



COUNCIL SPECIAL SESSION

Thursday, August 28, 2025 at 4:00 PM

COUNCIL MEMBERS:

Mayor Jennifer Massey
Council President Jessica Chilton
Councilor Mark Gundersen
Councilor Russell Hubbard
Councilor Brandon Sundeen

LOCATION & CONTACT:

Zoom (details below)
Website | www.sthelensoregon.gov
Email | kpayne@sthelensoregon.gov
Phone | 503-397-6272
Fax | 503-397-4016

AGENDA

CALL SPECIAL SESSION TO ORDER

DISCUSSION TOPICS

1. Completion of Purchase & Sale of 1300 Kaster Road to Arcadia Paper Mills, LLC

RESOLUTIONS

2. **Resolution No. 2053:** A Resolution of the City Council of St. Helens, Oregon, Authorizing Amendment No. 2 to the Purchase and Sale Agreement of Property at 1300 Kaster Road, Tax Account Nos. 13249 and 13215, and Authorizing and Directing the City Administrator to Take Appropriate Steps to Effectuate Closing of the Sale of Property

OTHER BUSINESS

ADJOURN

VIRTUAL MEETING DETAILS

Join: <https://us02web.zoom.us/j/85319417270?pwd=eAywo127lb6FzUBWKws1N8pL8Eyx7K.1>

Passcode: 017834

Phone one-tap: +16699009128

The meeting location is accessible to persons with disabilities. A request for an interpreter for the hearing impaired or for other accommodations for persons with disabilities should be made at least 48 hours before the meeting to City Hall at 503-397-6272.

Be a part of the vision and get involved...volunteer for a City Board or Commission! For more information or for an application, go to www.sthelensoregon.gov or call 503-366-8217.

City of St. Helens
RESOLUTION NO. 2020

A RESOLUTION OF THE CITY COUNCIL OF ST. HELENS, OREGON
DECLARING CITY OWNED PROPERTIES AT 1300 KASTER ROAD, TAX
ACCOUNT NOS. 13249 AND 13215, AS SURPLUS AND AUTHORIZING
SALE OF THE PROPERTIES

WHEREAS, the City of St. Helens obtained properties located on Kaster Road, identified as Tax Account Nos. 13249 and 13215 (Properties); and

WHEREAS, the City has maintained ownership of the Properties during previous industrial uses; and

WHEREAS, the Properties are zoned Heavy Industrial and developed with a paper mill and related improvements; and

WHEREAS, the proposed use of the property is to operate a paper manufacturing facility; and

WHEREAS, the City Council considers it necessary or convenient to sell the Properties to promote economic development, private investment, and job creation opportunities in the city of St. Helens; and

WHEREAS, ORS 221.725 provides the process to be followed by a city when the City Council considers it necessary or convenient to sell real property; and

WHEREAS, the City has followed the required process stated in ORS 221.725 by publishing a notice of the proposed sale in a newspaper of general circulation in the City consistent with the requirements of ORS 221.725(2), and

WHEREAS, the City Council held a public hearing on August 27, 2024, to receive public comments from any resident of the city regarding the sale of the Properties prior to the sale; and

WHEREAS, the City has followed ORS 221.725(4) by disclosing at the public hearing the nature of the proposed sale and the general terms thereof, including an appraisal or other evidence of the market value of the Properties; and

WHEREAS, The City Council has determined that the proposed purchase price is supported by the appraisal for the Properties and is within an acceptable range similar to parcels within St. Helens with similar site characteristics and development potential; and

WHEREAS, the City Council wishes to declare the Properties surplus and authorize sale to Arcadia Paper Mills, LLC for the agreed upon price of Seven Million Five Hundred Thousand Dollars.

NOW, THEREFORE, THE CITY OF ST. HELENS RESOLVES AS FOLLOWS:

Section 1. Finding No. 1. The City Council hereby finds and determines that the Properties located at 1300 Kaster Road, identified as Tax Account Nos. 13249 and 13215, are surplus, have historically been used for a paper mill, and would benefit the City by being sold to for use as a paper manufacturing facility.

Section 2. Finding No. 2. The City Council hereby finds that after offering the Properties for sale, a purchaser has been identified, Arcadia Paper Mills, LLC, who submitted an acceptable offer of Seven Million Five Hundred Thousand Dollars for the Properties.

Section 3. Finding No. 3. The City Council finds that the requirements of ORS 221.725, which apply when a sale of real property is done by a City, have been fully complied with as the meeting was properly noticed and held and any resident of the city was given an opportunity to present written or oral testimony at a public hearing held on August 27, 2024.

Section 4. Finding No. 4. The City Council finds that sale of the Properties to Arcadia Paper Mills, LLC is in the best interests of the City and authorizes and directs the City Administrator to take appropriate steps to complete the sale according to the terms negotiated.

Section 5. This Resolution shall become effective immediately upon passage.

PASSED AND ADOPTED by the City Council of this 27th day of August 2024.

Ayes: Chilton, Sundeen, Gundersen, Hubbard, Scholl

Nays: None


Rick Scholl, Mayor

ATTEST:


Kathy Payne, City Recorder

REAL ESTATE PURCHASE AND SALE AGREEMENT

THIS REAL ESTATE PURCHASE AND SALE AGREEMENT (this "**Agreement**"), dated August 28, 2024, is entered into between:

1. **Arcadia Paper Mills, LLC**, a State of Oregon limited liability company ("**Purchaser**"), as purchaser; and
2. **The City of St. Helens, Oregon**, an Oregon municipal corporation ("**Seller**"), as seller.

The date this Agreement is executed by the last of Purchaser and Seller shall be the "**Effective Date**" hereof.

IN CONSIDERATION of the mutual covenants and obligations of the parties set forth in this Agreement, Seller and Purchaser hereby agree as follows:

1. **Purchase and Sale.** The Seller agrees to sell and convey to Purchaser and Purchaser agrees to purchase from Seller, for the Purchase Price (as defined below), and on the terms and conditions set forth herein, the following (collectively, the "**Property**"):

(a) **Real Property.** All of the following described real property, together with all rights, privileges, easements, hereditaments, tenements and rights-of-way appurtenant to, or used in connection with, the beneficial use and enjoyment thereof (collectively, the "**Real Property**"): the real property outlined on **Exhibit A** attached hereto (the exact legal boundaries of which will be determined pursuant to the terms of **Section 2** below) (the "**Land**"), which constitutes a portion of Columbia County Tax Lots Tax Lots #4109-00-00100 and #4109-00-00101 (legally described on **Exhibit A-1**) (the "**Original Parcels**").

(b) All improvements and fixtures now located on the Land, save and except for any utility lines located upon or under the Land that serve the Original Parcels and other surrounding real property owned by Seller (collectively, the "**Improvements**," which shall be included in the defined term "**Real Property**");

(c) **Personal Property.** All of the right, title and interest of Seller in and to all personal property owned by Seller and located on, in, or used in connection with, the Real Property and/or Improvements, excluding those items owned by or leased from third parties (the "**Personal Property**") (which are captured on the videotape incorporated into, and otherwise described in **Exhibit A-2**); provided, that Seller shall deliver to Purchaser a list of those items owned by or leased from third parties within ten (10) days after the execution of this Agreement; and

(d) **Intangible Property.** All of the right, title and interest of Seller in and to any and all intangible personal property owned by Seller and used in the ownership, use and operation of the Real Property, Improvements and/or Personal Property (collectively, the "**Intangible Property**") which is described in the videotape included in **Exhibit A-2** or as otherwise described in **Exhibit A-3**) and no other real or personal property owned by Seller; and

(e) **Plans and Specifications:** All of the right, title and interest in and to (i) any and all transferable licenses, permits, approvals, applications and warranties now in effect with respect to the Property, Improvements or Personal Property specifically and no other real or personal property owned by Seller; and (ii) all plans (including as-built plans), drawings, specifications (including structural, waterproofing, window, flashing and paper details, HVAC and plumbing schematics as well as a

specifications book), and surveys relating to the Real Property (collectively, the “**Plans and Specifications**”) as described in **Exhibit A-4**.

2. Boundary Line Adjustment to Create Sale Parcel. Purchaser acknowledges that the approximate proposed boundaries of the Land are subject to certain land use approvals (the “**Approvals**”), which are necessary in order to allow the boundary lines of the Original Parcels to be adjusted to create the proposed sale parcel (i.e., the Land), as shown on **Exhibit A** while leaving the remaining land and parcels in conformance with all applicable legal requirements (the “**BLA Process**”). Seller shall be responsible (at Seller’s sole cost and using commercially reasonable, good faith efforts) for pursuing the Approvals necessary to cause the Land to be a legal lot that can be conveyed to Purchaser at Closing in compliance with all applicable laws and land use regulations. Seller shall be permitted to make sure reasonable modifications to the proposed boundaries of the Land as may be necessary or required in pursuing the Approvals to ensure legal compliance of all land affected by the BLA Process, as well as committing to reserve or grant such easements as may be required as part of the BLA Process. Seller will provide Purchaser with a copy of the draft survey to be used in connection with obtaining all applicable Approvals and reflecting the proposed final configuration of the Land (the “**Approvals Survey**”), in order to obtain Purchaser’s reasonable approval that the proposed boundaries of the Land are consistent with the terms of this Agreement in all material respects. Purchaser will be deemed to have approved such proposed “Approvals Survey” if Purchaser does not provide its reasonable objection to the boundaries set forth therein, in reasonable detail, within ten (10) Business Days from receipt from Seller. A “**Business Day**” shall mean any day other than a Saturday, a Sunday, or a federal or Oregon state holiday, or any local holiday where the County Record’s office in the county where the Property is located is closed. Seller will provide periodic written updates to Purchaser regarding the status of the Approvals and information regarding any conditions that will be imposed in connection with issuance of the Approvals. Following issuance of the Approvals, Seller will provide a copy thereof to Purchaser for Purchaser’s review and approval, which approval will not be unreasonably withheld, conditioned, or delayed provided that the Approvals are consistent with the terms of this Agreement and do not impose any conditions on the Land not previously approved by Seller. If, within ten (10) Business Days following receipt of same, Purchaser does not provide either (x) its unconditional approval of the Approvals (as contemplated in the previous sentence), or (y) written objection that properly identifies with reasonable specificity that the Approvals are not consistent with the terms of this Agreement and with all previously approved Approvals conditions, then Purchaser shall be deemed to have approved the Approvals. Following receipt of the Approvals and Purchaser’s approval thereof, Seller will promptly proceed to (i) cause the approved application, survey, legal descriptions and adjustment deed to be recorded with the Columbia County deed records, and (ii) cause the approved survey to be filed with the County Surveyor. The BLA Process shall be considered “complete” upon completion of the activities in the previous sentence.

3. Payment of Purchase Price. The purchase price for the Property (the “**Purchase Price**”) shall be of Seven Million Five Hundred Thousand and No/100 Only (\$7,500,000.00). The Purchase Price shall be payable as follows:

(a) Part Payment. Part payment of the Purchase Price of Three Million Five Hundred Thousand and No/100 Dollars (\$3,500,000), as adjusted by the application of the Extension Deposit (as defined in Section 5 below), and the proceeds of the Deposit (plus accrued interest thereon) and by the prorations and credits specified herein), shall be payable by wire transfer in immediately available federal funds at Closing.

(b) Deposit; Application of Deposit. Within two (2) Business Days of the Effective Date, Purchaser shall deliver, by wire transfer or bank or cashier's check, at Purchaser's election, an amount equal to One Hundred Fifty Thousand and No/100 Dollars (\$150,000.00) (together with any accrued interest thereon, the “**Deposit**”) to Ticor Title, St. Helens (Oregon) Office (the “**Escrow Holder**”) 2534 Sykes Rd Suite C, St. Helens, Oregon 97051, Attention: Sy Thompson. The proceeds of the Deposit shall be

deposited and held by Escrow Holder as a deposit against the Purchase Price in accordance with the terms and provisions of this Agreement and shall be credited against the Purchase Price if the transaction Closes. If the transaction does not Close, the Deposit shall be disbursed in accordance with the terms of this Agreement. Seller agrees to reasonably cooperate with Buyer's efforts to cause Escrow Holder to be obligated to hold the Deposit in an interest earning account.

(c) Seller Loan. At Closing, Purchaser shall deliver to Seller the Seller Financing Documents (defined and described below in Section 8), which shall include a Promissory Note in the original principal amount of Four Million Three Hundred Twenty Thousand and No/100 Dollars (\$4,320,000.00), with an eight percent (8%) per annum interest rate applied and such seller-carried financing amount shall be applied against the Purchase Price payable for the Property if the transaction Closes.

4. Due Diligence Items. Within ten (10) Business Days after the Effective Date Seller shall make available to Purchaser, via DropBox or other mutually acceptable online data sharing portal, copies of the materials set forth on Exhibit 4 attached hereto (the "**Due Diligence Items**"), to the extent such items are in Seller's possession or reasonable control. Seller shall provide Purchaser with confirmation of when all Due Diligence Items are available to Purchaser, and if Seller is late in providing such confirmation, then the Due Diligence Period will be extended by the same number of days that Seller is late in effecting such notice. If it is determined that Seller has omitted any material Due Diligence Item from the materials provided, Purchaser shall be provided with a reasonable extension of the Due Diligence Period as may be needed to allow Purchaser an opportunity to assess such omitted diligence material. In addition, with respect to such delay, to the extent that Buyer is reasonably delayed in completing its due diligence assessment of the Property on account of such missing materials (such that its due diligence investigation of the Property could not reasonably be completed during the Due Diligence Period on account of such omission), then in such instance Purchaser shall not be required pay the Extension Deposit defined below in Section 5 any earlier than the initial Due Diligence Period, plus whatever extensions that Seller is required to make pursuant to this Section 4. Purchaser acknowledges and understands that, except as may be expressly set forth in this Agreement, Seller makes no representation or warranty whatsoever, express or implied, regarding the Property or the accuracy or completeness of any information or documents provided to Purchaser regarding the Property, including, without limitation, regarding any hazards or dangers found at the Property. Purchaser acknowledges and agrees that, except as may be expressly set forth in this Agreement, all materials, data and information delivered by Seller to Purchaser in connection with the transaction contemplated hereby are provided to Purchaser as a convenience only and that any reliance on or use of such materials, data or information by Purchaser shall be at the sole risk of Purchaser. Without limiting the generality of the foregoing provisions, Purchaser acknowledges and agrees that, except as may be expressly set forth in this Agreement, (i) any reports or other information with respect to the Property which are delivered or otherwise made available by Seller to Purchaser shall be for general informational purposes only, (ii) Purchaser shall not have any right to rely on any such reports and/or information delivered or otherwise made available by Seller to Purchaser, but rather will rely on its own inspections and investigations of the Property and any reports commissioned by Purchaser with respect thereto, (iii) Purchaser shall not have any right to rely on any statements made by a representative of Seller, and (iv) neither any affiliate of Seller nor the person or entity which prepared any such reports and/or information delivered or otherwise made available by Seller to Purchaser shall have any liability to Purchaser for any inaccuracy in or omission from any such reports and/or information.

5. Due Diligence Period; Approval.

(a) During the period (as may be extended by the express terms of this Section 5, the "**Due Diligence Period**") beginning on the Effective Date and ending at 5:00 p.m. Pacific time on the 90th day thereafter, Purchaser may conduct its due diligence assessment of the Property upon and subject to the terms of this Agreement. Purchaser shall have the one-time right to extend the term of the Due Diligence Period

by sixty (60) additional days (the “**Extension Right**”), exercisable by Buyer by both (i) providing Seller with written notice of its intent to exercise the Extension Right prior to the expiration of the original Due Diligence Period, and (ii) depositing Fifty Thousand and No/100 Dollars (\$50,000.00) into escrow with the Escrow Holder as an additional earnest money deposit (the “**Extension Deposit**”). Except as provided in Section 4, the Extension Right shall immediately expire and be of no further force and effect if not timely and properly exercised as provided herein above. Purchaser shall have no other rights to extend the Due Diligence Period other than the single Extension Right set forth above. The Extension Deposit shall be non-refundable immediately upon deposit with the Escrow Holder and shall only be refundable to Purchaser in connection with a termination and return of the Earnest Money as provided in Sections 15, 16, 17, and 25 of this Agreement. The Extension Deposit shall be applicable against the Purchase Price due at Closing.

(b) If, prior to the expiration of the Due Diligence Period, based upon such review, examination or inspection, Purchaser determines in its sole and absolute discretion that it no longer intends to acquire the Property, then Purchaser may notify Seller of such determination in writing (“**Disapproval Notice**”). If Purchaser approves the Property and the results of its due diligence inspections and elects to proceed with the transaction in its sole discretion, then Purchaser shall notify Escrow Agent and Seller in writing (“**Approval Notice**”). If Purchaser does not deliver the Approval Notice to Seller and Escrow Agent prior to the expiration of the Due Diligence Period, or if Purchaser delivers a Disapproval Notice to Seller prior to the expiration of the Due Diligence Period, then in either instance this Agreement shall automatically terminate (except for those terms that expressly survive the termination of this Agreement) and the Deposit shall be immediately refunded to Purchaser without the need for further instruction. If Purchaser delivers the Approval Notice before the expiration of the Due Diligence Period, then this Agreement shall not terminate under this Section 5, and the Deposit shall cease to be refundable pursuant to this Section 5 and shall become nonrefundable except as expressly provided otherwise in this Agreement.

6. Entry and Inspection. During the Due Diligence Period and continuing until Closing, Purchaser and its designated agents and representatives shall have the right to go on the Property for the purpose of performing such non-invasive investigations, inspections, analyses, surveys, tests, examinations, and studies as Purchaser deems necessary or desirable in connection with Purchaser's proposed acquisition of the Property (subject to the conditions and limitations set forth herein); provided, however, that Purchaser shall not undertake a phase II environmental site assessment or any other invasive testing without the prior written consent of Seller, which consent shall not be unreasonably withheld, conditioned or delayed. The results of all soil tests, surveys, phase I environmental site assessments, and other investigations of the Property undertaken by Purchaser shall not be disclosed to any third party or governmental entity without the prior written consent of Seller, unless such disclosure is required by law or is required in connection with obtaining any necessary permits or approvals; provided, however, that Purchaser shall be permitted to disclose such results to its design professionals, consultants, attorneys, and potential lenders and investors; provided, further, that such parties have been advised of the foregoing confidentiality obligation.

Such entry and inspection shall be subject to the following terms and conditions:

(a) Seller may from time to time establish reasonable rules of conduct for Purchaser and Purchaser's Consultants upon the Real Property, from time to time, to ensure the safety of all parties upon such property. For purposes of this Agreement, a reference to a party's “**Consultants**” shall refer to such party's agents, employees, consultants, inspectors, appraisers, engineers, and contractors engaged in connection with assessing and consummating the transactions contemplated hereby.

(b) Such entry shall be subject to not more than twelve (12) hours' prior written notice to Seller (which notice may be delivered via email message or text messaging), and such entry shall be conducted during the hours of 7 a.m. to 5 p.m., Monday through Friday, unless otherwise requested by Purchaser. To arrange access to the Property, Purchaser shall contact either John Walsh (Phone: 503.366.8211) or City

Facilities Manager Buck Tupper (Phone: 503.209.3371), or such other individuals as Seller may designate from time to time. Seller reserves the right to be present, or to have an agent present, in connection with any such entry.

(c) neither Purchaser nor any of Purchaser's Consultants shall have any discussions (in connection with the due diligence being conducted by Purchaser) related to the Property or the transaction contemplated hereby with: (i) any of Seller's staff, officials, employees, agents, or other representatives, without having first obtained Seller's prior consent to such communications and discussions, which may be subject to such conditions as Seller may deem appropriate in its reasonable discretion; (ii) any Seller contractors providing services to the Property; or (iii) any other governmental authority having jurisdiction over the Property (other than ordinary contact associated with routine due diligence, including, without limitation, contacting those governmental agencies that are reasonably necessary in order for Purchaser to obtain a customary zoning report for the Property), unless, in each case, Purchaser obtains the prior written consent of Seller, which shall not be unreasonably withheld or conditioned by Seller.

(d) Purchaser understands and acknowledges that it enters the Property at its own risk, and permission to enter the Property is conditioned upon Purchaser's agreement and acknowledgement of its assumed risk in entering the Property;

(e) Each person or entity that enters the Property pursuant to this Agreement shall maintain, or cause to be maintained, the following insurance: (a) a policy of commercial general liability insurance, with a combined single limit of not less than One Million and No/100 Dollars (\$1,000,000.00) (per occurrence) and Two Million and No/100 Dollars (\$2,000,000.00) in the aggregate; (b) workers' compensation insurance in statutory limits where the Property is located; (c) employer's liability insurance in an amount not less than One Million and No/100 Dollars (\$1,000,000.00); and (d) automobile liability insurance in an amount not less than One Million and No/100 Dollars (\$1,000,000.00) for each accident. All policies shall name the applicable Seller and its agents, contractors, mortgagee, tenants, and such other parties as Seller may reasonably require as additional insureds, insuring against any injury or damage to persons or property that may result from or be related to such entry and testing, all in such forms as are acceptable to Seller and underwritten by an insurance company reasonably satisfactory to Seller. A certificate or other evidence of such insurance is to be provided to Seller before Purchaser's or any Purchaser's Consultant's first entry onto the Property.

(f) Purchaser shall promptly repair any damage to the Property resulting from the performance of any inspections by Purchaser or Purchaser's Consultants. All such repairs shall: (i) restore the affected portion of the Property to substantially the same condition as existed prior to such damage in all material respects, and (ii) be completed promptly in a first-class manner, in accordance with applicable laws, and to Seller's reasonable satisfaction. Any restoration work remaining to be completed after thirty (30) days following termination of this Agreement may, at the option and in the sole discretion of Seller, be completed by Seller after giving Purchaser written notice with a minimum of five (5) Business Days within which to cure (which cure period shall be extended for so long as Purchaser is diligently pursuing a cure). Purchaser will reimburse Seller for any costs associated with any such restoration work within thirty (30) days after written demand from Seller for such costs, together with supporting invoices. This Section 6(f) shall survive the termination of this Agreement.

(g) All activities performed by Purchaser and Purchaser's Consultants on the Property shall be at Purchaser's sole cost and expense. Purchaser shall not allow such entry or testing to result in mechanics' or materialmen's liens being recorded against the Property. Nothing contained in this Agreement shall be construed in any way as consenting to allow or authorizing Purchaser to subject the Property or the interest or estate of Seller to any lien or charge in respect of the work contemplated by this Agreement. Purchaser

shall immediately discharge of record any such mechanics' or materialmen's lien at Purchaser's sole cost and expense. This Section 6(g) shall survive the termination of this Agreement.

(h) Purchaser shall indemnify, defend, and hold harmless Seller and Seller's shareholders, officers, directors, trustees, partners, principals, members, employees, agents, affiliates, representatives, consultants, accountants, contractors, and attorneys or other advisors, and any successors or assigns of the foregoing, from and against any and all losses, costs, damages, liens, claims, liabilities, or expenses (including, without limitation, costs and reasonable attorneys' fees), suffered or incurred by Seller or any indemnified party arising out of or in connection with any violation of, or failure to comply with, the provisions of this Agreement by Purchaser or Purchaser's Consultants, any activity conducted by Purchaser or Purchaser's Consultants in connection with this Agreement or the exercise of Purchaser's rights under this Agreement, except to the extent such losses, costs, damages, liens, claims, liabilities, or expenses are solely caused by an existing condition at the Property (and to the extent that Purchaser's activities exacerbate any such pre-existing condition, Purchaser shall only be liable to the extent of the exacerbation, but not the underlying condition) or are caused by the gross negligence or willful misconduct of any indemnified party. This Section 6(g) shall survive the termination of this Agreement.

(i) If Purchaser elects not to proceed with the purchase of the Property, Purchaser shall promptly return to Seller copies of all due diligence materials delivered by Seller to Purchaser and shall destroy all copies and abstracts thereof, subject to Purchaser's customary document retention policies. In addition, if Purchaser elects not to proceed with the purchase of the Property, then at the request of Seller, Purchaser shall deliver to Seller, without representation or warranty by Purchaser or any right to rely thereon by Seller, copies of any third-party physical or environmental tests and reports of the Property made and conducted by Purchaser or Purchaser's Consultants that are in Purchaser's possession or control that Seller desires to receive. This Section 6(h) shall survive the termination of this Agreement.

7. Title Defects.

(a) Prior to execution of this Agreement, Seller has provided Purchaser with a current title report with respect to the Property from Escrow Holder, bearing an Effective Date of May 23, 2024 and bearing Order File No. 360424001689 (the "**Title Report**"). Within thirty (30) days of the Effective Date of this Agreement, Purchaser may deliver to Seller a written notice of any objections to title Purchaser may have (the "**Objection Notice**"), and such objections may be based upon any survey of the Property that Purchaser may elect to obtain. If Purchaser fails to deliver the Objection Notice in a timely manner, then Purchaser shall be deemed to have accepted all matters of record identified in the Title Report, and all such matters shall be deemed "**Permitted Exceptions**." If Purchaser delivers an Objection Notice to Seller, then within three (3) Business Days following receipt of such Objection Notice ("**Seller Response Period**"), Seller may deliver to Purchaser written notice that Seller has elected in its sole and absolute discretion to remove any, all or none of the objections identified in the Objection Notice (the "**Objection Response**"). Notwithstanding the foregoing, Purchaser shall not be obligated to object to any title encumbrances that can be removed solely by the payment of money, such as mortgages or statutory liens, and Seller shall convey title to the Property free and clear of any such encumbrances at Closing, additionally, in no event shall any of the foregoing encumbrances be deemed Permitted Exceptions.

(b) If Seller does not timely deliver an Objection Response indicating that it will cure or remedy all of the title objections set forth in the Objection Notice, then Purchaser, at its election, shall have the right either to: (a) proceed to Closing, in which case Purchaser shall accept title to the Property subject to the objections that Seller has not agreed to cure or remedy (and such matters shall be deemed Permitted Exceptions); or (b) terminate this Agreement pursuant to Section 5 above. In addition, if Seller delivers an Objection Response but subsequently fails (despite the exercise of commercially reasonable good faith efforts) to cure or remedy all of the title objections that it had obligated itself to do so in the Objection

Response, then Purchaser, at its election, shall have the right either to: (a) proceed to Closing, in which case Purchaser shall accept title to the Property subject to the objections that Seller has failed to cure or remedy (and such matters shall be deemed Permitted Exceptions); or (b) terminate this Agreement by delivery of written notice to Seller prior to [January 15, 2024] (the Outside Closing Date). Upon any termination by Purchaser under this paragraph, Purchaser shall be entitled to receive the return of the Deposit.

(c) Seller shall cause no encumbrances or easements to be placed on or granted with respect to the Property, other than those existing as of the Effective Date, without the prior written consent of Purchaser. If any such encumbrances or easements arise prior to the Closing Date and Purchaser objects, then Seller shall, at their sole expense, cure the objections on or before the Closing Date.

8. Seller Financing; Additional Transaction Terms.

(a) Purchaser shall execute and deliver to Seller at Closing, in connection with Seller's financing of a portion of the Purchase Price post-closing, the seller-financing loan documents attached hereto as Exhibit 8(a)-1 (Promissory Note), Exhibit 8(a)-2 (Deed of Trust), and Exhibit 8(a)-3 (Environmental Indemnity) (collectively, the "**Seller Financing Documents**"). The Deed of Trust that is part of the Seller Financing Documents shall be recorded at Closing immediately following recording of the Deed (defined below) with no intervening recorded items, and shall be a Permitted Exception, notwithstanding any provision in this Agreement to the contrary.

(b) During the Due Diligence Period, Purchaser and Seller shall negotiate in good faith the terms and conditions of an ancillary agreement (the "**Ancillary Agreement**") that the parties will execute and deliver at Closing, pursuant to which the Parties hereto will agree upon the terms and conditions generally described in this Section 8(b). If the Parties fail to reach reasonable agreement upon the terms and conditions of the Ancillary Agreement prior to the end of the Due Diligence Period, then Buyer may elect to either (x) terminate this Agreement and receive a refund of the Earnest Money, or (y) proceed to Closing and be deemed to have waived the requirement that the Ancillary Agreement be executed by the Parties and delivered at Closing. The Ancillary Agreement shall contain the following terms:

(i) Seller shall grant to Purchaser an easement from the river water pump house to the freshwater clarifier (in a location to be mutually agreed upon) to facilitate the exercise of the rights granted to Purchaser in the Ancillary Agreement described in subsection (b)(ii) below (the "**Pump House Easement**"). Purchaser shall be granted a license that will allow Purchaser to use the primary effluent clarifier and support equipment located on Parcel 18 (the "**Clarifier System**") for a period of (5) years after Closing while Purchaser designs and builds a new effluent treatment system on or near the Premises (the "**Purchaser Clarifier System**"). If and for so long as Purchaser uses the Clarifier System, Purchaser shall be responsible for all maintenance and repair that may be reasonably necessary or appropriate in order to keep such system in good condition and repair. Purchaser's use of the Clarifier System shall not be permitted to, at any time, violate the terms, conditions, requirements, and limitations set forth in any permits related to the use, operation, and maintenance of the Clarifier System. Purchaser will be solely responsible for, and will indemnify Seller against all claims, costs, expenses, loss, and liability, arising from or related to any violations and/or alleged violations of the National Pollutant Discharge Elimination System permit for the Clarifier System arising after the Closing date and execution of the Ancillary Agreement (including, without limitation, any costs by Seller incurred in responding to alleged violations arising during Purchaser's exclusive operation of the Clarifier System). The Ancillary Agreement shall require Seller to grant to Purchaser an easement to connect the discharge of the Purchaser Clarifier System to the discharge pipe of the Clarifier System (the "**Purchaser System Easement**"), with the easement containing and being subject to such terms, limitations, and requirements as the parties . The form of the New System Easement shall be attached to the

Ancillary Agreement, and the easement shall be executed and recorded upon Purchaser's commencement of construction of a Purchaser Clarifier System that complies with the requirements of the Ancillary Agreement (and the Purchaser System Easement). For clarity sake, with respect to the Purchaser Clarifier System, Purchaser shall not be allowed to connect to the "input" side of the existing Clarifier System; rather Purchaser will be required to bypass the current Clarifier System and shall connect to a new system on the "discharge" side of the existing clarifier system. In the event that Seller has, or anticipates having in the future, other users utilizing the Clarifier System after the Purchaser Clarifier System's installations on such existing system, then Purchaser shall install a separate flow meter so that Purchaser's effluent can be monitored and billed separately from other users.

(ii) The Ancillary Agreement shall address certain terms, conditions, and requirements pursuant to which Purchaser having the right to control and use the river water intake pumps and screen (the "**Water Intake System**") that provide fire suppression and process water to the Property. The Ancillary Agreement with respect to Purchaser's assumption of control of Water Intake System shall include, without limitation: (x) pursuant to a water supply agreement between Seller and Purchaser, Seller providing Purchaser with water supply (for use as fire suppression and process water for the Property) equal to up to fifty percent (50%) of the total gallons per day of water supply that Seller is permitted from time to time to draw from the Willamette River and deliver to the Property and surrounding parcels of land pursuant to the applicable grant of water rights held by Seller (e.g., as of the date hereof, such amount is Forty Million (40,000,000) gallons per day, which results in no more than Twenty Million (20,000,000) gallons per day being available to Purchaser); (y) ensuring that any necessary maintenance and repairs to the same shall be performed by Purchaser; and (z) Purchaser expressly assumes all liability and obligations arising in connection with the provision of fire protection water to adjacent properties (as addressed in greater detail below in subsection (b)(iii)). Should Seller receive notification that its water allocation will be reduced in any given year, Seller agrees to notify Purchaser within 5 business days of receipt of such notice. .

(iii) The fire protection system is designed for the operation of the paper mill and currently provides fire protection water to all certain adjacent properties currently connected to the fire protection water system. Purchaser must continue to operate the Water Intake System and the fire protection water system specifically in a manner to continue to provide such water to the adjacent connected properties until such time as Purchaser and the adjacent property owners reach an agreement to enable the separation of the fire protection system; provided, however, that Purchaser's obligations stated above shall be limited only to using the existing piping from the Property to the adjacent connected properties consistent with Seller's current practices at the Property. Purchaser intends to operate this such system within the requirements of Factory Mutual, Purchaser's insurance provider, as well as local and state fire codes and regulations; and to have on-site and third-party 24/7 fire monitoring. Notwithstanding any provision of this Agreement or the Ancillary Agreement to the contrary, Seller shall have no obligation to oversee Purchaser's use, control, maintenance, repair, and replacement of the Water Intake System and fire protection water systems, as all liability and responsibility with respect to such systems shall lie with Purchaser (who shall indemnify Seller against all liability, loss, cost, and expenses arising in connection with Purchaser's operations of the system). Nonetheless, if Seller requires access to the following items, in order to preserve any legal rights of Seller or to protect against any legal liabilities asserted against Seller, then in such event Purchaser shall make the following available for Seller's review Purchaser's: (i) fire protection monitoring system, (ii) fire protection preventative maintenance logs, as well as (iii) access to the pump houses and related equipment.

(iv) Purchaser shall be obligated to comply with all applicable stormwater permitting requirements and shall be solely responsible for addressing at its sole cost and expense all matters related thereto (including, without limitation, the overseeing all active onsite actions needed to comply with the Property's stormwater management plan), to maintain documentation regarding the same, and to provide Seller with copies of the same on such intervals as the Seller may require.

(v) With respect to any permits held or required in connection with the use and operation of the Property, whether held in Purchaser's name or Seller's, the Purchaser shall bear sole liability in connection with any violations of or non-compliance with any such permits, and shall indemnify Seller against all claims, costs, losses, and expenses arising in connection with such violations and non-compliances.

9. Closing.

(a) Close of Escrow. The closing of the purchase and sale of the Property pursuant to this Agreement (the "**Closing**," "**Close**" or "**Closed**") shall take place through Escrow (as defined below) on _____, 2024 (the "**Closing Date**"). The Outside Closing Date may not be extended without the prior written approval of both Seller and Purchaser.

(b) Payment of the Purchase Price. The Purchase Price shall be paid by Purchaser at Closing in accordance with the requirements of Section 3 above, and all documents necessary for the consummation of the purchase and sale transaction contemplated hereby shall be executed and delivered to Escrow Holder on or before the Closing Date. Seller shall deliver possession of the Property to Purchaser at the Closing.

10. Seller's Closing Deliveries. Seller shall execute, notarize (when applicable), and deliver to Escrow Holder (to be delivered to Purchaser at the Closing) the following documents (the "**Seller Closing Documents**") no later than one (1) business day prior to the Closing Date:

(a) A statutory bargain and sale deed (the "**Deed**"), conveying marketable, insurable fee simple title to the applicable portion of the Property that such Seller owns, free and clear of all liens and encumbrances except only the following items (collectively referred to as the "**Permitted Exceptions**"): (1) ad valorem real property taxes for the calendar year of sale (to be prorated as of the Closing Date), (2) municipal, zoning and subdivision laws and ordinances, (3) matters that would be disclosed by an accurate survey of the Property, and (4) matters of record that are either approved, deemed approved, deemed to be Permitted Exceptions, or not objected to in a timely manner by Purchaser under Section 7.

(b) An owner's affidavit in commercially reasonable form affirming that there are no outstanding possessory rights, liens or rights to claim liens against the Property, and any other affidavits commercially reasonably required by Escrow Holder.

(c) A Bill of Sale duly executed by Seller in the form attached hereto as Exhibit 10(c).

(d) Two (2) counterparts of an Assignment and Assumption of Intangible Property duly executed by Seller, assigning and conveying to Purchaser Seller's interest in, to and under the Intangible Property, in the form attached hereto as in the form of Exhibit 10(d) attached hereto;

(e) An affidavit in a form complying with law that Seller is not a "foreign person" within the meaning of the Foreign Investment in Real Property Tax Act;

(f) [Intentionally Omitted.]

(g) To the extent in the possession or control of Seller, all keys for the Property with identification of the lock to which each such key relates (to be delivered outside of Escrow);

(h) Information sufficient for the closing agent to prepare an IRS Form 1099;

(i) A closing statement reflecting the Purchase Price and all adjustments, prorations and credits thereto, and such disbursements as the parties collectively desire to reflect thereon in connection with the transaction contemplated hereby (the “**Closing Statement**”); and

(j) Resolutions, incumbency certificates and such other documentation as may be reasonably required by Escrow Holder to confirm Seller’s authority to undertake and consummate the Closing.

11. Purchaser Closing Documents. At Closing, Purchaser shall execute, notarize (when applicable), and deliver to Escrow Holder (to be delivered to Seller at the Closing) the following items (the “**Purchaser Closing Documents**”):

(a) Two (2) counterparts of the Assignment and Assumption of Intangible Property described above;

(b) The Seller Financing Documents;

(c) Such corporate, partnership or other organization or formation documents, resolutions, authorizations, certificates of incumbency, certificates of good standing, and other documentation with respect to Purchaser as Escrow Holder may require in order to cause the Closing to occur or in order to issue the Title Policy (which documents shall be delivered to Escrow Holder only, and shall not be delivered to Seller); and

(d) The Closing Statement.

12. Closing Expenses. Each party shall be responsible for the following closing expenses:

(i) Seller shall be responsible for: (1) the cost of preparing the Deed, (2) the payment of any transfer taxes or real estate excise taxes on the Deed, (3) the cost of curing any title defects that Seller is obligated to cure under Section 7, (4) one-half of any fees and expenses charged by the closing escrow agent, (5) Seller shall pay the premium for the Standard Coverage Owner’s Title Policy, and (6) the costs associated with the BLA Process.

(ii) Purchaser shall be responsible for: (1) all other recording costs not covered in Section 12(a) above, (2) the cost of title examination, (3) the incremental premium cost of any extended coverage and any endorsements to the Title Policy requested by Purchaser, (4) the cost of any survey Purchaser obtains, (5) the cost of all other due diligence investigations, (6) one-half of any fees and expenses charged by the closing escrow agent, and (7) the cost of the premium for a lender’s policy of title insurance with respect to the lien of the Deed of Trust that comprises one of the Seller Financing Documents upon the Property.

(iii) The parties will each be responsible for all of their other closing costs, including their respective attorneys’ fees.

13. Property Taxes. City and/or County ad valorem taxes on the Property for the tax year in which the Closing occurs shall be prorated as of the Closing Date. If the actual amount of those taxes and assessments is not known on the Closing Date, they shall be prorated on the basis of the amount of taxes and assessments

payable for prior tax year and shall be adjusted between the parties when the actual amount of taxes and assessments payable in the tax year of Closing is known to Purchaser and Seller. The provisions of this Section 13 shall survive Closing.

14. Prorations.

(a) Prorations. Except as otherwise expressly provided herein, all prorations under this Section 14(a) shall be made as of 12:01 a.m. (Pacific Time) on the day of the Closing (the “**Proration Cutoff**”) so that the Purchaser is deemed to own the Property on the day of Closing for proration purposes; and (ii) shall be made on the basis of the actual number of days in the appropriate proration periods. The following items shall be credited to the parties or shall be prorated by the parties as of the Closing, as applicable, with Seller responsible for expenses and entitled to revenues accruing prior to the Proration Cutoff, and Purchaser responsible for expenses and entitled to revenues accruing after the Proration Cutoff.

(b) Operating Costs. Utilities, services, and all other operating expenses with respect to the Property shall be prorated based upon the latest available information, such that Seller shall be responsible for all such costs and expenses relating to the period up to the Proration Cutoff, and Purchaser shall be responsible for all such costs and expenses relating to the period from and after the Proration Cutoff. Seller shall use commercially reasonable efforts to have all meters read for all utilities servicing the Property including water, gas and electricity for the period to the Proration Cutoff and shall pay all bills rendered on the basis of such readings (provided, however, Purchaser shall be responsible for any and all fees and charges relating to the changeover of all such services and utilities). Premiums for casualty and liability insurance shall not be prorated as Purchaser will be obtaining its own insurance effective from and after the Proration Cutoff. Seller agrees to reasonably cooperate with Purchaser in connection with the transfer of all Property utility accounts.

(c) Utility Deposits. Purchaser shall be responsible for making any deposits required with utility companies.

(d) Final Adjustment After Closing. If final prorations cannot be made at Closing for any item being prorated under this Section 14, then Purchaser and Seller agrees to allocate such items on a fair and equitable basis as soon as invoices or bills are available and applicable reconciliations with tenants have been completed, with final adjustment to be made as soon as reasonably possible after the Closing but no later than 180 days after the Closing, to the effect that income and expenses are received and paid by the parties on an accrual basis with respect to their period of ownership. Payments in connection with the final adjustment shall be due within 10 days of written notice. Seller and Purchaser shall each have reasonable access to, and the right to inspect and audit, the other's books to confirm the final prorations.

(e) Survival. The provisions of this Section 14 shall survive the Closing for twelve (12) months.

15. Closing Conditions.

(a) Purchaser's Closing Conditions. Purchaser's obligations under this Agreement shall be subject to the satisfaction of the following conditions at or prior to Closing (any of which may be waived by Purchaser by giving written notice of waiver to Seller):

(i) Seller shall have delivered into escrow for release to Purchaser upon Closing the Seller Closing Documents, and each of Seller's representations and warranties in this Agreement shall be true; and

(ii) The BLA Process shall be complete as provided in Section 2 above.

(b) Seller's Closing Conditions. In addition to all other conditions to Seller's obligations in this Agreement, obligations under this Agreement shall be subject to the satisfaction of the following conditions at or prior to Closing (any of which may be waived by Purchaser by giving written notice of waiver to Seller):

(i) Purchaser shall have delivered into escrow for release to Seller upon Closing the Purchaser Closing Documents and the Purchase Price, and each of Purchaser's representations and warranties in this Agreement shall be true, accurate and complete in all material respects as of the Closing Date; and

(ii) Seller has obtained written consent from Boise Cascade/Office Max to assign to Purchaser at Closing the portion of the Boise Cascade/Office Max fifty (50) year (for years 2015 to 2065) environmental indemnity issued to Seller ("**Office Max Indemnity**") applicable to the Property only, and has delivered to Purchaser such consent. [For purposes of clarification, to the extent that the Office Max Indemnity pertains to land owned by Seller in excess of the Property, Seller shall retain all Office Max Indemnity rights applicable to such Seller-owned land, and shall not be obligated to assign such indemnity rights.] Seller shall (x) use good faith, commercially reasonable efforts to obtain all necessary consents to such assignment of the Office Max Indemnity as may be legally required on commercially reasonable terms, and (y) deliver to Purchaser at Closing an executed assignment of such Office Max Indemnity in a form reasonably acceptable to Seller and Purchaser, and acceptable to all consenting parties in their sole discretion (the "**Indemnity Assignment**," which Purchaser shall counter-sign at Closing). If Seller, despite its good faith, commercially reasonable efforts, is not able to deliver the Indemnity Assignment at Closing in accordance with the foregoing, due to being unable to obtain the consent of all applicable consenting parties, then this condition will be deemed unsatisfied, but Seller shall not be deemed to have defaulted in its obligations under this Agreement; and

(iii) The BLA Process shall be complete as provided in Section 2 above.

(c) Waiver of Conditions Precedent. In the event any of the conditions set forth in Sections 15(a) or 15(b) are not fulfilled or waived, the party benefited by such conditions may, by written notice to the other party, terminate this Agreement, whereupon all rights and obligations hereunder of each party shall be at an end except those that expressly survive any termination. Either party may, at its election, at any time on or before the date specified for the satisfaction of the condition, waive in writing the benefit of any of the conditions set forth in Sections 15(a) and 15(b) above. If this Agreement is terminated by Purchaser as a result of failure of any condition set forth in Section 15(a) above, then Purchaser shall be entitled to a refund of the Deposit and if such failure is the result of a Seller default under this Agreement, Purchaser shall have its remedies (if any) under Section 25 below. If this Agreement is terminated as a result of the condition set forth in Section 15(b) above, then Seller shall have its remedies (if any) under Section 25 below. Unless the failure of any condition is the result of a party's default hereunder (in which event such defaulting party shall pay all cancellation charges), the parties shall each pay one half (1/2) of all title or escrow cancellation charges. In any event, Seller's and Purchaser's consent to the Closing pursuant to this Agreement shall waive any remaining unfulfilled conditions in favor of the consenting party, and any liability on the part of the other party for breaches of representations, warranties and covenants, to the extent the same survive the Closing, of which the consenting party had actual knowledge as of the Closing.

16. Damage or Condemnation. Risk of loss resulting from any condemnation or eminent domain proceeding which is commenced or has been threatened before the Closing, and risk of loss to the Property

due to fire, flood or any other cause before the Closing, shall remain with Seller until Closing occurs. If before the Closing the Property shall be materially damaged, or if the Property or any material portion thereof, or any portion thereof that entitles the tenant to terminate all or any portion of any Lease or to abate any rent thereunder, shall be subjected to a bona fide threat of condemnation or shall become the subject of any proceedings, judicial, administrative or otherwise, with respect to the taking by eminent domain or condemnation, then Purchaser may terminate this Agreement by written notice to Seller given within ten (10) Business Days after Purchaser learns of the damage or taking (Seller shall provide prompt written notice to Purchaser upon Seller becoming aware of the same), in which event the Deposit shall be returned to Purchaser. If the Closing Date is within the aforesaid ten (10) business day period, then Closing shall be extended to the next business day following the end of said ten (10) business day period. If no such election is made, and in any event if the damage (or, in the case of a taking, the affected portion of the Property) is not material, this Agreement shall remain in full force and effect and the purchase contemplated herein, less any interest taken by eminent domain or condemnation, shall be effected with no further adjustment, and upon the Closing of this purchase, Seller shall assign, transfer and set over to Purchaser all of the right, title and interest of Seller in and to any awards that have been or that may thereafter be made for such taking, and Seller shall assign, transfer and set over to Purchaser any insurance proceeds not applied to the repair of the Property prior to Closing (provided that any such repair and the cost thereof shall be subject to the prior written consent of Purchaser not to be unreasonably withheld, conditioned or delayed) that may thereafter be made for such damage or destruction, and, to the extent that any portion of such repair or restoration is uninsured or subject to a deductible, Seller shall pay or credit to Purchaser the amount of such uninsured amount and deductible (but not to exceed the amount of the loss). For the purposes of this Section 16, the phrases “**material damage**” and “**materially damaged**” means damage for which the cost to repair is reasonably estimated to be in excess of Two Hundred Thousand and No/100 Dollars (\$200,000.00), or damage which entitles any tenant to terminate all or any portion of its lease or to abate any rent thereunder. The provisions of this Section 16 supersede the provisions of any applicable laws with respect to the subject matter of this Section 16.

17. **Representations and Warranties of Seller.** Seller represents and warrants to Purchaser as follows:

(a) **Organization and Power.** Seller (i) is a limited liability company duly created and validly existing under the laws of the State of Oregon, (ii) has all requisite power and authority to own the portion of the Property that such Seller is selling pursuant to this Agreement and to enter into this Agreement and perform its obligations hereunder.

(b) **Non-Contravention.** The execution and performance of this Agreement by Seller, and the Closing contemplated by this Agreement, will not conflict with any provision of law applicable to Seller, nor will it result in the breach of any provision of, or constitute a default under, any agreement or instrument to which Seller is a party or by which Seller is bound.

(c) **Authorization and Execution.** This Agreement and the documents to be delivered by Seller at the Closing have been or will be duly authorized by all necessary company action on the part of Seller and have been or will be duly executed and delivered by Seller.

(d) **Bankruptcy.** The Seller has (i) made a general assignment for the benefit of creditors, (ii) filed any voluntary petition in bankruptcy or suffered the filing of any involuntary petition by Seller's creditors, (iii) suffered the appointment of a receiver to take possession of all, or substantially all, of Seller's assets, (iv) suffered the attachment or other judicial seizure of all, or substantially all, of Seller's assets, (v) admitted in writing its inability to pay its debts as they come due, or (vi) made an offer of settlement, extension or composition to its creditors generally.

(e) Service Contracts. The list of Service Contracts affecting the Property attached hereto as **Exhibit 17(e)** is true, correct, and complete. To Seller's knowledge, no other party is in material default under any Service Contract.

(f) Violation of Laws. Seller has received no written notice from any governmental authority with jurisdiction over the Property of any current violation by the Property of any laws (including, without limitation, environmental laws), ordinances or regulations applicable to the Property (which remains uncured, and, to Seller's knowledge, Seller is in compliance with any past notices of past violations.

(g) Litigation. There is no material litigation pending or, to Seller's knowledge, threatened in writing against Seller that arises out of the ownership of the Property that will not be disposed of prior to Closing, except as disclosed on **Exhibit 17(g)**.

(h) No Condemnation. As of the Effective Date, no condemnation or eminent domain proceedings are pending or threatened against the Property.

(i) No Options. Seller has not granted any option, right of first offer, right of first refusal or other right to purchase the Property (or any part thereof or interest therein) to any person other than Purchaser, or to parties who have heretofore waived such rights in writing (and thus no longer have any such rights).

(j) Personal Property. The Personal Property to be conveyed to Purchaser hereunder is free and clear of any liens, leases or other encumbrances.

References in this Section 17 to the "knowledge" of Seller shall refer only to the current actual knowledge of Seller's City Administrator John Walsh, the Director of Seller's Public Works Department, and the Director the Seller's Facilities Department (collectively, the "**Knowledge Parties**"), and shall not be construed, by imputation or otherwise, to refer to the knowledge of Seller, or any affiliate of Seller, to any property manager, or to any other member, manager, agent, representative or employee of Seller or any affiliate thereof, or to impose upon such Knowledge Parties any duty to investigate the matter to which such actual knowledge, or the absence thereof, pertains.

If any of the foregoing representations and warranties is of a material nature and is not true in any material respect when made, or when re-certified at Closing, Purchaser may consider such material misrepresentation to be a default under this Agreement, entitling Purchaser to pursue the remedies set forth in Section 17; provided, however, that with respect to any representation or warranty made to the knowledge of Seller, Purchaser shall be entitled to exercise default remedies only if the substance of the representation or warranty is materially untrue, and if such untruth was known to Seller at the time the representation or warranty was made (or re-certified). If any of the foregoing representations and warranties is true as of the Effective Date, but is not true as of the Closing Date as a result of a matter, circumstance or event beyond the reasonable control of Seller, Purchaser shall not be entitled to consider the untruth of the representation or warranty as an event of default under this Agreement, but instead Purchaser may, at its election and as its sole remedy, terminate this Agreement by delivery of written notice to Seller, and in that event Purchaser shall be entitled to a return of the Deposit.

The representations and warranties of Seller set forth in this Section 17 shall survive Closing for a period of eighteen (18) months (the "**Survival Period**").

18. Representations and Warranties of Purchaser. Purchaser hereby represents and warrants that:

(a) Purchaser is a duly organized, validly existing and in good standing under the laws of the state of its formation, with full right, power and authority as of the Closing Date to take title to the Property and to enter into and otherwise perform and comply with the terms of this Agreement.

(b) This Agreement and all documents executed by Purchaser that are to be delivered to Seller at Closing have been or will be authorized by all necessary company action on the part of Purchaser and have been or will be duly executed and delivered by Purchaser.

(c) Purchaser (a) is not a person, group, entity or nation described in Section 1 of Executive Order 13224 – Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism – 66 Fed. Reg. 49079 (dated September 23, 2001, effective September 24, 2001), (b) is not a (and is not acting, directly or indirectly, for or on behalf of any) person, group, entity or nation designated by any Executive Order or the United States Treasury Department as a terrorist, a “Specially Designated National” or “Blocked Person,” or other banned or blocked person, group, entity or nation pursuant to any applicable laws that are administered or enforced by the Office of Foreign Assets Control, (c) is not initiating, facilitating or engaging in the transaction contemplated by this Agreement, directly or indirectly, for or on behalf of any such person, group, entity or nation, and (d), to Purchaser’s knowledge, does not engage in any dealings or transactions, and is not otherwise associated, with any such person, group, entity or nation.

19. Cap on Liability. Each party agrees to defend and indemnify the other against any claim, liability, damage or expense asserted against or suffered by such other party arising out of the breach or inaccuracy of any representation or warranty by such party set forth in Section 17 or 18, as applicable. Notwithstanding the foregoing, Purchaser shall have no right to bring a cause of action or to seek indemnification for a breach of a representation or warranty unless: (i) the damage to Purchaser on account of such breach (individually or when combined with damages from other breaches) equals or exceeds Twenty-Five Thousand Dollars (\$25,000.00) (the “**Liability Floor**”); and (ii) such action is timely filed in a court of competent jurisdiction prior to expiration of the Survival Period. Additionally, in no event shall the Seller’s aggregate liability under this Agreement for any breach or breaches of representations or warranties exceed Five Hundred Thousand and No/100 Dollars (\$500,000.00) (the “**Liability Cap**”). Notwithstanding anything to the contrary contained in this Agreement, NO CLAIM FOR A BREACH OF ANY REPRESENTATION OR WARRANTY OR COVENANT OF SELLER SHALL BE ACTIONABLE OR PAYABLE IF THE BREACH IN QUESTION WAS ACTUALLY KNOWN TO PURCHASER PRIOR TO CLOSING. If the breach occurs or becomes known to Purchaser after Closing, a claim for a breach of any representation, warranty or covenant of Seller shall be actionable only if the valid claims for all such breaches collectively aggregate more than Liability Floor, in which event the full amount of such claim shall be actionable up to the Liability Cap, and provided an action thereon shall have been filed by Purchaser against Seller prior to the expiration of the Survival Period. Notwithstanding the foregoing, however, (a) the Liability Cap shall not apply to or limit Seller’s liability for fraud, (b) any attorneys’ fees awarded pursuant to Section 26 below shall not be subject to, and any such attorneys’ fees shall not count towards, the Liability Cap, or (c) Seller’s indemnity obligations under Section 23 below.

20. Seller Covenants. Between the Effective Date and the Closing or earlier termination of this Agreement, Seller covenants and agrees as follows:

(a) Seller shall continue to operate, maintain and lease the Property in the same manner in which Seller is currently operating, maintaining and leasing the Property.

(b) Seller shall maintain all casualty, liability and hazard insurance currently in force with respect to the Property.

(c) Seller shall not lease, sell, mortgage, pledge, hypothecate or otherwise transfer or dispose of the Property or any interest therein or part thereof, nor shall Seller initiate, consent to approve or otherwise take any action with respect to zoning or any other governmental rules or regulations applicable to the Property.

(d) Prior to Closing, Seller shall (i) promptly deliver notices to Purchaser of any action, litigation, arbitrations, violations, mediation, reference, condemnation or other proceeding that either materially adversely affects, or that has the potential to materially adversely affect, the Property, or the use, possession or occupancy thereof (each, a “**Material Adverse Event**”), and (ii) defend or otherwise address such Material Adverse Event at Seller’s expense, in the ordinary course of business, and consistent with Seller’s past business practices.

(e) To the extent permitted by applicable laws, ordinances, and regulations, Seller shall: (i) provide reasonable authorization and reasonable letters of support to the public and/or government entities stating Seller’s support for the Purchaser’s proposed development of the Property, as may be requested by Purchaser from time-to-time; and (ii) following Purchaser’s written request, Seller will reasonably cooperate (at no material cost to Seller and subject to Seller’s discretion regarding each such request) with Purchaser’s requests for a representative to provide comments regarding the Seller’s support of Purchaser’s acquisition and operation of the Property as a paper production facility. Seller shall not be required to undertake any material cost or expense in connection with provision of the cooperation and assistance to Purchaser required by this Section (e).

21. Property Purchased “AS IS”. Except as expressly set forth in this Agreement, the Property is being sold and conveyed “as is” and “with all faults” and Seller has not made, do not make, and hereby disclaims any and all express or implied representations and warranties regarding or relating to the condition, suitability for any particular purpose, susceptibility to flooding, value, marketability, zoning of the Property, or with respect to use and occupancy restrictions, compliance with environmental laws and laws and regulations relating to hazardous substances, toxic wastes and underground storage tanks, and all legal requirements affecting or relating to the Property. Purchaser acknowledges that, except as expressly set forth in this Agreement, no such representations or warranties, express or implied, have been made. Purchaser hereby agrees that approval or deemed approval of the Property and proceeding with Closing shall constitute an acknowledgment that Purchaser: (i) has concluded whatever studies, tests, and investigations Purchaser desired to conduct relating to the Property including, without limitation, economic reviews and analyses, soils tests, engineering analyses, environmental analyses and analysis of any applicable records of the planning, building, public works or any other governmental or quasi-governmental organization having or asserting jurisdiction over the Property; (ii) has reviewed and read (or has elected not to do so) and has understood all instruments affecting the Property and/or its value which Purchaser deems relevant, including, without limiting the generality of the foregoing, all documents referred to in the Commitment and all leases, operating statements, demographic studies and market analyses; (iii) and its consultants have made all such independent studies, analyses and investigations, as Purchaser has deemed necessary, including, without limitation, those relating to environmental matters and the leasing, occupancy and income of the Property; (iv) is relying solely on the express representations and warranties contained in this Agreement and on its own investigations as to the Property and its value, and Purchaser accepts the risk that its investigations may fail to reveal certain adverse physical, economic or other conditions (including, without limitation, adverse environmental conditions (including, without limitation, soils and groundwater conditions) and status of compliance with the requirements of the Americans With Disabilities Act of 1990 or the Fair Housing Act of 1968, as amended); and (v) that Seller has given Purchaser every opportunity to consider, inspect and review to its satisfaction the physical, environmental, economic and legal condition of the Property and all files and information in any Seller’s possession which Purchaser deems material to the purchase of the Property. Purchaser, moreover, acknowledges that it has not received from Seller any accounting, tax, legal, architectural, engineering, property management or other advice

with respect to this transaction and is relying solely upon the advice of its own accounting, tax, legal, architectural, engineering, property management and other advisors. The terms and covenants of this Section 21 shall survive the Closing and the delivery of the deed for the Property or any termination of this Agreement.

22. **Survival.** None of the terms, covenants, conditions, representations, warranties and agreements of this Agreement shall survive the Closing Date, except as otherwise expressly provided to the contrary in this Agreement.

23. **Real Estate Commissions.** Purchaser and Seller represent and warrant to each other that no brokers' or real estate commissions will be due as a result of the sale of the Property from their respective actions if the sale of the Property occurs. Seller agrees to indemnify, defend and save harmless Purchaser from and against any cost and expense (including reasonable attorneys' fees) incurred by Purchaser as a result of the untruth of the foregoing representation by Seller, or any claims by a broker for payment of a commission by Purchaser based upon the actions of Seller. Purchaser agrees to indemnify, defend and save harmless the Seller from and against any cost and expense (including reasonable attorneys' fees) incurred by Seller as a result of the untruth of the foregoing representation by Purchaser, or any claims by a broker for payment of a commission by Seller based upon the actions of Purchaser. The terms and covenants of this Section 23 shall survive the Closing.

24. **Assignment.** Purchaser shall have the right to assign this Agreement or any part thereof, and its rights hereunder, without the necessity of obtaining the prior consent of Seller, only to: (i) a wholly-owned subsidiary; or (ii) a "**Qualified Intermediary**" for the purpose of facilitating the completion of a tax-free exchange of properties by Purchaser as contemplated in Section 33 below. No other assignment of Purchaser's rights under this Agreement shall be permitted without first obtaining Seller's written consent, which may be granted, withheld or conditioned in Seller's sole discretion. In each instance, (x) Purchaser's permitted assignee under this Section 24 shall assume in writing all obligations of Purchaser under this Agreement and shall agree to execute all necessary documents which Purchaser is obligated to execute pursuant to the terms and provisions of this Agreement; provided, however, that in the event of an assignment by Purchaser to a Qualified Intermediary that does not take title to the Property, the only obligation of Purchaser that the Qualified Intermediary shall be obligated to assume is the obligation to pay the Purchase Price, (y) Seller shall receive a fully-executed original of the instrument of assignment (which shall expressly state that Seller is a third-party beneficiary with respect to its terms and provisions) and (z) the party named in this Agreement as "**Purchaser**" shall continue to be primarily liable for all of Purchaser's duties, obligations and liabilities under this Agreement.

25. **Default.**

(a) If Purchaser defaults in its obligations under this Agreement for any reason except for a default by Seller, Seller shall be entitled to terminate this Agreement by delivery of written notice to Purchaser, and to receive and retain the Deposit as liquidated and agreed upon damages, as its sole and exclusive remedy against Purchaser for Purchaser's default. The parties agree that the Deposit is a fair and reasonable measure of the damages to be suffered by Seller in the event of such default and that the exact amount thereof is incapable of ascertainment. THIS PROVISION SHALL NOT LIMIT OR RESTRICT SELLER'S RIGHT TO RECOVER ITS ATTORNEYS' FEES AND COSTS IN ANY ACTION, PROCEEDING OR ARBITRATION ARISING FROM THIS AGREEMENT, OR SELLER'S RIGHTS AND PURCHASER'S OBLIGATIONS UNDER ANY INDEMNITY PROVISIONS CONTAINED IN THIS AGREEMENT AND, IF SUCH LIQUIDATED DAMAGES ARE APPLICABLE, SELLER SHALL BE ENTITLED TO RECOVERY OF ALL AMOUNTS PAYABLE WITH RESPECT TO THOSE PROVISIONS IN ADDITION TO THE LIQUIDATED DAMAGES PAYABLE UNDER THIS SECTION 25(a). SELLER KNOWINGLY WAIVES ANY OTHER RIGHTS OR REMEDIES, INCLUDING

WITHOUT LIMITATION, ANY RIGHT OR CLAIM TO ACTUAL, CONSEQUENTIAL, INCIDENTAL AND PUNITIVE DAMAGES AND ANY RIGHT OF SPECIFIC PERFORMANCE.

(b) If Seller defaults in its obligations under this Agreement for any reason except for a default by Purchaser, Purchaser may, as Purchaser's exclusive remedies against Seller for Seller's default, either: (a) terminate this Agreement by delivery of written notice to Seller, in which event Purchaser shall be entitled to the return of the Deposit and also to be reimbursed by Seller for the reasonable and documented out-of-pocket expenses incurred by Purchaser in connection with this transaction, not to exceed the sum of (i) Sixty Thousand and No/100 Dollars (\$60,000.00), which shall be construed as full liquidated damages, and neither party shall have any further rights or obligations regarding this Agreement other than any obligations that expressly survive the termination of this Agreement; or (b) seek to obtain specific performance of the obligations of Seller under this Agreement (and if Purchaser is successful in obtaining such specific performance, Seller agrees to indemnify Purchaser for all Purchaser's costs and expenses, including without limitation reasonable attorneys' fees and court costs, incurred in such action) but if Purchaser is not successful in obtaining specific performance, then Purchaser may still elect to proceed under sub-part (a) above.

(c) A "default" by either party under this Section 25 shall constitute a default in any material obligation of a party under this Agreement for any reason except for default by the counterparty, and the defaulting party fails to cure such default within five (5) Business Days after written notice thereof; provided, that no notice and cure opportunity shall be provided in connection with either: (a) Purchaser's breach of its obligations under Sections 9(b) and or 11 above; or (b) Seller's breach of its obligations under Section 10 above.

(d) The foregoing limitations of remedies and liquidated damages provisions shall not apply to the indemnity obligations of Purchaser and Seller expressly set forth in this Agreement, or the right of either party to collect attorneys' fees in connection with enforcement of this Agreement as provided in Section 26 below.

26. **Attorneys' Fees.** Any party to this Agreement who is the prevailing party in any legal proceeding against any other party brought in connection with this Agreement or transaction shall be additionally entitled to recover court costs and reasonable attorney fees, and all other litigation expenses, including deposition costs, travel and expert witness fees, from the non-prevailing party.

27. **Time of the Essence.** The parties agree that time shall be of the essence in the performance of all of the terms and conditions of this Agreement. If the time period by which any right, option or election provided under this Agreement must be exercised, or by which any act must be performed, or by which Closing must be held, expires on a Saturday, Sunday or a holiday, then such time period shall be automatically extended to and through the next day which is not a Saturday, Sunday or a holiday.

28. **Captions.** Section headings or captions appearing in this Agreement are for convenience only, are not a part of this Agreement, and are not to be considered in interpreting this Agreement.

29. **Entire Agreement.** The parties acknowledge that this Agreement contains the entire agreement between the parties with respect to the Property and supersedes any prior oral or written understandings. No modification of this Agreement and no waiver of any of its terms or conditions shall be effective unless made in writing and duly executed by both parties.

30. **Successors and Assigns.** This Agreement shall be binding on the parties and their respective successors and permitted assigns.

31. **Notices.** Any notice, consent or other communication permitted or required by this Agreement shall be in writing, and shall be given to each party, at the address set forth below, in the following manner: (a) personal delivery; (b) reputable overnight delivery service with proof of delivery; (c) United States Mail, postage prepaid, registered or certified mail, return receipt requested; (d) legible facsimile transmission (provided, that documentation of completed transmission is retained); or (e) by PDF attachment to e-mail. Such notice shall be deemed to have been given or delivered upon the date of actual receipt or delivery (or refusal to accept delivery), as evidenced by the notifying party's receipt of written or electronic confirmation of such delivery, refusal, or delivery failure despite use of the correct email notice address, if received by the party to be notified between the hours of 8 a.m. and 5 p.m. Pacific time on any business day, with delivery made after such hours to be deemed received on the following business day. Unless and until changed as provided below, the addresses for notices given pursuant to this Agreement shall be as follows:

To Seller: City of St. Helens
Attention: John Walsh, City Administrator
265 Strand St.
St. Helens, Oregon 97051
Tel: 503.366.8211
Email: jwalsh@sthelensoregon.gov

with a copy to: Jordan Ramis PC
Attention: David Rabbino
1211 SW 5th Avenue, Suite 2700
Portland, OR 97204
Tel: 503.598.7070
Email: david.rabbino@jordanramis.com

To Purchaser: Arcadia Paper Mills, LLC.
-
-
Attention: John F. Pierce
Email: jfpierce@ktslaw.com

with a copy to: John F. Pierce
Kilpatrick Townsend & Stockton
1420 5th Avenue
Suite 3700
Seattle, WA 98104
Email: jfpierce@ktslaw.com

32. **Controlling Law; Dispute Resolution.** This Agreement shall be governed by and interpreted in accordance with the laws of the State of Oregon, and exclusive venue shall lie with the state and federal courts located in the State of Oregon. IN ANY LAWSUIT OR OTHER PROCEEDING INITIATED BY A PARTY HERETO UNDER OR WITH RESPECT TO THIS AGREEMENT, SELLER AND PURCHASER EACH WAIVE ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY. However, notwithstanding the foregoing language, the Parties agree that any and all disputes, claims or controversies or claim arising out of or relating to this Agreement or the breach, termination, enforcement, interpretation or validity thereof, including the determination of the scope or applicability of this agreement to arbitrate arising out of or relating to this Agreement shall be submitted to JAMS, or its successor, for arbitration

utilizing JAMS' expedited arbitral rules, for final and binding arbitration. The seat of the arbitration will be Portland, Oregon, and all JAMS arbitration procedures and processes shall be conducted in person in Portland, Oregon. The language to be used in the arbitral proceeding will be English. Judgment upon the award rendered by the Arbitrator(s) may be entered by any court having jurisdiction thereof.

33. **Like-Kind Exchange.** Purchaser has informed Seller that Purchaser may desire to have this transaction constitute a like-kind exchange of properties utilizing an IRC §1031 Tax Deferred Exchange pursuant to the Internal Revenue Code of 1986, as amended ("**Exchange**"). Each party agrees to cooperate with the other party in order to effectuate and facilitate such an Exchange; provided, that Seller: (a) does not incur any additional liability as a result of its cooperation; and (b) is not required to enter into any contract to purchase any other property, or take title to any property other than the Property. Seller hereby acknowledges that, notwithstanding anything to the contrary in this Agreement, Buyer's rights under this Agreement may be assigned to a designated Qualified Intermediary pursuant to IIRC §1031 RC for the purpose of completing such an Exchange. Seller agrees to cooperate with Buyer and its designated Qualified Intermediary in a manner necessary to complete the exchange.

34. **[Intentionally Omitted.]**

35. **[Intentionally Omitted.]**

36. **Limitation of Liability.** So long as such Seller and Purchaser (as applicable) comply with any statutory limitations on distributions or similar capitalization requirements applicable to such entity, no obligation or liability shall be personally binding upon, nor shall resort for the enforcement thereof be had to, the property of any of Purchaser's or Seller's limited partners, managers, members, trustees, officers, directors, employees, shareholders, representatives or agents (including, without limitation, Seller's property manager), regardless of whether such obligation or liability is in the nature of contract, tort or otherwise. All limitations of liability in this Agreement that are applicable to the Seller and Purchaser shall be applicable to the other parties identified in this Section 36.

37. **Legally Binding.** This Agreement is intended by the parties to be a legally binding on each of them. This Agreement constitutes the entire agreement between the parties, there being no oral contracts, representations, conditions, or warranties, express or implied, in addition to this Agreement.

38. **Waiver.** No waiver by Purchaser or Seller of a breach of any of the terms, covenants and conditions of this Agreement by the other party shall be construed or held to be a waiver of any succeeding or preceding breach of the same or any other term, covenant or condition herein contained. No waiver of any default by Purchaser or Seller hereunder shall be implied from any omission by the other party to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect a default other than as specified in such waiver.

39. **Confidentiality.** Seller and Purchaser agree to keep the terms of this Agreement confidential and not make any public announcements or disclosures with respect to the subject matter hereof without the prior written consent of the other party; provided, however, that Seller and Purchaser may disclose the terms hereof to their respective Consultants. Prior to Closing, Purchaser will treat the information disclosed to it by Seller, or otherwise gained through Purchaser's access to the Property and Seller's books and records, as confidential, giving it a level of protection and care that is customary, and make no use of any such disclosed information not independently known to Purchaser except in connection with the transactions contemplated hereby; provided, however, that Purchaser may, without the consent of Seller, disclose such information: (a) to Purchaser's Consultants and its prospective and actual investors and lenders (the "**Transaction Parties**"), so long as any such Transaction Parties to whom disclosure is made shall also agree to keep all such information confidential in accordance with the terms hereof; and (b) if disclosure is required by law

or by regulatory or judicial process (including, without limitation, as required by any securities exchange on which Purchaser's or its affiliates' shares are listed), provided that in such event, Purchaser shall notify Seller of such required disclosure, shall exercise all commercially reasonable efforts to preserve the confidentiality of the confidential information, including, without limitation, reasonably cooperating with Seller (at Seller's sole expense) to obtain an appropriate order or other reliable assurance that confidential treatment will be accorded such confidential information and shall disclose only that portion of the confidential information which Purchaser is legally required to disclose. Notwithstanding the foregoing, the confidentiality provisions of this Section 39 shall not apply to any information or document which: (i) is or becomes generally available to the public other than as a result of a disclosure in violation of this Agreement; (ii) subject to compliance with clause (b) in this Section 39 above, is required by law or court order to be disclosed, or (iii) is disclosed in connection with any litigation relating to this Agreement and/or this Agreement. Purchaser will bear the burden of proof with respect to any claims under this Section 39 regarding its handling of the information disclosed to it by Seller. Seller, Seller's Consultants, Purchaser, and Purchaser's Consultants shall each refrain from generating or participating in any publicity or press release regarding this transaction without the prior written consent of the other party, as applicable, which consent shall not be unreasonably withheld, conditioned or delayed; however, it shall be reasonable for a party to withhold its consent if the publicity or press release discloses either: (y) such party's identity; or (z) the Purchase Price. The provisions of this Section 39 shall survive the termination of this Agreement or Closing.

40. **Further Instruments.** Each party will, whenever and as often as it shall be requested so to do by the other, cause to be executed, acknowledged or delivered any and all such further customary instruments and documents as may be necessary or proper, in the reasonable opinion of the requesting party, in order to carry out the intent and purpose of this Agreement.

41. **Counterparts.** This Agreement may be executed in any number of counterparts; provided, that each of the parties hereto executed at least one counterpart; each such counterpart hereof shall be deemed to be an original instrument, but all such counterparts together shall constitute but one agreement. To facilitate execution of this Agreement, the parties may execute and exchange by DocuSign, Adobe, and/or emailed portable document format ("PDF") counterparts of the signature pages. The parties intend to be bound by the signatures transmitted by emailed PDF, are aware that the other party will rely on such signature, and hereby waive any defenses to the enforcement of the terms of this Agreement based on the form of signature.

42. **Oregon Statutory Notice.** 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.

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

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, effective as of the Effective Date defined above.

SELLER:

CITY OF ST. HELENS, OREGON
an Oregon municipal corporation

By: Name: Rick ScholTitle: MayorDate Executed: 8/28/24**PURCHASER**

ARCADIA PAPER MILLS, LLC
a State of Oregon limited liability company

By: Name: John F. RoseTitle: Atty in FactDate Executed: 8/28/24

EXHIBIT A

Outline of Sale Parcel

EXHIBIT A-1

Original Parcels Legal Description

EXHIBIT A-2

Description of Personal Property

[ATTACH VIDEO CD.]

EXHIBIT A-3

Description of Intangible Property

EXHIBIT A-4

Plans and Specifications

EXHIBIT 4

DUE DILIGENCE ITEMS

Seller shall provide to Purchaser the following:

1. Pertaining to electrical service relating to the Real Property:
 - a. All information in Seller's possession regarding the Real Property's electrical service and bills for all accounts serviced by the relevant utility, PGE, for the period from January 1, 2018, to the present.
 - b. All information in Seller's possession regarding the Real Property's electrical substation current ownership and leases.

2. Pertaining to taxes and fees relating to the Real Property:
 - a. All records in Seller's possession regarding taxes and fees for services imposed on the previous company operating the paper mill for the period from January 1, 2018, to July 1, 2023.
 - b. All information in Seller's possession regarding any fines imposed by the state, county or city on the previous operators at the mill within the last ten (10) years of the date of this LOI.

3. Pertaining to effluent discharge of the Real Property:
 - a. All records in Seller's possession regarding sewer fees, usage charges, and rate structure imposed on the previous operator of the paper mill from January 1, 2018, to July 1, 2023.
 - b. All information in Seller's possession defining any current limitations for mill discharge to the city waste treatment including, but not limited to flow rate, BOD, COD, color, and suspended solids.
 - c. All information in Seller's possession regarding any future changes planned for wastewater discharge system or permits associated with the Real Property.

4. Pertaining to environmental indemnification and environmental issues related to the Real Property:
 - a. All information in Seller's possession regarding the fifty (50) year environmental indemnity provided to Seller by the previous owners of the Real Property (the "Environmental Indemnity").
 - b. All information in Seller's possession regarding any notice and response regarding the Environmental Indemnity since the indemnity's inception.
 - c. Any Environmental Indemnity related or documents provided to Seller by the previous operators of the Property prior to Seller.
 - d. All information in Seller's possession regarding Seller's Phase 1 environmental study or studies conducted at the Real Property.
 - e. described 2 environmental study or studies conducted at the Real Property.

- f. All records in Seller's possession regarding past and ongoing environmental monitoring at the Real Property.
 - g. All information in Seller's possession regarding any environmental issues at the Real Property.
- 5. Pertaining to air emissions and discharge permits related to the Real Property:
 - a. All copies of and all information in Seller's possession of all permits for air emissions and discharge for both paper machines.
- 6. Pertaining to boiler operation permits related to the Real Property:
 - a. All copies of and information in Seller's possession regarding all necessary permits for the current boilers.
- 7. Pertaining to wastewater permits related to the Real Property:
 - a. All copies of and information in Seller's possession regarding all permits related to wastewater.
- 8. Pertaining to pressure vessel permits related to the Real Property:
 - a. All copies of and information in Seller's possession regarding all permits related to pressure vessels.
- 9. Pertaining to river water supply permits related to providing water the Real Property:
 - a. All copies of and information in Seller's possession regarding all permits related to the river water supply.
- 10. Pertaining to storm water permits related to the Real Property:
 - a. All copies of and information in Seller's possession regarding all permits related to the storm water.
- 11. Pertaining to occupancy permits related to any buildings and land described in **Exhibit A**:
 - a. All copies of and information in Seller's possession regarding all permits related to occupancy.
- 12. All information in Seller's possession regarding building plans for all buildings located upon the Land.
- 13. All information in Seller's possession regarding any action taken by Seller to require maintenance, repair or upgrade to any building or structure located on the Land during the ten (10) years prior to the date of this Agreement.
- 14. All records in Seller's possession revoking occupancy permit, threatening revocation of occupancy permit and reinstatement of occupancy permit for any building subject to purchase pursuant to this Agreement.

15. All information in Seller's possession regarding building permits, permit applications, engineering provided for review, review comments on engineering, permits granted for either temporary repair or permanent repair regarding the number 3 paper machine building specifically, as well as any other building located at the Land during the ten (10) years prior to the date of this Agreement.
16. All information in Seller's possession regarding the Real Property's current flood maps for Milton Creek and the Land.
17. All information in Seller's possession regarding public complaints about the Real Property and previous operators during the ten (10) years prior to the date of this Agreement.
18. All information in Seller's possession regarding any lien on the Property.

EXHIBIT 10(a)**FORM OF DEED**

AFTER RECORDING RETURN TO:

_____UNTIL A CHANGE IS REQUESTED
SEND TAX STATEMENTS TO:_____

_____**BARGAIN AND SALE DEED**

_____ Grantor, whose address is _____, bargains,
sells and conveys unto _____, Grantee, whose address is
_____, that certain real property situated in Columbia County, Oregon,
the legal description of which is set forth on the attached **Exhibit A**, subject to those matters
set forth on **Exhibit B** attached hereto.

The true consideration for this conveyance is \$_____.

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

EXHIBIT 4 -DUE DILIGENCE ITEMS

KILPATRICK TOWNSEND 78599663 14

2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010.

Dated this 28 day of August 2024.

Grantor

City of St. Helens, Oregon
an Oregon municipal corporation

By: *Rick Scholl*

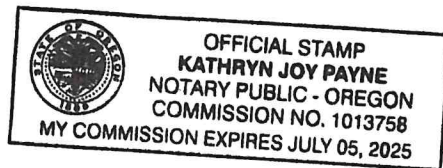
Name: Rick Scholl

Title: Mayor

Date Executed: 8/28/24

STATE OF OREGON)
) ss
County of)

On this August 28, 2024, before me personally appeared Rick Scholl, the Mayor of the City of St. Helens, Oregon, an Oregon municipal corporation, who being duly sworn, acknowledged before me that the instrument was signed on behalf of the said municipal corporation by due corporate authorization and acknowledged said instrument to be its voluntary act and deed.



Kathryn Joy Payne
Notary Public for Oregon

My commission expires: 7/5/25

EXHIBIT A TO DEED

Legal Description

EXHIBIT B TO DEED

Exceptions

[At Closing, insert applicable exceptions from Schedule B of the Title Policy]

[Remainder of page intentionally blank]

Exhibit 10(d)**Special Warranty Bill of Sale**

This Bill of Sale is entered into as of _____, 2024, by _____, a _____ ("Seller"), in favor of Arcadia Paper Mill, LLC ("Buyer"). This Bill of Sale is made pursuant to the Real Estate Purchase and Sale Agreement (the "Agreement") dated _____, 2024 by and between Seller and Buyer, to transfer the tangible "Personal Property," as that term is defined in the Agreement. Any capitalized term used but not defined in this Bill of Sale shall have the meaning set forth in the Agreement.

1. **Conveyance.** For good and valuable consideration, as contemplated and detailed in the Agreement, the receipt and adequacy of which Seller hereby acknowledges, Seller hereby irrevocably sells, assigns, transfers, conveys, grants, bargains, and delivers to Buyer, all of its right, title, and interest in and to tangible Personal Property described in the Agreement ("**Tangible Personal Property**"). Seller represents and warrants that Seller (i) is the owner of the Tangible Personal Property, (ii) is conveying title to all Tangible Personal Property free and clear of all encumbrances, debts, mortgages, attachments, pledges, charges, claims, and liens, and (iii) has the legal right to convey the Property.

2. **Disclaimer of Warranties.** EXCEPT FOR THE WARRANTIES SET FORTH HEREIN ABOVE, SELLER MAKES NO REPRESENTATION OR WARRANTY WHATSOEVER WITH RESPECT TO THE TANGIBLE PERSONAL PROPERTY, INCLUDING ANY (a) WARRANTY OF MERCHANTABILITY; (b) WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE; (c) WARRANTY OF TITLE; OR (d) WARRANTY AGAINST INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS OF A THIRD PARTY; WHETHER ARISING BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE, OR OTHERWISE. BY ACCEPTING THIS BILL OF SALE, BUYER ACKNOWLEDGES THAT IT HAS NOT RELIED ON ANY REPRESENTATION OR WARRANTY MADE BY SELLER, OR ANY OTHER PERSON ON SELLER'S BEHALF, EXCEPT AS SPECIFICALLY PROVIDED IN THE AGREEMENT.

3. **Further Assurances.** Seller, for itself and its successors and assigns, hereby covenants and agrees that, at any time and from time to time on Buyer's written request, Seller will do, execute, acknowledge, and deliver or cause to be done, executed, acknowledged, and delivered, all such further acts, deeds, assignments, transfers, conveyances, powers of attorney, and assurances as may be reasonably required by Buyer in order to assign, transfer, set over, convey, assure, and confirm unto and vest in Buyer and its successors and assigns title to the assets sold, conveyed, and transferred by this Bill of Sale.

SELLER:

By: _____

Name:

Title:

EXHIBIT 10(e)**ASSIGNMENT OF LEASES AND CONTRACTS AND BILL OF SALE**

This instrument is executed and delivered as of the ____ day of _____, 2024 pursuant to that certain Purchase and Sale Agreement ("**Agreement**") dated _____, 2024, by and between [_____] a [_____] ("**Seller**"), and [_____] ARCADIA PAPER MILLS, LLC ("**Buyer**"), covering the real property described in **Exhibit A** attached hereto ("**Real Property**"). This Agreement is made pursuant to the Real Estate Purchase and Sale Agreement (the "**PSA**") dated _____, 2023 by and between Seller and Buyer. Any capitalized term used but not defined in this Agreement shall have the meaning set forth in the PSA.

1. **Sale of Personalty.** For good and valuable consideration, Seller hereby sells, transfers, sets over and conveys to Buyer the Intangible Personal Property (as defined in the PSA).

2. **Assignment of Leases and Contracts.** For good and valuable consideration, Seller hereby assigns, transfers, sets over and conveys to Buyer, and Buyer hereby accepts the following from and after the date hereof:

(a) **Leases.** All of the landlord's right, title and interest in and to the tenant leases and deposits listed in **Exhibit B** attached hereto (collectively, the "**Leases**");

(b) **Service Contracts.** Seller's right, title, and interest in and to the service contracts described in **Exhibit C** attached hereto (collectively, the "**Service Contracts**").

3. **Agreement Applies.** The covenants, agreements, disclaimers, representations, warranties, indemnities and limitations provided in the Agreement with respect to the Property (including, without limitation, the limitations of liability provided in the Agreement), are hereby incorporated herein by this reference as if herein set out in full and shall inure to the benefit of and shall be binding upon Buyer and Seller and their respective successors and assigns.

4. **Indemnities and Assumption.** Buyer, as of the date hereof, hereby accepts the foregoing assignment and assumes all of Seller's obligations under the Leases to the extent first arising and accruing on and after the date hereof. Buyer hereby agrees to indemnify, defend and hold harmless Seller from and against any and all costs, liabilities, losses, damages and expenses, including, without limitation, reasonable attorneys' fees and expenses (collectively, "**Losses**") first arising out of or related to a breach of the landlord's obligations under any of the Leases by Buyer first occurring on or after the date hereof. Seller hereby agrees to indemnify, defend and hold harmless Buyer from and against any and all Losses arising out of or related to a breach of the landlord's obligations under any of the Leases prior to the date hereof.

5. **Counterparts.** This Agreement may be executed in counterparts, each of which shall be an original and all of which taken together shall constitute one and the same Agreement.

IN WITNESS WHEREOF, the undersigned have caused this instrument to be executed as of the date written above.

SELLER:

[_____] , a
[_____]

Date: _____, 2024

By:

Name: [_____]
Title: [_____]

BUYER:

ARCADIA PAPER MILLS, LLC,
a [_____]

Date: _____, 2024

By:

Name: [_____]
Title: [_____]

EXHIBIT A to Assignment Agreement

LEGAL DESCRIPTION

[To Be Attached.]

KILPATRICK TOWNSEND 78599663 14

FIRST AMENDMENT TO PURCHASE AND SALE AGREEMENT

This FIRST AMENDMENT TO REAL ESTATE PURCHASE AND SALE AGREEMENT (this “**Amendment**”), dated Feb. 19, 2025 (the “**Amendment Effective Date**”), is entered into by and between **Arcadia Paper Mills, LLC**, a State of Oregon limited liability company (“**Purchaser**”), as purchaser, and **The City of St. Helens, Oregon**, an Oregon municipal corporation (“**Seller**”). The Purchaser and Seller are referred to herein as the “**Parties**” and each, individually, as a “**Party**.”

WHEREAS, Purchaser and Seller are parties to that certain Real Estate Purchase and Sale Agreement dated August 30, 2024 (the “**PSA**”), with respect to certain real property described therein, located in St. Helens, Columbia County, Oregon.

WHEREAS, Seller and Buyer desire to amend the Agreement to as hereinafter set forth.

NOW, THEREFORE, in consideration of the mutual promises of the parties as set forth herein, Seller and Buyer hereby agree as follows:

1. **Definitions.** All capitalized terms not defined in this Amendment have the meanings ascribed to them in the Agreement. All references to the “**Agreement**” contained in this Amendment and in the Agreement shall refer to the Agreement as amended by this Amendment.

2. **Legal Description of the Land.** The anticipated “**Approvals Survey**” (as contemplated and defined by Section 2 of the PSA), reflecting the parties’ proposed final configuration of the Land, is attached hereto as **Exhibit A-1**; provided, however, final acceptance of the Approvals Survey is subject to the Purchaser’s and Seller’s approval of the conditions for approval (for the necessary boundary line adjustment), which have not been fully determined by the applicable approving governing body.

3. **Amendment and License.** In consideration of this Amendment and the license (as defined below), as well as the non-refundable of One Hundred Thousand Dollars (\$100,000) paid to Seller by Purchaser on the date hereof, Seller hereby grants to Buyer a license (the “**License**”) to engage in certain activities at the Premises, subject to and upon the terms and conditions set forth in **Exhibit B** attached hereto and made a part hereof (the “**License Rider**”). For purposes of clarification, the aforementioned One Hundred Thousand Dollars (\$100,000) payment to Seller is not applicable against the Purchase Price under the PSA.

4. **Closing Date.** Section 9(a) of the PSA is hereby deleted and replaced with the following:

“The closing of the purchase and sale of the Property pursuant to this Agreement (the “**Closing**,” “**Close**” or “**Closed**”) shall take place through Escrow (as defined below) on or before the earlier to occur of: (i) thirty (30) days after the date that Purchaser has entered into a “**Prospective Purchaser Agreement**” with the Oregon Department of Environmental Quality (the “**PPA**”), or (ii) September 30, 2025. Purchaser agrees to use good faith, commercially reasonable and diligent efforts to procure the PPA in a timely manner.”

5. **Office Max Indemnity.** The parties hereby agree that the Closing condition set forth in Section 15(b)(ii) is hereby waived by Purchaser. Notwithstanding the waiver of such condition by Purchaser, Seller agrees to continue to use continuous good faith and commercially reasonable efforts to procure an “**Indemnity Agreement**” that allowing Purchaser to directly enforce the Office Max Indemnity (such enforcement right pertaining to the Property only).

All other terms and conditions of the Purchase and Sale Agreement remain as agreed upon. This First Amendment is deemed to be incorporated into the PSA and subject to all other terms and conditions therein.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment No. 1 to the Purchase and Sale Agreement, effective as of the Effective Date defined above.

SELLER:

CITY OF ST. HELENS, OREGON
an Oregon municipal corporation

By: Jennifer Massey
Name: Jennifer Massey
Title: Mayor
Date Executed: 2/19/25

PURCHASER

ARCADIA PAPER MILLS, LLC
a State of Oregon limited liability company

By: [Signature]
Name: ERIC OVANESSIAN
Title: COO
Date Executed: 2-10-25

Exhibit A-1
Approvals Survey

[See Attachment]

Exhibit A-2

Conditions to Approval of Land Configuration

[See Attachment]

Exhibit B

License to Enter the Premises

1. License; Licensed Premises. The “**Premises**” subject to the License and the terms of this License Rider consists of: (i) the real property contained within the boundaries of the Approvals Survey attached to this Amendment as “**Exhibit A**” (the “**Land**”), (ii) all buildings and other improvements, if any, located thereon, and (iii) all equipment, machinery, and other personal property currently located at the Land and used in connection with the operation of the mill buildings located upon the Land.

2. Purpose of this License. The Parties acknowledge and agree that the purpose of this License is to allow Purchaser: (i) to continue pursuing the Prospective Purchaser Agreement (“**PPA**”) with the State of Oregon Department of Environmental Quality; and (ii) to (a) thoroughly and fully test the machinery and equipment located at the Premises fully and (b) to continue to maintain and keep such machinery and equipment operable and to limit the deterioration. Consistent with the foregoing sentence, Seller requires Purchaser, and Purchaser accepts the obligation (and to bear the related costs) to test, maintain, operate, and commission the equipment and machinery on the Premises to preserve the value and to minimize deterioration of such equipment and machinery.

3. Term. The term of the License (the “**Term**”) shall begin on the date of full execution of the Amendment (the “**Commencement Date**”), and shall end on the earliest to occur of: (i) the Closing Date, (ii) the date the PSA is terminated in accordance with its terms by either Party, or (iii) Seller’s termination of this License following a default by Purchaser beyond all applicable notice and cure periods, as provided in Section 12 below (the “**Expiration Date**”).

4. Possession and Use.

(a) Purchaser hereby accepts the Premises in “**as is, where is**” condition. Purchaser acknowledges that it has inspected the Premises, that it is satisfied with the condition of the Premises, and that Seller has not made any representations, express or implied, regarding the Premises. Seller shall have no obligation to perform or pay for any repairs, replacements, improvements or alterations in or to the Premises.

(b) Purchaser shall use the Premises only for the following activities, and no others without Seller’s prior written consent, which may be ~~be~~ withheld or granted in Seller’s reasonable discretion: (i) the repairing, refurbishing, rebuilding, reinstalling, testing, and the commissioning the equipment and machinery located at the Premises; (ii) the maintaining, repairing, refurbishing, rebuilding, reinstalling, testing, and commissioning the structures, access points, and site utilities (such potable and process water, wastewater, and electrical) at the Premises; and (iii) _____ (the “**Permitted Use**”). Purchaser shall obey and comply with all laws, rules, regulations, ordinances, and other legal requirements at all ~~times~~ during the Term. Purchaser shall not cause or permit a nuisance to exist on or about the Premises, and shall at all times maintain the Premises in clean and attractive condition, properly dispose of all trash, refrain from burning anything on or about the Premises, refrain from engaging in any dangerous, illegal or immoral activities on or about the Premises and obey such other reasonable rules that Seller may issue from time to time regarding Purchaser’s use of the Premises.

5. Deposit.

(a) In consideration of this Amendment the License Seller and Purchaser agree that Purchaser will remit to Seller a non-refundable deposit in the amount of One Hundred Thousand Dollars (\$100,000) (“**Deposit**”) on the date hereof (the “**License Fee Commencement Date**”).

6. Repair and Maintenance. Purchaser shall, at its sole cost and expense (and without expectation of reimbursement from Seller if the Closing does not occur pursuant to the PSA), maintain in good condition and repair the entire Premises, including without limitation all buildings and other improvements on the Premises, all machinery and equipment located within the buildings and other improvements, and all roofs, structural elements and exterior walls, landscaping, driveways, parking areas and building systems (including without limitation plumbing, electrical, heating and air conditioning), and otherwise keep and maintain the Premises in good order and repair throughout the Term. Purchaser, at its sole expense, shall make any modifications of the Premises required to comply with applicable legal requirements related to its use of the Premises, including without limitation the Americans with Disabilities Act.

7. Alterations. Purchaser shall have no right to make any alterations in or to any portion of the Premises without having first obtained the prior written consent of Seller, which may be withheld or conditioned in Seller’s sole discretion.

Any alterations consented to by Seller (including without limitation all planning and permitting) shall be at Purchaser’s sole expense, shall not reduce the value of the Premises, and shall be performed by Purchaser in a good and workmanlike manner in accordance with all applicable legal requirements and restrictions. In connection with any work by Purchaser in or at the Premises, Purchaser agrees that Purchaser and its employees, agents, contractors and suppliers will obey reasonable rules and regulations established by Seller, work in harmony with Seller and its employees, agents, contractors and suppliers, and not interfere with the use and operation of properties adjacent to the Premises. Purchaser agrees that entry and work in or at the Premises by Purchaser and its employees, agents, contractors and suppliers shall be governed by all of the terms, covenants, conditions and provisions of this License Rider, including without limitation Purchaser’s indemnification agreements and agreements to maintain insurance coverage. In addition to the insurance coverage otherwise required under this License Rider, at all times during work in or at the Premises by Purchaser or its contractors, Purchaser shall maintain or cause to be maintained Builder’s Risk Completed Value fire and extended coverage insurance covering the Premises in form and amounts satisfactory to Seller (with insurance certificate delivered to and approved by Seller in advance of any work, and with Seller named as loss payee). Purchaser further agrees that Seller shall not be liable in any way for injury, loss or damage which may occur to any of Purchaser’s work or installations, or to any personal property, all of which shall be at Purchaser’s sole risk, and Purchaser hereby waives any and all such liability of Seller.

Purchaser shall obtain the prior written approval of Seller of all plans for any work in or at the Premises before commencing work, and shall cause the Premises to be improved in accordance with the plans as approved by Seller. Purchaser or Purchaser’s contractors shall file all required drawings, plans and specifications with, pay all required fees to and obtain all necessary permits and certificates from governmental authorities with jurisdiction over such work. All contractors must be approved in writing by Seller, approval not to be unreasonably withheld, and must maintain insurance coverage as required by Seller. Purchaser shall indemnify, defend and hold harmless Seller, and its agents, employees, successors and assigns, from and against all claims, damages, losses, costs and liabilities of any kind, nature and description (including without limitation reasonable attorneys’ fees and costs) which may arise out of or in any way be connected with any such work.

Purchaser shall keep the Premises free and clear of any lien or claim of lien arising out of any work occurring, or allegedly occurring, by, through or under Purchaser, and shall immediately pay and discharge any such lien or claim of lien that is filed.

8. Utilities and Services.

(a) *Utilities and Services - General.* Except as expressly provided otherwise in this License, Purchaser shall make all arrangements for and pay for all utilities and services to be used by Purchaser in its operations and activities at the Premises, including, without limitation, gas, electricity, water, sewer, janitorial, trash removal and communications services, including without limitation any and all charges for initiation of such utilities and services. Seller agrees to reimburse Purchaser: (i) for up to Twenty Thousand and No/100 Dollars (\$20,000) of electricity costs incurred by Purchaser at the Premises in the month of December 2024, and (ii) for up to Twenty Thousand and No/100 Dollars (\$20,000) of electricity costs incurred by Purchaser at the Premises in the month of January 2025. Such reimbursement shall be tendered within thirty (30) days after receiving evidence of Purchaser's payment of the foregoing costs to be reimbursed.

(b) *Security.* Notwithstanding the foregoing, Seller was responsible for the hiring of, and payment for, security services at the Property through December 31, 2024. Commencing at 12:01 a.m. on January 1, 2025 (the "**Security Turnover Date**"), Purchaser was and thereafter shall be solely responsible for procuring security services at the Property for the remainder of the License Term. If Purchaser elects to use a different security service (or procure a different level of security service than Seller is providing prior to the Security Turnover Date) than the one being used by Seller, the Purchaser must first obtain Seller's approval of such proposed new security service. PURCHASER EXPRESSLY ACKNOWLEDGES THAT ANY SECURITY SERVICES AND/OR PROGRAMS PROCURED BY SELLER OR APPROVED BY SELLER, MAY NOT PREVENT THEFT OR OTHER CRIMINAL ACTS, OR INSURE THE SAFETY OF PERSONS OR PROPERTY, AND PURCHASER EXPRESSLY ASSUMES THE RISK THAT ANY SUCH SECURITY SERVICE OR PROGRAM MAY NOT BE EFFECTIVE.

9. Casualty or Condemnation.

(a) *Casualty.* If the improvements that are part of the Premises are totally or partially damaged or destroyed by fire or other casualty, however caused, or by any other cause or happening, then Purchaser shall promptly give written notice of the damage or destruction to Seller. In such event, the Parties will proceed in accordance with the PSA, and Purchaser may, in its discretion, elect to terminate this License by delivery of written notice of such termination to Seller at any time after the occurrence of such damage or destruction. Upon any such termination, and subject to any conflicting provisions of the PSA with respect to the rights of the Parties to receive insurance proceeds following a casualty event (which such terms shall control in the event of any conflict), Seller shall be entitled to receive all insurance proceeds payable with respect to the Premises (other than any proceeds payable solely with respect to the personal property and trade fixtures of Purchaser).

(b) *Condemnation.* If the whole of the Premises shall be taken for any public or any quasi-public use under any statute or by right of eminent domain, or by purchase in lieu thereof, then, subject to the terms of this License shall automatically terminate as of the date that title shall be taken. If any part of the Premises shall be so taken as to render the remainder thereof unusable for the purposes for which the Premises was leased, then each of Seller and Purchaser shall have the right to terminate this License upon written notice to the other delivered at any time after the date of such taking. In the event that the License shall terminate or be terminated, the Deposit shall be refunded by Seller to Purchaser. If the License is not terminated, the Deposit shall not be reduced or abated. Subject to any conflicting terms in the PSA (which shall control, in the event of any such conflict), all compensation awarded or paid upon a total or partial

taking of the Premises shall belong to and be the property of Seller without any participation by Purchaser;; provided, that nothing contained herein shall be construed to preclude Purchaser from prosecuting a separate claim directly against the condemning authority for moving expenses or loss of business as long as such claim does not diminish or otherwise adversely affect Seller's award.

10. Insurance. Throughout the Term, Purchaser at its sole cost shall maintain the following insurance coverage.

(a) Commercial General Liability Insurance (current ISO form or its equivalent) in the amount of at least One Million and No/100 Dollars (\$1,000,000.00) per occurrence, with a General Aggregate limit per location of at least Two Million and No/100 Dollars (\$2,000,000.00), and Umbrella Liability coverage in the amount of at least Four Million and No/100 Dollars (\$4,000,000.00), or such other amounts as Seller may reasonably require upon not less than six (6) months' prior written notice. Such insurance shall be on an occurrence basis with respect to the business carried on in or from the Premises and Purchaser's use and occupancy of the Premises. Purchaser further agrees that such insurance shall contain fire and extended coverage legal liability insurance. Purchaser's insurance shall be primary and noncontributory with regard to the Premises and Purchaser's operations.

(eb) Statutory Workers' Compensation Insurance and Employer's Liability Insurance with minimum limits of at least \$500,000/\$500,000/\$500,000, with waiver of subrogation in favor of Seller (Purchaser hereby waiving any claims against Seller covered by such insurance).

(dc) Business Auto Liability Insurance which insures against bodily injury and property damage claims arising out of the ownership, maintenance or use of "any auto." A minimum of One Million and No/100 Dollars (\$1,000,000) combined single limit shall apply.

Each policy of insurance required to be maintained by Purchaser pursuant to this Section 10 shall: (x) be placed with insurance companies admitted to do business in the state in which the Premises is located and approved by Seller in its reasonable discretion, and (y) contain an endorsement requiring thirty (30) days' written notice from the insurance company to Seller prior to any cancellation or reduction in coverage of the policy. The commercial general liability insurance and business auto liability insurance policies shall each name Seller as additional insured. Prior to the Commencement Date, and annually thereafter (or otherwise upon request of Seller), Purchaser shall deliver to Seller certificates of insurance evidencing the policies of insurance required by this Section 10, together with satisfactory evidence of proof of payment of premiums.

Notwithstanding anything to the contrary: (i) Seller shall not be responsible or liable to Purchaser or its insurers for any loss or damage incurred by Purchaser or with respect to Purchaser's property to the extent covered by insurance required to be obtained and maintained by Purchaser under this License Rider (whether or not such insurance is actually obtained or maintained) or the proceeds of any other insurance maintained by Purchaser, and (ii) Purchaser shall not be responsible or liable to Seller or its insurers for any loss or damage incurred by Seller or with respect to Seller's property to the extent covered by proceeds of insurance maintained by Seller.

11. Indemnity and Waiver. Purchaser shall protect, indemnify, defend and save harmless the Seller from and against any and all claims, demands, liabilities, actions, losses, liens, costs and expenses of any nature whatsoever (including without limitation attorneys' fees) in any manner growing out, related to or arising from: (i) Purchaser's use and occupancy of the Premises, (ii) any injury, death or property damage occurring in or about the Premises, and (iii) any Default, as defined below, under this License Rider by Purchaser. Purchaser hereby releases and waives all claims against Seller, its agents and employees, for

injury (including death) or damage to person, property or business sustained in or about the Premises by Purchaser, its agents or employees.

12. Default. The occurrence of any one of the following shall constitute a default (“**Default**”) by Purchaser:

(a) Purchaser fails to perform, observe, or comply with any of the terms, covenants and obligations set forth in this License Rider other than the obligations set forth in Section 12(a) above, and Purchaser: (i) fails to promptly commence cure of such failure following written notice of such breach from Seller, and (ii) such breach is not cured within thirty (30) days after Seller’s deliver of such written notice to Purchaser;

(b) A petition is filed by or against Purchaser to declare Purchaser bankrupt or seeking a plan of reorganization or arrangement under any Chapter of the Bankruptcy Code, or an assignment is made by Purchaser for the benefit of its creditors, or a receiver or trustee is appointed for Purchaser’s property; or

(c) Purchaser is in default under the PSA beyond all applicable notice and cure periods.

13. Seller’s Remedies. Upon a Default, Seller may exercise any or all of the remedies set forth in this Section 13. These remedies are not exclusive; they are cumulative in addition to any other remedies now or later allowed by law or in equity.

(a) Seller shall have the right to immediately terminate this License. Purchaser shall surrender possession of the Premises to Seller on demand, and Seller shall have the right to enter the Premises without notice to vacate (any right to which is hereby waived by Purchaser) and relet them, using such reasonable force as may be necessary (including without limitation changing any or all locks on the Premises), all without being liable to Purchaser or any other party. No act by Seller other than the giving notice of termination to Purchaser in writing shall terminate the License.

(b) Seller shall have the right to recover from Purchaser all damages ~~as are~~ caused by Purchaser’s Default.

(c) Seller shall have the right (but not the obligation) to cure any Default on behalf and at the expense of Purchaser without further prior notice to Purchaser, and all sums expended or expenses incurred by Seller in performing such shall be deemed to be additional license fee under this License and shall be due and payable upon demand by Seller with interest at the rate provided in Section 4 of this License Rider above.

14. Assignment and Subletting. Except for any assignment expressly permitted pursuant to Section 24 of the PSA, Purchaser shall not sell, assign, pledge or hypothecate the License rights and/or obligations created pursuant to this License Rider or sublet the Premises or any part thereof without the prior written consent of Seller, in Seller’s sole discretion. An assignment shall be considered to include a change in the majority ownership or control of Purchaser, and any change in control of Purchaser without prior written approval from Seller shall be deemed a violation of the foregoing provision unless Seller consents thereto in writing. Consent by Seller to one assignment, subletting or other transfer shall not destroy or operate as a waiver of the prohibitions contained in this Section 14 as to future assignments, subleases or other transfers, and all such later assignments, subleases or transfers shall be made only with Seller’s prior written consent. In the event any assignment or other transfer of Purchaser’s rights and obligations set forth in this License Rider, or subletting of the Premises or any part thereof, is made by Purchaser, whether or not the same is consented to by Seller, Purchaser shall remain liable to Seller for payment of all fees and charges hereunder, and for the faithful performance of all of the other terms and

covenants of this License Rider to the same extent as if the License rights and/or obligations created pursuant to this License Rider had not been assigned, transferred or the Premises sublet.

15. Surrender. Unless Purchaser acquires the Premises at the Closing pursuant to the PSA, then Purchaser shall surrender the Premises to Seller at the expiration of the Term or the earlier termination of the License in as good condition as they were when received, normal wear and tear excepted. Purchaser shall pay Seller Twenty Five Thousand Dollars (\$25,000.00) for each month or a pro rata portion of any month during any period that it holds over in possession of the Premises after the termination of the License or expiration of the Term; provided, that nothing in this Section 15 shall entitle Purchaser to extend or renew the Term, or constitute a waiver by Seller of any re-entry rights of Seller available under this License Rider or by law. Notwithstanding anything to the contrary in this License Rider, if Purchaser fails to surrender the Premises to Seller as required under this License Rider upon the expiration of the Term or earlier termination of the License, such holding over shall immediately constitute a default by Purchaser under this License Rider, and Purchaser agrees to indemnify, defend and hold harmless Seller from and against all claims, actions, damages, liabilities, losses and expenses arising from such holding over, including without limitation claims made by any succeeding Purchaser or real estate broker, losses or damages resulting from the inability to lease or deliver possession of the Premises to any succeeding or prospective Purchaser (including without limitation lost profits and other consequential damages) and attorneys' fees.

All trade fixtures and furnishings installed in the Premises by and at the expense of Purchaser may be removed by Purchaser at any time prior to expiration of the Term or earlier termination of the License; provided, that such removal will not damage the Premises. Purchaser agrees that it will promptly repair any damage caused by such removal. Any such property of Purchaser not so removed before the expiration of the Term or the earlier termination of the License shall, at Seller's option, become the property of Seller, or shall be removed by Purchaser, at Purchaser's expense, on demand. Purchaser's obligations under this Section 15 shall survive the termination of the License or expiration of the Term.

16. Right of Entry. Seller and its authorized representatives shall have the right to enter the Premises at all reasonable times upon reasonable notice (except in emergencies, when notice shall not be required) to inspect the Premises, and to exhibit the Premises to prospective Purchasers during the last six (6) months of the Term.

17. Hazardous Materials.

(a) Purchaser shall not use, generate, manufacture, produce, store, release, discharge or dispose of on, in, at or under the Premises, or transport to or from the Premises, any Hazardous Materials (as defined below), or allow any other person or entity to do so, except for such Hazardous Materials as are typically used in the commercially reasonable operation of the Premises for the Permitted Use. Purchaser shall comply with all local, state and federal laws, ordinances and regulations relating to Hazardous Materials on, in, under or about the Premises.

(b) Purchaser shall promptly notify Seller should Purchaser receive notice of, or otherwise become aware of, any: (a) pending or threatened environmental regulatory action against Purchaser or the Premises; (b) claims made or threatened by any third party relating to any loss or injury resulting from any Hazardous Material; or (c) release or discharge, or threatened release or discharge, of any Hazardous Material in, on, under or about the Premises.

(c) Purchaser agrees to indemnify, defend and hold harmless Seller from and against any and all liabilities, claims, demands, costs and expenses of every kind and nature (including reasonable attorneys' fees) directly or indirectly attributable to Purchaser's failure to comply with this Section 17, including,

without limitation: (a) all consequential damages; and (b) the costs of any required or necessary repair, cleanup or other response action. The indemnity contained in this Section 17 shall survive the termination or expiration of the License.

(d) As used in this Section 17, the term “**Hazardous Materials**” shall mean any substance which is dangerous or harmful or potentially dangerous or harmful to human health or the environment, including but not limited to petroleum products and any substance designated as a “hazardous substance,” “hazardous waste,” “hazardous material,” “toxic substance,” or “pollutant” under any law or regulation.

18. Limitation on Liability. Purchaser shall look solely to the estate and interest of Seller in the Premises for the collection of any judgment requiring the payment of money by Seller for default or breach by Seller under this License Rider.

19. Waiver. The waiver by Seller of any breach of any covenant or obligation in this License rider shall not be a waiver of any other Default concerning the same or any other covenant or agreement herein contained. The receipt and acceptance by Seller of delinquent or partial fees shall not constitute a waiver of that or any other Default.

20. Notice. The terms of Section 31 of the PSA shall control with respect to giving of notice pursuant to the terms of this License Rider.

[End of Exhibit B]

City of St. Helens

RESOLUTION NO. 2053

A RESOLUTION OF THE CITY COUNCIL OF ST. HELENS,
OREGON, AUTHORIZING AMENDMENT NO. 2 TO THE PURCHASE
AND SALE AGREEMENT OF PROPERTY AT 1300 KASTER ROAD,
ACCOUNT NOS. 13249 AND 13215, AND AUTHORIZING AND
DIRECTING THE CITY ADMINISTRATOR TO TAKE APPROPRIATE
STEPS TO EFFECTUATE CLOSING OF THE SALE OF PROPERTY

WHEREAS, pursuant to Resolution No. 2020, the City of St. Helens declared the property located at 1300 Kaster Road, Account Nos. 13249 and 13215 (the "Property") surplus and satisfied the required process set forth in ORS 221.725, by publishing a notice of the proposed sale in a newspaper of general circulation in the City, holding a public hearing to receive comments from any resident regarding the sale of the Property, and disclosing at the public hearing the nature of the proposed sale and the general terms thereof, including an appraisal or other evidence of the market value of the Property; and

WHEREAS, pursuant to Resolution No. 2020, the City of St. Helens authorized the sale of the Property to Arcadia Paper Mills, LLC, and authorized the City Administrator to take appropriate steps to complete the sale according to the terms negotiated; and

WHEREAS, the City (the "Seller") and Arcadia Paper Mills, LLC, (the "Buyer") (together referred to as the "Parties") entered into a Purchase and Sale Agreement, dated August 30, 2024, for the Property, which authorized the Buyer a period of time to conduct a due diligence assessment of the Property; and

WHEREAS, on February 19, 2025, the Parties entered into a First Amendment to the Purchase and Sale Agreement for the Property; and

WHEREAS, the Parties have negotiated a Second Amendment to the Purchase and Sale Agreement for the Property, which the Parties now seek to execute; and

WHEREAS, the Parties desire to proceed with the Purchase and Sale of the Property and effectuate closing under the terms and conditions as negotiated.

NOW THEREFORE, THE CITY OF ST. HELENS RESOLVES AS FOLLOWS:

1. The City Administrator is authorized and directed to execute Amendment No. 2 to the Purchase and Sale Agreement, which is attached hereto.

2. The City Administrator is authorized and directed to take appropriate steps to complete and effectuate the closing of the Purchase and Sale of Property located at 1300 Kaster Road to Arcadia Paper Mills, LLC, including finalizing all related documents, in accordance with the Purchase and Sale Agreement and Amendments No. 1 and No. 2.
3. This Resolution shall become effective immediately upon passage.

PASSED AND ADOPTED by the City Council on this 28th day of August 2025 by the following vote:

Ayes:

Nays:

Abstains:

Jennifer Massey, Mayor

ATTEST:

Kathy Payne, City Recorder

SECOND AMENDMENT TO PURCHASE AND SALE AGREEMENT

This SECOND AMENDMENT TO REAL ESTATE PURCHASE AND SALE AGREEMENT (this “**Amendment**”), dated August __, 2025 (the “**Amendment Effective Date**”), is entered into by and between:

1. **ARCADIA HOLDINGS, LLC**, an Oregon limited liability company (“**Purchaser**”);
and
2. **THE CITY OF ST. HELENS, OREGON**, an Oregon municipal corporation (“**Seller**”).

The Purchaser and Seller are referred to herein as, the “**Parties**” and each, individually as, a “**Party**.”

WHEREAS, Purchaser’s predecessor-in-interest, Arcadia Paper Mills, LLC (“**Original Purchaser**”) and Seller entered into that certain Real Estate Purchase and Sale Agreement dated August 30, 2024 (as amended, the “**Agreement**”), as amended by that certain First Amendment thereto dated February 19, 2025 (“**First Amendment**”), with respect to certain real property described therein, located in St. Helens, Columbia County, Oregon;

WHEREAS, Original Purchaser assigned its right, title and interest into the Agreement to Purchaser pursuant to the Assignment and Assumption Agreement attached to this Amendment as **Exhibit A-1**, notice of such assignment was delivered to Seller pursuant to the notice attached hereto as **Exhibit A-2**, and Seller has consented to such assignment in reliance of the assignment materials provided by Purchaser and Original Purchaser; and

WHEREAS, Seller and Purchaser desire to amend the Agreement to as hereinafter set forth.

NOW, THEREFORE, in consideration of the mutual promises of the parties as set forth herein, Seller and Purchaser hereby agree as follows:

1. **Recitals; Definitions.** The foregoing Recitals are incorporated into and made a part of this Amendment. All capitalized terms not defined in this Amendment have the meanings ascribed to them in the Agreement. All references to the “**Agreement**” contained in this Amendment and in the Agreement shall refer to the Agreement as amended by this Amendment.

2. **Legal Description of the Land.** The PSA is hereby amended to reflect that all approval processes for the final configuration of the Land have been completed, and the legal description attached hereto as **Exhibit B** describes the boundaries of the Land that is to be conveyed pursuant to the PSA. **Exhibit B** supersedes all other, prior descriptions of the boundaries of the Land (whether via the Approved Survey or otherwise) among the parties. Seller has provided Purchaser with a copy of the Approvals related to the final configuration of the Land (as approved in this Section 2), and Purchaser has approved of all applicable conditions to such Approvals.

Purchaser and Seller further agree that, to the extent it is necessary or becomes necessary post-Closing to engage in any further property line adjustments or to record any partitions in order to ensure the legality of the lots created by the property line adjustment process used to configure

the Land pursuant to the Agreement, Seller shall pursue such adjustments or partitions and Purchaser shall reasonably cooperate with Seller's efforts, including signing such applications, owner approvals, and other filings and materials necessary to carry out activities. The terms of this subsection shall survive the Closing.

3. **Seller Financing; Additional Transaction Terms.** The Parties agree to substitute the entirety of the existing text of Section 8(b) with the replacement Section 8(b) attached to this Amendment as **Exhibit C-1**. Attached hereto as **Exhibit C-2** is a redline reflecting the revisions to the original Section 8(b) made pursuant to this Amendment.

4. **No Third-Party Beneficiaries.** Section 34 ([Intentionally Omitted]) is hereby deleted and replaced with the following:

"34. **No Third-Party Beneficiaries.** This Agreement is for the sole benefit of the Parties hereto and their respective successors and permitted assigns. Nothing herein, express, or implied, is intended to or shall confer upon any other person or entity any legal or equitable right, benefit, or remedy of any nature whatsoever under or by reason of this Agreement."

5. **Allocation of Purchase Price.** The Parties agree that the Purchase Price has been allocated as follows: \$5,000,000 of the Purchase Price is allocated to the Real Property, and (ii) \$2,500,000 of the Purchase Price is allocated to the Personal Property, Intangible Personal Property, and Plans and Specifications.,

6. **Modification of Payment and Seller Financing Terms.**

(a) **Payment at Closing.** Section 3(a) of the PSA is hereby amended to delete the reference to a \$3,500,000 payment at Closing by Purchaser and instead provide that Purchaser shall make a part payment of the Purchase Price in the amount of Four Million Five Hundred Sixty Seven Four Hundred Thirty Six and 72/100 Dollars (\$4,567,436.72), such amount being payable by wire transfer in immediately available federal funds at Closing.

(b) **Return of Deposit.** Section 3(b) of the PSA is hereby amended to provide that, if the transaction Closes, the Deposit shall be returned to Purchaser at Closing (to the extent not applied against Purchaser's closing costs at Closing), rather than being applied as a credit against the PSA. The remaining provisions of Section 3(b) of the PSA remain unaffected by the foregoing.

(c) **Seller Loan.** Section 3(c) of the PSA is hereby amended to provide that the Promissory Note deliverable to Seller at Closing (as part of the partial seller financing contemplated by the PSA) shall be in an amount equal to the balance of the Purchase Price remaining due and owing after giving effect to (i) application of Purchaser's \$4,567,436.72 payment at Closing contemplated by Section 3(a); and (ii) any adjustments to the Purchase Price that are made on account of Closing prorations contemplated by the PSA.

(c) **Amendment to Seller Financing Documentation.** "Exhibit 8(a)-1" to the PSA is replaced with the version of such exhibit attached to this Amendment as **Exhibit D-1**.

“Exhibit 8(a)-2” to the PSA is replaced with the version of such exhibit attached to this Amendment as **Exhibit D-2**.

7. **Bill of Sale**. Seller agrees that Purchaser shall be permitted to identify a different entity (from itself) to receive conveyance of the Personal Property pursuant to the Bill of Sale to be delivered at Closing pursuant to the PSA.

8. **Reaffirmation of Agreement**. All other terms and conditions of the Purchase and Sale Agreement remain as agreed upon and are hereby reaffirmed. This Second Amendment shall be deemed to be incorporated into the PSA and subject to all other terms and conditions therein.:

IN WITNESS WHEREOF, the parties hereto have executed this Amendment to the Purchase and Sale Agreement, effective as of the Effective Date defined above.

SELLER:**CITY OF ST. HELENS, OREGON**

An Oregon municipal corporation

By: _____
Name: _____
Title: _____
Date Executed: _____

PURCHASER**ARCADIA HOLDINGS, LLC**

An Oregon limited liability company

By: _____
Name: _____
Title: _____
Date Executed: _____

Exhibit A-1

ASSIGNMENT AGREEMENT

[See Attachment]

Exhibit A-2

Notice to Seller of Assignment

[See Attachment]

Exhibit B
Final Legal Description of the Land

[See Attachment]

Exhibit C-1

Replacement PSA Section 8(b) – Clean Copy

[See Attachment]

Exhibit C-2

Replacement PSA Section 8(b) – Clean Copy

[See Attachment]

Exhibit D-1

Replacement Exhibit 8(a)-1 (Promissory Note Form)

[See Attachment]

Exhibit D-2

Replacement Exhibit 8(a)-2 (Deed of Trust Form)

[See Attachment]