCORDANCE WITH THE RULES OF PRACTICE AND  
 223 PROCEDURE FOR THE ARBITRATION OF COMMERCIAL DISPUTES OF ARBITRATION SERVICES OF  
 224 PORTLAND ("ASP"). THE ARBITRATION SHALL BE CONDUCTED IN PORTLAND, OREGON AND  
 225 ADMINISTERED BY ASP, WHICH WILL APPOINT A SINGLE ARBITRATOR HAVING AT LEAST FIVE (5) YEARS  
 226 EXPERIENCE IN THE COMMERCIAL REAL ESTATE FIELD IN THE Portland MSA GEOGRAPHIC AREA (IF  
 227 **BLANK IS NOT COMPLETED, PORTLAND METROPOLITAN AREA**). ALL ARBITRATION HEARINGS WILL BE  
 228 COMMENCED WITHIN THIRTY (30) DAYS OF THE DEMAND FOR ARBITRATION UNLESS THE ARBITRATOR,  
 229 FOR SHOWING OF GOOD CAUSE, EXTENDS THE COMMENCEMENT OF SUCH HEARING. THE DECISION OF  
 230 THE ARBITRATOR WILL BE BINDING ON BUYER AND SELLER, AND JUDGMENT UPON ANY ARBITRATION  
 231 AWARD MAY BE ENTERED IN ANY COURT HAVING JURISDICTION. THE PARTIES ACKNOWLEDGE THAT,

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232 BY AGREEING TO ARBITRATE DISPUTES, EACH OF THEM IS WAIVING CERTAIN RIGHTS, INCLUDING ITS  
 233 RIGHTS TO SEEK REMEDIES IN COURT (INCLUDING A RIGHT TO A TRIAL BY JURY), TO DISCOVERY  
 234 PROCESSES THAT WOULD BE ATTENDANT TO A COURT PROCEEDING, AND TO PARTICIPATE IN A CLASS  
 235 ACTION.

236 \_\_\_\_\_  
 237 Initials of Buyer

\_\_\_\_\_   
 Initials of Seller

239 14. Attorneys' Fees. In the event a suit, action, arbitration, or other proceeding of any nature whatsoever,  
 240 including without limitation any proceeding under the U.S. Bankruptcy Code, is instituted, or the services of an  
 241 attorney are retained, to interpret or enforce any provision of this Agreement or with respect to any dispute relating to  
 242 this Agreement, the prevailing or non-defaulting party shall be entitled to recover from the losing or defaulting party its  
 243 attorneys', paralegals', accountants', and other experts' fees and all other fees, costs, and expenses actually incurred  
 244 in connection therewith (the "Fees"). In the event of suit, action, arbitration, or other proceeding, the amount of Fees  
 245 shall be determined by the judge or arbitrator, shall include all costs and expenses incurred on any appeal or review,  
 246 and shall be in addition to all other amounts provided by law.

247  
 248 15. Statutory Notice. THE PROPERTY DESCRIBED IN THIS INSTRUMENT MAY NOT BE WITHIN A  
 249 FIRE PROTECTION DISTRICT PROTECTING STRUCTURES. THE PROPERTY IS SUBJECT TO LAND USE  
 250 LAWS AND REGULATIONS THAT, IN FARM OR FOREST ZONES, MAY NOT AUTHORIZE CONSTRUCTION OR  
 251 SITING OF A RESIDENCE AND THAT LIMIT LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS  
 252 DEFINED IN ORS 30.930, IN ALL ZONES. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE  
 253 PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER  
 254 ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS  
 255 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8,  
 256 OREGON LAWS 2010. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING  
 257 FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING  
 258 DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED  
 259 LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT  
 260 OR PARCEL, TO VERIFY THE EXISTENCE OF FIRE PROTECTION FOR STRUCTURES AND TO INQUIRE  
 261 ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND  
 262 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17,  
 263 CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010.

264  
 265 16. Cautionary Notice About Liens. UNDER CERTAIN CIRCUMSTANCES, A PERSON WHO  
 266 PERFORMS CONSTRUCTION-RELATED ACTIVITIES MAY CLAIM A LIEN UPON REAL PROPERTY AFTER A  
 267 SALE TO THE PURCHASER FOR A TRANSACTION OR ACTIVITY THAT OCCURRED BEFORE THE SALE. A  
 268 VALID CLAIM MAY BE ASSERTED AGAINST THE PROPERTY THAT YOU ARE PURCHASING EVEN IF THE  
 269 CIRCUMSTANCES THAT GIVE RISE TO THAT CLAIM HAPPENED BEFORE YOUR PURCHASE OF THE  
 270 PROPERTY. THIS INCLUDES, BUT IS NOT LIMITED TO, CIRCUMSTANCES WHERE THE OWNER OF THE  
 271 PROPERTY CONTRACTED WITH A PERSON OR BUSINESS TO PROVIDE LABOR, MATERIAL, EQUIPMENT  
 272 OR SERVICES TO THE PROPERTY AND HAS NOT PAID THE PERSONS OR BUSINESS IN FULL.

273  
 274 17. Brokerage Agreement. For purposes of Sections 14 and 17 of this Agreement, the Agency  
 275 Acknowledgement on page 1 this Agreement is incorporated into this Agreement as if fully set forth herein. Seller  
 276 agrees to pay a commission to Selling Firm in the amount of either:  Five percent (5%) of the Purchase Price or  
 277  \$\_\_\_\_\_. Such commission shall be divided between Selling Firm and Buying Firm such that Selling Firm receives  
 278 five percent (5%) and Buying Firm receives percent (0%). Seller shall cause the Escrow Holder to deliver to Selling

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279 Firm and Buying Firm the real estate commission on the Closing Date or upon Seller's breach of this Agreement,  
280 whichever occurs first. If the Earnest Money is forfeited by Buyer and retained by Seller in accordance with this  
281 Agreement, in addition to any other rights the Selling Firm and Buying Firm may have, the Selling Firm and the  
282 Buying Firm, together, shall be entitled to the lesser of: (i) fifty percent (50%) of the Earnest Money; or (ii) the  
283 commission agreed to above, and Seller hereby assigns such amount to the Selling Firm and the Buying Firm.  
284

285 18. Notices. Unless otherwise specified, any notice required or permitted in, or related to this Agreement  
286 must be in writing and signed by the party to be bound. Any notice will be deemed delivered: (a) when personally  
287 delivered; (b) when delivered by facsimile or electronic mail transmission (in either case, with confirmation of  
288 delivery); (c) on the day following delivery of the notice by reputable overnight courier; or (d) on the day following  
289 delivery of the notice by mailing by certified or registered U.S. mail, postage prepaid, return receipt requested; and in  
290 any case shall be sent by the applicable party to the address of the other party shown at the beginning of this  
291 Agreement, unless that day is a Saturday, Sunday, or federal or Oregon State legal holiday, in which event such  
292 notice will be deemed delivered on the next following business day.  
293

294 19. Miscellaneous. Time is of the essence of this Agreement. If the deadline under this Agreement for  
295 delivery of a notice or performance of any obligation is a Saturday, Sunday, or federal or Oregon State legal holiday,  
296 such deadline will be deemed extended to the next following business day. The facsimile and/or electronic mail  
297 transmission of any signed document including this Agreement in accordance with Section 18 shall be the same as  
298 delivery of an original. At the request of either party, the party delivering a document by facsimile and/or electronic  
299 mail will confirm such transmission by signing and delivering to the other party a duplicate original document. This  
300 Agreement may be executed in counterparts, each of which shall constitute an original and all of which together shall  
301 constitute one and the same Agreement. This Agreement contains the entire agreement and understanding of the  
302 parties with respect to the subject matter of this Agreement and supersedes all prior and contemporaneous  
303 agreements between them. Without limiting the provisions of Section 12 of this Agreement, this Agreement shall be  
304 binding upon and shall inure to the benefit of Buyer and Seller and their respective successors and assigns. Solely  
305 with respect to Sections 14 and 17, Selling Firm and Buying Firm are third party beneficiaries of this Agreement. The  
306 person signing this Agreement on behalf of Buyer and the person signing this Agreement on behalf of Seller each  
307 represents, covenants and warrants that such person has full right and authority to enter into this Agreement and to  
308 bind the party for whom such person signs this Agreement to its terms and provisions. Neither this Agreement nor a  
309 memorandum hereof shall be recorded unless the parties otherwise agree in writing.  
310

311 20. Governing Law. This Agreement is made and executed under, and in all respects shall be governed  
312 and construed by, the laws of the State of Oregon.  
313

314 21. Lease(s) and Personal Property.

315 21.1 Leases.

316 21.1.1 If required by Buyer or Buyer's lender and provided for in such Tenant's Lease, Seller  
317 shall use commercially reasonable efforts to deliver to Buyer, at least 5 days (**three (3) if not filled in**) before the  
318 Closing Date, a Tenant estoppel certificate, reasonably acceptable to Buyer, pertaining to each Lease at the Property  
319 in effect as of the Closing Date (each, a "Tenant Estoppel"). Such Tenant Estoppels shall be dated no more than 15  
320 days (**fifteen (15) if not filled in**) prior to the Closing Date and shall certify, among other things: (a) that the  
321 Lease is unmodified and in full force and effect, or is in full force and effect as modified, and stating the modifications;  
322 (b) the amount of the rent and the date to which rent has been paid; (c) the amount of any security deposit held by  
323 Seller; and (d) that neither party is in default under the Lease or if a default by either party is claimed, stating the  
324  
325

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326 nature of any such claimed default. If Seller has not obtained Tenant Estoppels from all Tenants of the Property,  
 327 then Seller shall execute and deliver to Buyer a Tenant Estoppel with respect to any such Lease setting forth the  
 328 information required by this Section 21.1 and confirming the accuracy thereof.

329  
 330 21.1.2 If applicable, the assignment of the Lease(s) by Seller, and assumption of the Lease(s) by  
 331 Buyer shall be accomplished by executing and delivering to each other through Escrow an Assignment of Lessor's  
 332 Interest under Lease substantially in the form of Exhibit B attached hereto (the "Assignment").

333  
 334 21.2 Personal Property. If applicable, Seller shall convey all Personal Property to Buyer by  
 335 executing and delivering to Buyer at Closing through Escrow (as defined below), a Bill of Sale substantially in the  
 336 form of Exhibit C attached hereto (the "Bill of Sale"). A list of such Personal Property shall be attached to the Bill of  
 337 Sale.

338  
 339 22. Residential Lead-Based Paint Disclosure. IF THE PROPERTY CONSISTS OF RESIDENTIAL  
 340 HOUSING BUILT PRIOR TO 1978, BUYER AND SELLER MUST COMPLETE THE LEAD-BASED PAINT  
 341 DISCLOSURE ADDENDUM ATTACHED HERETO AS EXHIBIT D.

342  
 343 23. Addenda; Exhibits. The following named addenda and exhibits are attached to this Agreement and  
 344 incorporated within this Agreement:

- 345  Exhibit A – Legal Description of Property [**REQUIRED**]  
 346  Exhibit B – Additional Terms to Purchase and Sale Agreement  
 347  Exhibit C – Form of Quit Claim Deed and Escrow Instructions  
 348  Exhibit D – Lead Paint Disclosure Addendum (if applicable)  
 349  Exhibit E – AS IS Exceptions (if applicable)

350  
 351  
 352 24. Time for Acceptance. If Seller does not return to Buyer a signed and dated version of this Agreement  
 353 on or before 5:00 PM Pacific Time on September 25, 2020, then the Earnest Money shall be promptly refunded to  
 354 Buyer and thereafter, neither party shall have any further right or obligation hereunder.

355  
 356 25. OFAC Certification. The Federal Government, Executive Order 13224, requires that business persons  
 357 of the United States not do business with any individual or entity on a list of "Specially Designated nationals and  
 358 Blocked Persons" - that is, individuals and entities identified as terrorists or other types of criminals. Buyer  
 359 hereinafter certifies that:

360  
 361 25.1 It is not acting, directly or indirectly, for or on behalf of any person, group, entity, or nation  
 362 named by any Executive Order or the United States Treasury Department as a terrorist, specially designated national  
 363 and/or blocked person, entity, nation, or transaction pursuant to any law, order, rule, or regulation that is enforced or  
 364 administered by the Office of Foreign Assets Control; and

365  
 366 25.2 It has not executed this Agreement, directly or indirectly on behalf of, or instigating or  
 367 facilitating this Agreement, directly or indirectly on behalf of, any such person, group, entity, or nation.

368  
 369 Buyer hereby agrees to defend, indemnify, and hold harmless Seller from and against any and all claims, damages,  
 370 losses, risks, liabilities, and expenses (including attorney's fees and costs) arising from or related to any breach of  
 371 the foregoing certification. This certification by Buyer and agreement to indemnify, hold harmless, and defend Seller  
 372 shall survive Closing or any termination of this Agreement.

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Buyer Signature: \_\_\_\_\_ Date: \_\_\_\_\_

CONSULT YOUR ATTORNEY. THIS DOCUMENT HAS BEEN PREPARED FOR SUBMISSION TO YOUR ATTORNEY FOR REVIEW AND APPROVAL PRIOR TO SIGNING. NO REPRESENTATION OR RECOMMENDATION IS MADE BY THE COMMERCIAL ASSOCIATION OF REALTORS® OREGON/SW WASHINGTON OR BY THE REAL ESTATE AGENTS INVOLVED WITH THIS DOCUMENT AS TO THE LEGAL SUFFICIENCY OR TAX CONSEQUENCES OF THIS DOCUMENT.

THIS FORM SHOULD NOT BE MODIFIED WITHOUT SHOWING SUCH MODIFICATIONS BY REDLINING, INSERTION MARKS, OR ADDENDA.

Buyer Willamette Stone Partners, LLC or assigns  
By \_\_\_\_\_  
Title Adrian Boly  
Date \_\_\_\_\_

Seller Acceptance. By execution of this Agreement, Seller agrees to sell the Property on the terms and conditions in this Agreement.

Seller City of Oregon City  
By Anthony J. Konkol, III  
Title City Manager  
Date \_\_\_\_\_

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CRITICAL DATE LIST:

The last party to execute this Agreement shall complete the information below (the "Critical Date List"), initial where indicated, and return a copy of the same to the other party for such party's review. This Critical Date List is for reference purposes only and, in the event of a conflict between this Critical Date List and the Agreement, the terms of the Agreement shall prevail.

	DATE:
• Execution Date (Introductory paragraph):	<u>9/25/2020</u>
• Earnest Money due date (Section 1.2.1(a)):	<u>Five days after execution</u>
• Seller shall open Escrow with the Escrow Holder (Section 1.2.1(a)):	Before <u>5 days after the Execution Date</u>
• Seller shall deliver Seller's documents to Buyer (Section 4):	Within <u>7</u> days after the Execution Date
• Seller shall deliver Preliminary Report to Buyer (Section 5):	Within <u>7</u> days after the Execution Date
• Buyer's title objection notice due to Seller (Section 5):	Within <u>5</u> days after receipt of the Preliminary Report
• Seller's title response due to Buyer (Section 5):	Within <u>5</u> days after receipt of Buyer's title objection notice
• Title Contingency Date (Section 5):	Within <u>5</u> days after receipt of Seller's title response
• Expiration date for satisfaction of General Conditions (Section 2.1):	Within <u>0</u> days of the Execution Date
• Expiration date for satisfaction of Financing Condition (Section 2.1):	Within <u>0</u> days of the Execution Date
• By this date, Buyer must deliver the notice to proceed contemplated in Section 2.2.	Within <u>120</u> days of the Execution Date
• Closing Date (Section 7.1):	<u>Within 30 days of issuance of building permits or issuance of construction loan whichever is sooner.</u>

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407

Initials of Buyer: \_\_\_\_\_  
Initials of Buyer: \_\_\_\_\_

Initials of Seller: \_\_\_\_\_  
Initials of Seller: \_\_\_\_\_

EXHIBIT A  
LEGAL DESCRIPTION OF PROPERTY

As provided by Lawyers Title Company

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## EXHIBIT B TO PURCHASE AND SALE AGREEMENT

This Exhibit is dated September 25, 2020 and modifies the terms and provisions of that certain Purchase and Sale Agreement and Receipt for Earnest Money between the Oregon City Urban Renewal Agency, the duly designated Urban Renewal Agency of the City of Oregon City ("Seller") and Willamette Stone Partners, LLC ("Buyer") dated \_\_\_\_\_, 2020 (the "Purchase Agreement"), and, to the extent there is any inconsistency between the terms of this Addendum and the Purchase Agreement, the terms of this Addendum shall govern in the interpretation of the Purchase Agreement. Notwithstanding anything to the contrary contained in the Purchase Agreement, Buyer and Seller agree as follows:

1. Conditions to Purchase. Buyer's obligation to purchase the Property under this Purchase and Sale Agreement shall be expressly subject to the following conditions precedent.
  - A. Site Approvals. Buyer shall have one thousand eighty (1080) days from the expiration of the Due Diligence Period to receive all land use and building permit approvals from the City of Oregon City or other regulatory agency ("Site Approvals"), needed to construct the Project ("Site Approval Period"). Buyer shall, in a professional and workmanlike manner, proceed to obtain the Site Approvals in a timely manner and at Buyer's sole cost, energy, and efforts. In the event that Buyer fails to obtain the Site Approvals prior to expiration of the Site Approval Period, this Purchase and Sale Agreement shall be null and void without recourse to either Party and the Earnest Money shall be retained by Seller.
  
2. Conditions to Sale. Seller's obligation to sell the Property under this Purchase and Sale Agreement shall be expressly subject to the following conditions precedent.
  - A. Financing. Financing. Prior to the Closing Date, Buyer shall deliver to Seller, (i) evidence of all sources and terms of Project purchase financing and construction financing for the Project, both debt and equity, and (ii) Evidence of a completed construction guarantee that includes Seller as a beneficiary authorized to enforce the guarantee and executed by financial guarantor approved in writing by Seller, which approval shall not be unreasonably withheld. Also prior to the Closing Date, Seller must have determined that such Project purchase financing, construction financing and completion of construction guarantee are commercially reasonable and subordinate to the Seller's interest in the Deed Restriction.
  
  - B. Deed Restriction. The conveyance of the Property to Buyer shall be made upon, and the Deed or, at the request of Buyer, other document recorded contemporaneous to the Deed, shall provide for a continuing restrictive covenant ("Deed Restriction") that the Property will be used for the development and construction of the Project, substantially consistent with the following terms and subject to the Seller's Post-Closing Remedies at Section 4. The form of the Deed Restriction shall be negotiated and finalized by Buyer and Seller during the Due Diligence Period. Upon final completion of the Project, the Deed Restriction shall automatically terminate and be of no further force or effect. Following the written request of Buyer after such termination of the Deed Restriction, Seller agrees to execute and record a document or instrument confirming the termination of the Deed Restriction
    - (1) Project. The Project will consist of one office building (the "Building"), served by a Parking Component. The Building will be consistent with the historic character of Downtown Oregon City from Highway 99E to 10<sup>th</sup> Street. The developer will conduct at least one design charrette for the purpose of refining design elements of the structure.

- (2) Commercial Component. The Commercial Component will consist of the following elements
- (a) Two floor uses (gross 10,984 SF) along the entire length of the building frontage on Main Street and partially along 10<sup>th</sup> Street.
- (3) Parking Component. The Parking Component will consist of the following elements.
- (a) The design charrette and the Oregon City Municipal Code will direct parking requirements for the development
- (4) Timeline. The Project shall proceed consistent with the following terms.
- (a) Commencement of Construction. Within ninety (90) days following the Closing Date, Buyer shall have achieved commencement of construction as demonstrated by Buyer's contractor commencing the pouring of foundation concrete.
- (b) Completion of Construction. Construction of the Project shall be complete within two (2) years following the Closing Date.

3. Closing.

- A. The Closing Date shall be within thirty (30) days from the earlier to occur of the following events: (1) The last day of the Site Approval Period or after Buyer has given Seller written notice that Buyer has waived the Site Approval Period contingency, or (2) Buyer's receipt of final approval of all Site Approvals

4. Seller's Post-Conveyance Remedies. If Buyer violates the terms of the Deed Restriction after the Property is conveyed to the Buyer, including but not limited to the Buyer's failure to complete the Project in the allotted time, and such violation continues for a period of forty-five (45) days after written notice thereof from Seller to Buyer, Seller shall have the following remedies.

- A. Seller shall have the right to re-enter and take possession of the Property and to terminate (and revert in Seller) the estate conveyed by the Deed, terminate Buyer's right to develop the Project, and resell the Property at Seller's discretion. The conveyance to the Seller shall be made upon a condition subsequent to the effect that, in the event of Buyer's violation of the Deed Restriction, Seller, at its option, may, upon thirty (30) days written notice and transfer to Escrow of compensation in an amount equal to 105% of the Purchase Price ("Repurchase Price"), declare a termination of the Buyer's rights, title, and interest in the Property. In the event such a termination, all the title and rights and interest in the Property conveyed to Buyer by the Deed, or to any successors or permitted assigns of Buyer, shall be re-conveyed to Seller by quitclaim deed, consistent with the Escrow Instruction found in Exhibit C. Any delay by Seller in instituting or prosecuting any such actions or proceedings or otherwise asserting its rights under this Section 4.A shall not operate as a waiver of such rights or to deprive it of or limit such rights in any way (it being the intent of this provision that Seller not be constrained because of concepts of waiver, laches, or estoppel, so as to avoid the risk of being deprived of or limited in the exercise of the remedy provided in this section or otherwise to exercise such remedy at a time when it may still hope otherwise to resolve the problems created by the violation of the Deed Restriction); nor shall any waiver in fact made by Seller with respect to any specific violation or default by the Buyer be

considered or treated as a waiver of the rights of Seller with respect to any other violation or default except to the extent specifically waived.

**EXHIBIT C**

**FORM OF QUITCLAIM DEED AND ESCROW INSTRUCTIONS**

After recording return to and,  
until a changes is requested,  
all tax statements shall be sent to:

Oregon City Urban Renewal Agency  
625 Center Street  
Oregon City, OR 97045  
Attn: Economic Development Director

**QUITCLAIM DEED**

\_\_\_\_\_, a \_\_\_\_\_ (“Grantor”), releases  
and quitclaims to the OREGON CITY URBAN RENEWAL AGENCY, the duly designated Urban  
Renewal Agency of the City of Oregon City (together with any successor public agency  
designated by or pursuant to law, “Grantee”), all right, title and interest in and to the following  
described real property:

\_\_\_\_\_  
Other property or value was either part or the whole consideration.

BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON’S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010. THIS INSTRUMENT DOES NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010.

*[Signature page to follow]*

Dated this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.  
\_\_\_\_\_, a \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Accepted this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

OREGON CITY URBAN RENEWAL AGENCY, the duly designated Urban Renewal Agency of the City of Oregon City.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

STATE OF OREGON            )  
  ) ss.  
County of Clackamas        )

This instrument was acknowledged before me on \_\_\_\_\_, 20\_\_, by \_\_\_\_\_, as \_\_\_\_\_ of \_\_\_\_\_, a \_\_\_\_\_, on its behalf.

\_\_\_\_\_  
Notary Public for  
My commission expires: \_\_\_\_\_

STATE OF OREGON            )  
  ) ss.  
County of Clackamas        )

This instrument was acknowledged before me on \_\_\_\_\_, 20\_\_, by \_\_\_\_\_, \_\_\_\_\_ of the OREGON CITY URBAN RENEWAL AGENCY, the duly designated urban renewal agency of the City of Oregon City, on its behalf.

\_\_\_\_\_  
Notary Public for  
My commission expires: \_\_\_\_\_

**EXHIBIT C (Continued)**

**ESCROW INSTRUCTIONS FOR QUITCLAIM DEED**

\_\_\_\_\_ Title Insurance Company

\_\_\_\_\_  
Attention: [INSERT TITLE OFFICER]

Re: Escrow No. \_\_\_\_\_

The Oregon City Urban Renewal Agency ("Seller") conveyed certain real property ("Property") to \_\_\_\_\_ ("Buyer"), pursuant to that Special Warranty Deed dated as of \_\_\_\_\_, 20\_\_ ("Deed"), recorded \_\_\_\_\_, 20\_\_ as Document No. \_\_\_\_\_, Records of Clackamas County, Oregon; and subject to that Restrictive Covenant dated as of \_\_\_\_\_, 20\_\_ ("Deed Restriction") recorded \_\_\_\_\_, 20\_\_ as Document No. \_\_\_\_\_, Records of Clackamas County, Oregon. The Property is the subject of this escrow and is described in the accompanying quitclaim deed ("Quitclaim Deed").

The Deed Restriction provides that, under certain circumstances, Seller is entitled to reconveyance of the Property pursuant to a Quitclaim Deed and Escrow Instructions. This document constitutes those escrow instructions and is for the purpose of irrevocably instructing you as to the disposition of the accompanying Quitclaim Deed.

In the event that you receive from Seller the Repurchase Price as specified in the Deed Restriction, and a notice signed by Seller's Economic Development Director or City Manager certifying that a copy of said notice has been delivered concurrently to Buyer and certifying that a termination of all rights, title and interest of Buyer in the Property has occurred, and that rights to the Property described in the Quitclaim Deed have reverted in Seller pursuant to the Deed Restriction ("Notice of Termination"), you shall at the end of thirty (30) days after receipt of said Notice of Termination and Repurchase Price, record the subject Quitclaim Deed unless within said thirty (30) day period, you are notified by Seller that Seller has withdrawn the Notice of Termination.

In the event that there still remains in your possession an undisposed Quitclaim Deed by **[insert date two (2) years after the Closing Date]** you shall contact PDC and Developer as to its disposition.

These instructions may not be withdrawn or in any way amended, modified or waived without the prior written consent of both of the parties hereto.

Please indicate your acceptance of and agreement to carry out these instructions as indicated below.

Very truly yours,

\_\_\_\_\_, a \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Very truly yours,

OREGON CITY URBAN RENEWAL AGENCY, the duly designated Urban Renewal Agency of the City of Oregon City.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Accepted and agreed to this  
\_\_\_ day of \_\_\_\_\_, 20\_\_

\_\_\_\_\_, Title Insurance Company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_