

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

AGENCY ACKNOWLEDGMENT

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

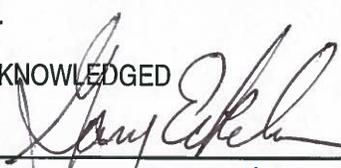
Pursuant to the requirements of Oregon Administrative Rules (OAR 863-015-0215), both Buyer and Seller acknowledge having received the Oregon Real Estate Agency Disclosure Pamphlet, and by execution below acknowledge and consent to the agency relationships in the following real estate purchase and sale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

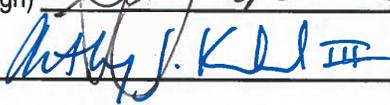
(a) Seller Agent: Skip Rotticci of Colliers International firm (the "Selling Firm") is the agent of (check one):
 Buyer exclusively; Seller exclusively; both Seller and Buyer ("Disclosed Limited Agency").

(b) Buyer Agent: _____ of _____ firm (the "Buying Firm") is the agent of (check one):
 Buyer exclusively; Seller exclusively; both Seller and Buyer ("Disclosed Limited Agency").

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

ACKNOWLEDGED

Buyer: (print) Gary Eckelman or assigns (sign)  Date: 1/25/2016

Seller: (print) City of Oregon City (sign)  Date: 2/24/2016

[No further text appears on this page.]

PURCHASE AND SALE AGREEMENT AND RECEIPT FOR EARNEST MONEY

1 This PURCHASE AND SALE AGREEMENT AND RECEIPT FOR EARNEST MONEY (this
2 "Agreement") is accepted, made and entered into on the later of the two dates shown beneath the parties'
3 signatures on the signature page attached hereto (the "Execution Date");
4

5 BETWEEN: City of Oregon City ("Seller")
6 Address: 625 Center Street Oregon City, OR 97045
7 Home Phone: _____
8 Office Phone: 503.657.0891
9 Fax No.: _____
10 E-Mail: eunderwood@orc.org
11

12 AND: Gary Eckelman or assigns ("Buyer")
13 Address: 4529 SE 67th Ave. Portland, OR 97206
14 Home Phone: _____
15 Office Phone: 503.572.1247
16 Fax No.: _____
17 E-Mail: gary@eckco.net
18
19

20 1. Purchase and Sale.
21

22 1.1 Generally. In accordance with this Agreement, Buyer agrees to buy and acquire from Seller, and
23 Seller agrees to sell to Buyer the following, all of which are collectively referred to in this Agreement as the
24 "Property:" (a) the real property and all improvements thereon generally described or located at **Approximately**
25 **9775 square feet of land at 922 Main Street** in the City of Oregon City, County of Clackamas Oregon legally
26 described on Exhibit A, attached hereto (the "Real Estate") (**if no legal description is attached, the legal**
27 **description shall be based on the legal description provided in the Preliminary Report (described in Section**
28 **5), subject to the review and approval of both parties hereto**), including all of Seller's right, title and interest in
29 and to all fixtures, appurtenances, and easements thereon or related thereto; (b) all of Seller's right, title and interest,
30 if any, in and to any and all lease(s) to which the Real Estate is subject (each, a "Lease"); and (c) any and all
31 personal property located on and used in connection with the operation of the Real Estate and owned by Seller (the
32 "Personal Property"). If there are any Leases, see Section 21.1, below. The occupancies of the Property pursuant to
33 any Leases are referred to as the "Tenancies" and the occupants thereunder are referred to as "Tenants." If there is
34 any Personal Property, see Section 21.2, below.
35

36 1.2 Purchase Price. The purchase price for the Property shall be **One Hundred Thousand dollars**
37 **(\$100,000)** (the "Purchase Price"). The Purchase Price shall be adjusted, as applicable, by the net amount of credits
38 and debits to Seller's account at Closing (defined below) made by Escrow Holder pursuant to the terms of this
39 Agreement. The Purchase Price shall be payable as follows:
40

41 1.2.1 Earnest Money Deposit.

42 (a) Within five (5) days of the Execution Date, Buyer shall deliver into Escrow (as
43 defined herein), for the account of Buyer, **\$3,000.00** as earnest money (the "Earnest Money") in the form of:

44 Promissory note (the "Note"); Check; or Cash or other immediately available funds.
45

46 If the Earnest Money is being held by the Selling Firm Buying Firm, then the firm holding such Earnest
47 Money shall deposit the Earnest Money in the Escrow (as hereinafter defined) Selling Firm's Client Trust

48 Account Buying Firm's Clients' Trust Account, no later than 5:00 PM Pacific Time three (3) business days after
49 such firm's receipt, but in no event later than the date set forth in the first sentence of this Section 1.2.1(a).
50

51 (b) If the Earnest Money is in the form of a Note, it shall be due and payable no later
52 than 5:00 PM Pacific Time three (3) days after the Execution Date; after satisfaction or waiver by Buyer of the
53 conditions to Buyer's obligation to purchase the Property set forth in this Agreement; or Other: _____. If the
54 terms of the Note and this Agreement conflict, the terms of this Agreement shall govern. If the Note is not redeemed
55 and paid in full when due, then: (i) the Note shall be delivered and endorsed to Seller (if not already in Seller's
56 possession); (ii) Seller may collect the Earnest Money from Buyer, either pursuant to an action on the Note or an
57 action on this Agreement; and (iii) Seller shall have no further obligations under this Agreement.
58

59 (c) The purchase and sale of the Property shall be accomplished through an escrow (the
60 "Escrow") that Seller has established or will establish with Lawyers Title Company Portland, Oregon (the "Escrow
61 Holder") within 3 days after the Execution Date. Except as otherwise provided in this Agreement: (i) any interest
62 earned on the Earnest Money shall be considered to be part of the Earnest Money; (ii) the Earnest Money shall be
63 non-refundable upon satisfaction or waiver of all Conditions as defined in Section 2.1; and (iii) the Earnest Money
64 shall be applied to the Purchase Price at Closing.
65

66 1.2.2 Balance of Purchase Price. Buyer shall pay the balance of the Purchase Price at Closing
67 by cash or other immediately available funds; or Other: _____.
68

69 1.3 Section 1031 Like-Kind Exchange. Each party acknowledges that either party (as applicable, the
70 "Exchanging Party") may elect to engage in and affect a like-kind exchange under Section 1031 of the Internal
71 Revenue Code of 1986, as amended, involving the Property (or any legal lot thereof) (a "1031 Exchange"). The non-
72 exchanging party with respect to a 1031 Exchange is referred to herein as the "Cooperating Party." Buyer and Seller
73 each hereby agrees to reasonably cooperate with the other in completing each such 1031 Exchange; provided,
74 however, that such cooperation shall be at the Exchanging Party's sole expense and shall not delay the Closing for
75 the Property. Accordingly, the Exchanging Party may assign the Exchanging Party's rights with respect to the
76 Property (or any legal lot thereof) to a person or entity for the purpose of consummating a 1031 Exchange
77 ("Intermediary"), provided that such assignment does not delay the Closing for the Property (or applicable legal lot
78 thereof), or otherwise reduce or diminish the Exchanging Party's liabilities or obligations hereunder. Such
79 assignment by the Exchanging Party shall not release the Exchanging Party from the obligations of the Exchanging
80 Party under this Agreement. The Cooperating Party shall not suffer any costs, expenses or liabilities for cooperating
81 with the Exchanging Party and shall not be required to take title to the exchange property. The Exchanging Party
82 agrees to indemnify, defend and hold the Cooperating Party harmless from any liability, damages and costs arising
83 out of the 1031 Exchange.
84

85 2. Conditions to Purchase.

86
87 2.1 Buyer's obligation to purchase the Property is conditioned on the following:
88

- 89 None;
90 Within 90 days of the Execution Date, Buyer's approval of the results of (collectively, the
91 "General Conditions"): (a) the Property inspection described in Section 3 below; (b) the
92 document review described in Section 4 below; and (c) (describe any other condition)
93 Feasibility Analysis;
94 Within 0 days of the Execution Date, Buyer's receipt of confirmation of satisfactory financing
95 (the "Financing Condition"); and/or
96 Other:
97

98 The General Conditions, Financing Conditions or any other Conditions noted shall be defined as "Conditions."
99

100 2.2 If, for any reason in Buyer's sole discretion, Buyer has not timely given written waiver of the
101 Conditions set forth in Section 2.1, or stated in writing that such Conditions have been satisfied, by notice given to
102 Seller within the time periods for such conditions set forth above, this Agreement shall be deemed automatically
103 terminated, the Earnest Money shall be promptly returned to Buyer, and thereafter, except as specifically provided to
104 the contrary herein, neither party shall have any further right or remedy hereunder.
105

106 3. Property Inspection. Seller shall permit Buyer and its agents, at Buyer's sole expense and risk, to enter
107 the Property at reasonable times after reasonable prior notice to Seller and after prior notice by Seller to the Tenants
108 as required by the applicable Leases, if any, to conduct any and all inspections, tests, and surveys concerning the
109 structural condition of the improvements, all mechanical, electrical and plumbing systems, hazardous materials, pest
110 infestation, soils conditions, wetlands, Americans with Disabilities Act compliance, zoning, and all other matters
111 affecting the suitability of the Property for Buyer's intended use and/or otherwise reasonably related to the purchase
112 of the Property including the economic feasibility of such purchase. If the transaction contemplated in this
113 Agreement fails to close for any reason (or no reason) as a result of the act or omission of Buyer or its agents, Buyer
114 shall promptly restore the Property to substantially the condition the Property was in prior to Buyer's performance of
115 any inspections or work. Buyer shall indemnify, hold harmless, and defend Seller from all liens, costs, and
116 expenses, including reasonable attorneys' fees and experts' fees, arising from or relating to Buyer's entry on and
117 inspection of the Property. This agreement to indemnify, hold harmless, and defend Seller shall survive Closing or
118 any termination of this Agreement.
119

120 4. Seller's Documents. Within 7 days after the Execution Date, Seller shall deliver to Buyer or Buyer's
121 designee, legible and complete copies of the following documents, including without limitation, a list of the Personal
122 Property, and other items relating to the ownership, operation, and maintenance of the Property to the extent now in
123 existence and to the extent such items are or come within Seller's possession or control: **Environmental Reports,**
124 **Surveys, Soils Reports, Plans, Permits, Approvals, Studies, Assessments, and Appraisals. City of Oregon**
125 **City will hire an independent vendor to perform an environmental assessment within the 90-day Due**
126 **Diligence period and provide documentation that the property is clear of any environmental contaminates or**
127 **hazards and does not require clean up measures by local & state authorities.**
128

129
130 5. Title Insurance. Within 7 days after the Execution Date, Seller shall cause to be delivered to Buyer a
131 preliminary title report from the title company (the "Title Company") selected by Seller (the "Preliminary Report"),
132 showing the status of Seller's title to the Property, together with complete and legible copies of all documents shown
133 therein as exceptions to title ("Exceptions"). Buyer shall have 5 days after receipt of a copy of the Preliminary Report
134 and Exceptions within which to give notice in writing to Seller of any objection to such title or to any liens or
135 encumbrances affecting the Property. Within 5 days after receipt of such notice from Buyer, Seller shall give Buyer
136 written notice of whether it is willing and able to remove the objected-to Exceptions. Without the need for objection
137 by Buyer, Seller shall, with respect to liens and encumbrances that can be satisfied and released by the payment of
138 money, eliminate such exceptions to title on or before Closing. Within 5 days after receipt of such notice from Seller
139 (the "Title Contingency Date"), Buyer shall elect whether to: (i) purchase the Property subject to those objected-to
140 Exceptions which Seller is not willing or able to remove; or (ii) terminate this Agreement. If Buyer fails to give Seller
141 notice of Buyer's election, then such inaction shall be deemed to be Buyer's election to terminate this Agreement.
142 On or before the Closing Date (defined below), Seller shall remove all Exceptions to which Buyer objects and which
143 Seller agrees, or is deemed to have agreed, Seller is willing and able to remove. All remaining Exceptions set forth
144 in the Preliminary Report and those Exceptions caused by or agreed to by Buyer shall be deemed
145 "Permitted Exceptions."
146

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

158
159 7. Closing of Sale.
160

161 7.1 Buyer and Seller agree the sale of the Property shall be consummated, in Escrow, on or before
162 **30 days following issuance of site development permits by the City of Oregon City** or _____ days after the
163 conditions set forth in Sections 2.1, 3, 4 and 5 have been satisfied or waived in writing by Buyer (the "Closing" or the
164 "Closing Date"). The sale of the Property shall be deemed closed when the document(s) conveying title to the
165 Property is/are delivered and recorded and the Purchase Price is disbursed to Seller.
166

167 7.2 At Closing, Buyer and Seller shall deposit with the Escrow Holder all documents and funds
168 required to close the transaction in accordance with the terms of this Agreement. At Closing, Seller shall
169 deliver a certification in a form provided by the Escrow Holder confirming whether Seller is or is not a "foreign
170 person" as such term is defined by applicable law and regulations.
171

172 7.3 At Closing, Seller shall convey fee simple title to the Property to Buyer by statutory warranty
173 deed or Special Warranty Deed (the "Deed"). At Closing, Seller shall cause the Title Company to deliver to
174 Buyer a standard ALTA form owner's policy of title insurance (the "Title Policy") in the amount of the Purchase Price
175 insuring fee simple title to the Property in Buyer subject only to the Permitted Exceptions and the standard preprinted
176 exceptions contained in the Title Policy. Seller shall reasonably cooperate in the issuance to Buyer of an ALTA
177 extended form policy of title insurance. Buyer shall pay any additional expense resulting from the ALTA extended
178 coverage and any endorsements required by Buyer.
179

180 8. Closing Costs; Prorations. Seller shall pay the premium for the Title Policy, provided, however, if Buyer
181 elects to obtain an ALTA extended form policy of title insurance and/or any endorsements, Buyer shall pay the
182 difference in the premium relating to such election. Seller and Buyer shall each pay one-half (1/2) of the escrow fees
183 charged by the Escrow Holder. Any excise tax and/or transfer tax shall be paid in accordance with the local custom
184 determined by the Title Company and applicable law. Real property taxes for the tax year of the Closing,
185 assessments (if a Permitted Exception), personal property taxes, rents and other charges arising from existing
186 Tenancies paid for the month of Closing, interest on assumed obligations, and utilities shall be prorated as of the
187 Closing Date. If applicable, prepaid rents, security deposits, and other unearned refundable deposits relating to
188 Tenancies shall be assigned and delivered to Buyer at Closing. Seller Buyer N/A shall be responsible for
189 payment of all taxes, interest, and penalties, if any, upon removal of the Property from any special assessment or
190 program.
191

192 9. Possession. Seller shall deliver exclusive possession of the Property, subject to the Tenancies (if any)
193 existing as of the Closing Date, to Buyer on the Closing Date or _____.
194

195 10. Condition of Property. Seller represents that Seller has received no written notices of violation of any
196 laws, codes, rules, or regulations applicable to the Property ("Laws"). Seller represents that, to the best of Seller's

197 knowledge without specific inquiry, Seller is not aware of any such violations or any concealed material defects in
198 the Property. Unless caused by Buyer, Seller shall bear all risk of loss and damage to the Property until Closing,
199 and Buyer shall bear such risk at and after Closing. Except for Seller's representations set forth in this Section 10
200 and the attached Exhibit E, Buyer shall acquire the Property "AS IS" with all faults and Buyer shall rely on the results
201 of its own inspection and investigation in Buyer's acquisition of the Property. It shall be a condition of Buyer's
202 Closing obligation that all of Seller's representations and warranties stated in this Agreement are materially true and
203 correct on the Closing Date. Seller's representations and warranties stated in this Agreement shall survive Closing
204 for one (1) year.
205

206 11. Operation of Property. Between the Execution Date and the Closing Date, Seller shall continue to
207 operate, maintain and insure the Property consistent with Seller's current operating practices. After Buyer has
208 satisfied or waived the conditions to Buyer's obligation to purchase the Property, and the Earnest Money is non-
209 refundable, Seller may not, without Buyer's prior written consent, which consent shall not be unreasonably withheld,
210 conditioned, or delayed, enter into: (a) any new leases or occupancy agreements for the Property; (b) any material
211 amendments or modification agreements for any existing leases or occupancy agreements for the Property; or (c)
212 any service contracts or other agreements affecting the Property that are not terminable at the Closing.
213

214 12. Assignment. Assignment of this Agreement: is PROHIBITED; is PERMITTED, without consent
215 of Seller; is PERMITTED ONLY UPON Seller's written consent; is PERMITTED ONLY IF the assignee is an
216 entity owned and controlled by Buyer. **Assignment is PROHIBITED, if no box is checked.** If Seller's written
217 consent is required for assignment, such consent may be withheld in Seller's reasonable discretion. In the event of a
218 permitted assignment, Buyer shall remain liable for all Buyer's obligations under this Agreement.
219

220 13. Arbitration. **IF AND ONLY IF THIS SECTION IS INITIALED BY EACH OF BUYER AND SELLER, THE**
221 **FOLLOWING SHALL APPLY TO THIS AGREEMENT:**
222

223 ANY DISPUTE BETWEEN BUYER AND SELLER RELATED TO THIS AGREEMENT, THE PROPERTY, OR THE
224 TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT WILL BE RESOLVED BY ARBITRATION GOVERNED
225 BY THE OREGON UNIFORM ARBITRATION ACT (ORS 36.600 et seq.) AND, TO THE EXTENT NOT
226 INCONSISTENT WITH THAT STATUTE, CONDUCTED IN ACCORDANCE WITH THE RULES OF PRACTICE AND
227 PROCEDURE FOR THE ARBITRATION OF COMMERCIAL DISPUTES OF ARBITRATION SERVICES OF
228 PORTLAND ("ASP"). THE ARBITRATION SHALL BE CONDUCTED IN PORTLAND, OREGON AND
229 ADMINISTERED BY ASP, WHICH WILL APPOINT A SINGLE ARBITRATOR HAVING AT LEAST FIVE (5) YEARS
230 EXPERIENCE IN THE COMMERCIAL REAL ESTATE FIELD IN THE Portland MSA GEOGRAPHIC AREA (IF
231 **BLANK IS NOT COMPLETED, PORTLAND METROPOLITAN AREA**). ALL ARBITRATION HEARINGS WILL BE
232 COMMENCED WITHIN THIRTY (30) DAYS OF THE DEMAND FOR ARBITRATION UNLESS THE ARBITRATOR,
233 FOR SHOWING OF GOOD CAUSE, EXTENDS THE COMMENCEMENT OF SUCH HEARING. THE DECISION OF
234 THE ARBITRATOR WILL BE BINDING ON BUYER AND SELLER, AND JUDGMENT UPON ANY ARBITRATION
235 AWARD MAY BE ENTERED IN ANY COURT HAVING JURISDICTION. THE PARTIES ACKNOWLEDGE THAT,
236 BY AGREEING TO ARBITRATE DISPUTES, EACH OF THEM IS WAIVING CERTAIN RIGHTS, INCLUDING ITS
237 RIGHTS TO SEEK REMEDIES IN COURT (INCLUDING A RIGHT TO A TRIAL BY JURY), TO DISCOVERY
238 PROCESSES THAT WOULD BE ATTENDANT TO A COURT PROCEEDING, AND TO PARTICIPATE IN A CLASS
239 ACTION.

240
241 _____
Initials of Buyer

240
241 _____
Initials of Seller

243 14. Attorneys' Fees. In the event a suit, action, arbitration, or other proceeding of any nature whatsoever,
244 including without limitation any proceeding under the U.S. Bankruptcy Code, is instituted, or the services of an
245 attorney are retained, to interpret or enforce any provision of this Agreement or with respect to any dispute relating to
246 this Agreement, the prevailing or non-defaulting party shall be entitled to recover from the losing or defaulting party

247 its attorneys', paralegals', accountants', and other experts' fees and all other fees, costs, and expenses actually
248 incurred in connection therewith (the "Fees"). In the event of suit, action, arbitration, or other proceeding, the
249 amount of Fees shall be determined by the judge or arbitrator, shall include all costs and expenses incurred on any
250 appeal or review, and shall be in addition to all other amounts provided by law.

251
252 15. Statutory Notice. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON
253 TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS
254 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007,
255 AND SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009. THIS INSTRUMENT DOES NOT ALLOW
256 USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS
257 AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE
258 TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING
259 DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED
260 LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT
261 OR PARCEL, TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS
262 DEFINED IN ORS 30.930, AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF
263 ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424,
264 OREGON LAWS 2007, AND SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009.

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

274
275 17. Brokerage Agreement. For purposes of Sections 14 and 17 of this Agreement, the Agency
276 Acknowledgement on page 1 this Agreement is incorporated into this Agreement as if fully set forth herein. Seller
277 agrees to pay a commission to Selling Firm in the amount of either: Five percent (5%) of the Purchase Price or
278 \$_____. Such commission shall be divided between Selling Firm and Buying Firm such that Selling Firm
279 receives five percent (5%) and Buying Firm receives 0 percent (0%). Seller shall cause the Escrow Holder to deliver
280 to Selling Firm and Buying Firm the real estate commission on the Closing Date or upon Seller's breach of this
281 Agreement, whichever occurs first. If the Earnest Money is forfeited by Buyer and retained by Seller in accordance
282 with this Agreement, in addition to any other rights the Selling Firm and Buying Firm may have, the Selling Firm and
283 the Buying Firm, together, shall be entitled to the lesser of: (i) fifty percent (50%) of the Earnest Money; or (ii) the
284 commission agreed to above, and Seller hereby assigns such amount to the Selling Firm and the Buying Firm.

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

294
295 19. Miscellaneous. Time is of the essence of this Agreement. If the deadline under this Agreement for
296 delivery of a notice or performance of any obligation is a Saturday, Sunday, or federal or Oregon State legal holiday,

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

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

314
315 21. Lease(s) and Personal Property.

316
317 21.1 Leases.

318
319 21.1.1 If required by Buyer or Buyer's lender and provided for in such Tenant's Lease, Seller
320 shall use commercially reasonable efforts to deliver to Buyer, at least 5 days (**three (3) if not filled in**) before the
321 Closing Date, a Tenant estoppel certificate, reasonably acceptable to Buyer, pertaining to each Lease at the
322 Property in effect as of the Closing Date (each, a "Tenant Estoppel"). Such Tenant Estoppels shall be dated no
323 more than 15 days (**fifteen (15) if not filled in**) prior to the Closing Date and shall certify, among other things: (a)
324 that the Lease is unmodified and in full force and effect, or is in full force and effect as modified, and stating the
325 modifications; (b) the amount of the rent and the date to which rent has been paid; (c) the amount of any security
326 deposit held by Seller; and (d) that neither party is in default under the Lease or if a default by either party is claimed,
327 stating the nature of any such claimed default. If Seller has not obtained Tenant Estoppels from all Tenants of the
328 Property, then Seller shall execute and deliver to Buyer a Tenant Estoppel with respect to any such Lease setting
329 forth the information required by this Section 21.1 and confirming the accuracy thereof.

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

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

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

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

346 Exhibit A – Legal Description of Property **[REQUIRED]**

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- Exhibit B – Assignment of Lessor’s Interest under Lease (if applicable)
- Exhibit C – Bill of Sale (if applicable)
- Exhibit D – Lead Paint Disclosure Addendum (if applicable)
- Exhibit E – AS IS Exceptions (if applicable)

24. Time for Acceptance. If Seller does not return to Buyer a signed and dated version of this Agreement on or before 5:00 PM Pacific Time on Dec. 15, 2012, then the Earnest Money shall be promptly refunded to Buyer and thereafter, neither party shall have any further right or obligation hereunder.

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

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

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

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

Buyer Signature:  **Date:** 1/25/2016

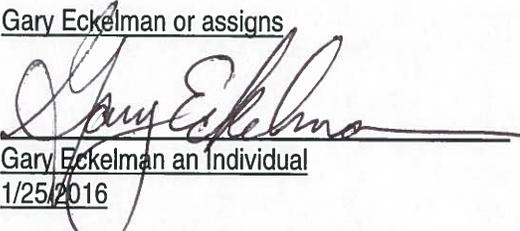
CONSULT YOUR ATTORNEY. THIS DOCUMENT HAS BEEN PREPARED FOR SUBMISSION TO YOUR ATTORNEY FOR REVIEW AND APPROVAL PRIOR TO SIGNING. NO REPRESENTATION OR RECOMMENDATION IS MADE BY THE COMMERCIAL ASSOCIATION OF REALTORS® OREGON/SW WASHINGTON OR BY THE REAL ESTATE AGENTS INVOLVED WITH THIS DOCUMENT AS TO THE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

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

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Buyer Gary Eckelman or assigns

By 
Title Gary Eckelman an Individual

Date 1/25/2016

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

Seller City of Oregon City

By 
Title CITY MANAGER
Date 2-24-16

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CRITICAL DATE LIST:

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

	DATE:
• Execution Date (Introductory paragraph):	<u>2/24/2016</u>
• Earnest Money due date (Section 1.2.1(a)):	<u>Five days after execution</u>
• Seller shall open Escrow with the Escrow Holder (Section 1.2.1(a)):	Before <u>5 days after the Execution Date</u>
• Seller shall deliver Seller's documents to Buyer (Section 4):	Within <u>7</u> days after the Execution Date
• Seller shall deliver Preliminary Report to Buyer (Section 5):	Within <u>7</u> days after the Execution Date
• Buyer's title objection notice due to Seller (Section 5):	Within <u>5</u> days after receipt of the Preliminary Report
• Seller's title response due to Buyer (Section 5):	Within <u>5</u> days after receipt of Buyer's title objection notice
• Title Contingency Date (Section 5):	Within <u>5</u> days after receipt of Seller's title response
• Expiration date for satisfaction of General Conditions (Section 2.1):	Within <u>90</u> days of the Execution Date
• Expiration date for satisfaction of Financing Condition (Section 2.1):	Within <u>0</u> days of the Execution Date
• By this date, Buyer must deliver the notice to proceed contemplated in Section 2.2.	Within <u>90</u> days of the Execution Date
• Closing Date (Section 7.1):	<u>Within 30 days of issuance of building permits</u>

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Initials of Buyer: _____
Initials of Buyer: _____

Initials of Seller: ASJ
Initials of Seller: _____

EXHIBIT A
LEGAL DESCRIPTION OF PROPERTY

As provided by Lawyers Title Company

EXHIBIT B TO PURCHASE AND SALE AGREEMENT

This Exhibit is dated February 24, 2016 and modifies the terms and provisions of that certain Purchase and Sale Agreement and Receipt for Earnest Money between the Oregon City Urban Renewal Agency, the duly designated Urban Renewal Agency of the City of Oregon City ("Seller") and Gary Eckelman or assigns ("Buyer") dated January 14, 2016 (the "Purchase Agreement"), and, to the extent there is any inconsistency between the terms of this Addendum and the Purchase Agreement, the terms of this Addendum shall govern in the interpretation of the Purchase Agreement. Notwithstanding anything to the contrary contained in the Purchase Agreement, Buyer and Seller agree as follows:

1. Conditions to Purchase. Buyer's obligation to purchase the Property under this Purchase and Sale Agreement shall be expressly subject to the following conditions precedent.
 - A. Due Diligence. Buyer shall have ninety (90) days from the date of execution of this Sale Agreement to complete all inspections of the Property, including without limitation physical inspections, review of title, surveys, building plans, appraisals, a level one and/or level two environmental assessment and any other matters deemed appropriate for Buyer to determine whether or not the Property is suitable for Buyer's intended development ("Due Diligence Period"). Prior to expiration of the Due Diligence Period, Buyer shall provide Seller with written notice of the results of its due diligence. In the event that Buyer's due diligence reveals any matters which are not acceptable to Buyer, in Buyer's sole discretion, Buyer may elect to, by written notice to Seller, on or before 5:00 p.m. on the expiration of the Due Diligence Period, to terminate this Purchase and Sale Agreement, in which case this Purchase and Sale Agreement shall be null and void without recourse to either Party and the Earnest Money shall be refunded to Buyer.
 - B. Site Approvals. Buyer shall have 240 days from the expiration of the Due Diligence Period to receive all land use and building permit approvals from the City of Oregon City or other regulatory agency ("Site Approvals"), needed to construct the Project ("Site Approval Period"). Buyer shall, in a professional and workmanlike manner, proceed to obtain the Site Approvals in a timely manner and at Buyer's sole cost, energy, and efforts. In the event that Seller fails to approve the Site Approvals prior to expiration of the Site Approval Period, the Site Approval Period will be automatically extended for a period of 90 days. If at the end of the first Site Approvals Extension Period, Seller is still fails to approve the Site Approvals this Purchase and Sale Agreement shall be null and void without recourse to either Party and the Earnest Money shall be immediately returned to Buyer.
2. Conditions to Sale. Seller's obligation to sell the Property under this Purchase and Sale Agreement shall be expressly subject to the following conditions precedent.
 - A. Financing. Prior to the Closing Date, Buyer shall deliver to Seller, (i) evidence of all sources and terms of Project purchase financing and construction financing for the Project. Also prior to the Closing Date, Seller must have determined that such Project purchase financing, construction financing, are commercially reasonable and subordinate to the Seller's interest in the Deed Restriction.
 - B. Deed Restriction. The conveyance of the Property to Buyer shall be made upon condition, to be included as part of the Deed or another document recorded contemporaneously to the Deed, that shall provide for a continuing restrictive covenant ("Deed Restriction") that the Property will be used for the development and construction of the Project, as defined in this Section 2. The Deed Restriction shall require Buyer to complete a development of the Property in conformance with the following requirements:

- (1) Project. The Project will consist of one mixed-use building (the "Building"), comprised by the Retail Component, and the Residential Component, and served by the Parking Component. The Building will be consistent with the character of historic Downtown Oregon City.
- (2) Retail Component. The Retail Component will consist of the following elements
 - (a) Ground floor retail uses along the entire length of the building frontage on Main Street.
 - (b) Publicly accessible courtyard along the northeasterly side of the Building.
- (3) Residential Component. The Residential Component will consist of the following elements.
 - (a) At least one level of apartments above the Retail Component.
 - (b) The Residential Component will be served by a main exterior entrance and individual interior accesses to the apartments.
 - (c) State of the art green features.
- (4) Parking Component. The Parking Component will consist of the following elements.
 - (a) At least one (1) parking stall for each unit in the Residential Element if constructed, and dedicated for use by the residents of the Residential Element.
 - (b) Direct access from the Parking Element to the interior of the Building.
- (5) Timeline. The Project shall proceed consistent with the following terms.
 - (a) Commencement of Construction. Within one hundred twenty (120) days following the Closing Date, Buyer shall have achieved commencement of construction as demonstrated by Buyer's contractor commencing the excavation of the site.
 - (b) Completion of Construction. Construction of the Project shall be complete within two (2) years following the date upon which construction commences.

3. Closing.

- A. The Closing Date shall be on or before thirty (30) days following Buyer's receipt of final approval of all Site Approvals

4. Seller's Post-Conveyance Remedies. If Buyer violates the terms of the Deed Restriction after the Property is conveyed to the Buyer, including but not limited to the Buyer's failure to complete the Project in the allotted time, Seller shall have all remedies, including, but not limited to the following remedies.

A. The conveyance to the Buyer shall be made upon a condition subsequent to the effect that, in the event of Buyer's violation of the Deed Restriction, Seller, in its sole discretion shall have the right to re-enter and take possession of the Property and to terminate (and revert in Seller) the estate conveyed by the deed, terminate Buyer's right to develop the Project, and resell the Property at seller's discretion. In the event of such an action by Seller, Buyer shall be entitled to the greater of (1) the amount received by seller upon the re-selling of the Property, (2) the at the time of sale appraised market value of the property including any and all hard and soft cost improvements, or (3) 105% of the Purchase Price. Seller shall provide the sum identified in this section to Buyer within thirty (30) days of the closing of a subsequent transfer of the Property by Seller to another purchaser for value. Buyer agrees that, in the event Seller exercises its rights under this Section, Buyer is obligated and agrees to cooperate in all actions and requirements necessary to revert the Property in Seller, including signing deeds, agreements or documents as necessary to memorialize the reversion of the Property in Seller.

In the Buyer has commenced construction of the Project within the allotted time frame, and subsequently suffers construction delays that are outside the direct control of the Buyer, Seller shall give written notice of default to Buyer. Buyer will have thirty (30) days to deliver to Seller written notification of its plan to cure the default within a mutually agreeable time period.

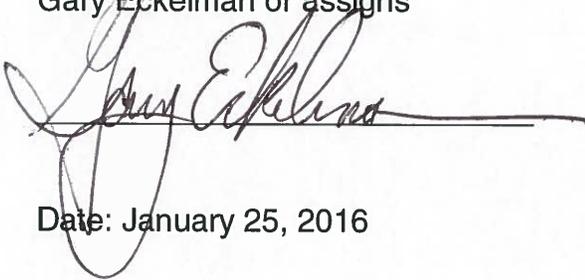
B. Any delay by Seller in instituting or prosecuting any actions or proceedings or otherwise asserting its rights under this section shall not operate as a waiver of such rights or to deprive it of or limit such rights in any way (it being the intent of this provision that Seller not be constrained because of legal doctrines to the contrary, including but not limited to waiver, laches, or estoppel, so as to avoid the risk of being deprived of or limited in the exercise of the remedy provided to Seller in this section. Nor shall any waiver in fact made by Seller with respect to any specific violation or default by the Buyer be considered or treated as a waiver of the rights of Seller with respect to any other violation or default except to the extent specifically waived in writing by Seller.

5. Removal of Deed Restriction. On or before fifteen (15) days following completion of construction and issuance of Certificate(s) of Occupancy Seller shall remove any and all Deed Restrictions and Rights of Reconveyance as evidenced by recording with Clackamas County a definitive release of rights and Liens.

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Agreed and Accepted:

Buyer:
Gary Eckelman or assigns

A handwritten signature in black ink, appearing to read "Gary Eckelman", is written over a horizontal line.

Date: January 25, 2016

Seller:

A handwritten signature in blue ink, appearing to read "Anthony J. Konec III", is written over a horizontal line.

Name: ANTHONY J. KONEC III, Title: CITY MANAGER

Date: 2-24-16

EXHIBIT C

FORM OF QUITCLAIM DEED AND ESCROW INSTRUCTIONS

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

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

QUITCLAIM DEED

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

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

BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON’S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, AND SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009. 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, AND SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009.

[Signature page to follow]

Dated this ____ day of _____, 20__.
_____, a _____

By: _____
Name: _____
Title: _____

Accepted this ____ day of _____, 20__.

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

By: _____
Name: _____
Title: _____

STATE OF OREGON)
) ss.
County of Clackamas)

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

Notary Public for
My commission expires: _____

STATE OF OREGON)
) ss.
County of Clackamas)

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

Notary Public for
My commission expires: _____

EXHIBIT C (Continued)

ESCROW INSTRUCTIONS FOR QUITCLAIM DEED

_____ Title Insurance Company

Attention: [INSERT TITLE OFFICER]

Re: Escrow No. _____

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

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

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

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

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

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

Very truly yours,

_____, a _____

By: _____
Name: _____
Title: _____

Very truly yours,

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

By: _____
Name: _____
Title: _____

Accepted and agreed to this
___ day of _____, 20__

_____, Title Insurance Company

By: _____
Name: _____
Title: _____