

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").

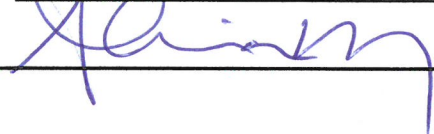
(b) Buyer Agent: _____ of _____ firm (the "Buying Firm") is the agent of (check one):

☐ 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: Willamette Stone Partners, LLC or assigns

(sign)  Date: 5/31/2017

Seller: City of Oregon City

(sign) _____ Date: 7/21/2017

[No further text appears on this page.]

PURCHASE AND SALE AGREEMENT AND RECEIPT FOR EARNEST MONEY

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

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

AND: Willamette Stone Partners, LLC or assigns ("Buyer")
Address: 0240 SW Seymour Court, Portland, OR 97205
Home Phone: _____
Office Phone: 503.756.1407
Fax No.: _____
E-Mail: adrian@willametestone.com

1. Purchase and Sale.

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

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

1.2.1 Earnest Money Deposit.

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

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

{SSBLS Main Documents/8809/001/00647568-2 }

© 1997 Commercial Association of REALTORS® OREGON/SW WASHINGTON (Rev. 02/11)
PURCHASE AND SALE AGREEMENT AND RECEIPT FOR EARNEST MONEY (OREGON)
ALL RIGHTS RESERVED

If the Earnest Money is being held by the ☐ Selling Firm ☐ Buying Firm, then the firm holding such Earnest Money shall deposit the Earnest Money in the ☒ Escrow (as hereinafter defined) ☐ Selling Firm's Client Trust Account ☐ Buying Firm's Clients' Trust Account, no later than 5:00 PM Pacific Time three (3) business days after 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).

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

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

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

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

2. Conditions to Purchase.

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

☐ None;

☒ Within 120 days of the Execution Date, Buyer's approval of the results of (collectively, the "General Conditions"): (a) the Property inspection described in Section 3 below; (b) the document review described in Section 4 below; and (c) (describe any other condition) Feasibility Analysis;

☐ Within 0 days of the Execution Date, Buyer's receipt of confirmation of satisfactory financing (the "Financing Condition"); and/or

☐ Other:

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

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

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

4. Seller's Documents. Within 7 days after the Execution Date, Seller shall deliver to Buyer or Buyer's designee, legible and complete copies of the following documents, including without limitation, a list of the Personal Property, and other items relating to the ownership, operation, and maintenance of the Property to the extent now in existence and to the extent such items are or come within Seller's possession or control: Environmental Reports, Surveys, Soils Reports, Plans, Permits, Approvals, Studies, Assessments, and Appraisals.

5. Title Insurance. Within 7 days after the Execution Date, Seller shall cause to be delivered to Buyer a preliminary title report from the title company (the "Title Company") selected by Seller (the "Preliminary Report"), showing the status of Seller's title to the Property, together with complete and legible copies of all documents shown therein as exceptions to title ("Exceptions"). Buyer shall have 5 days after receipt of a copy of the Preliminary Report and Exceptions within which to give notice in writing to Seller of any objection to such title or to any liens or encumbrances affecting the Property. Within 5 days after receipt of such notice from Buyer, Seller shall give Buyer written notice of whether it is willing and able to remove the objected-to Exceptions. Without the need for objection by Buyer, Seller shall, with respect to liens and encumbrances that can be satisfied and released by the payment of money, eliminate such exceptions to title on or before Closing. Within 5 days after receipt of such notice from Seller (the "Title Contingency Date"), Buyer shall elect whether to: (i) purchase the Property subject to those objected-to

{SSBLS Main Documents/8809/001/00647568-2 }

© 1997 Commercial Association of REALTORS® OREGON/SW WASHINGTON (Rev. 02/11)

PURCHASE AND SALE AGREEMENT AND RECEIPT FOR EARNEST MONEY (OREGON)

ALL RIGHTS RESERVED

Page 4 of 13

Exceptions which Seller is not willing or able to remove; or (ii) terminate this Agreement. If Buyer fails to give Seller notice of Buyer's election, then such inaction shall be deemed to be Buyer's election to terminate this Agreement. On or before the Closing Date (defined below), Seller shall remove all Exceptions to which Buyer objects and which Seller agrees, or is deemed to have agreed, Seller is willing and able to remove. All remaining Exceptions set forth in the Preliminary Report and those Exceptions caused by or agreed to by Buyer shall be deemed "Permitted Exceptions."

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

7. Closing of Sale.

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

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

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

8. Closing Costs; Prorations. Seller shall pay the premium for the Title Policy, provided, however, if Buyer elects to obtain an ALTA extended form policy of title insurance and/or any endorsements, Buyer shall pay the difference in the premium relating to such election. Seller and Buyer shall each pay one-half (1/2) of the escrow fees charged by the Escrow Holder. Any excise tax and/or transfer tax shall be paid in accordance with the local custom determined by the Title Company and applicable law. Real property taxes for the tax year of the Closing,

{SSBLS Main Documents/8809/001/00647568-2 }

© 1997 Commercial Association of REALTORS® OREGON/SW WASHINGTON (Rev. 02/11)
PURCHASE AND SALE AGREEMENT AND RECEIPT FOR EARNEST MONEY (OREGON)
ALL RIGHTS RESERVED

assessments (if a Permitted Exception), personal property taxes, rents and other charges arising from existing Tenancies paid for the month of Closing, interest on assumed obligations, and utilities shall be prorated as of the Closing Date. If applicable, prepaid rents, security deposits, and other unearned refundable deposits relating to Tenancies shall be assigned and delivered to Buyer at Closing. ☒ Seller ☐ Buyer ☐ N/A shall be responsible for payment of all taxes, interest, and penalties, if any, upon removal of the Property from any special assessment or program.

9. Possession. Seller shall deliver exclusive possession of the Property, subject to the Tenancies (if any) existing as of the Closing Date, to Buyer ☒ on the Closing Date or ☐ ____.

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

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

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

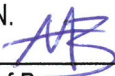
13. Arbitration. **IF AND ONLY IF THIS SECTION IS INITIALED BY EACH OF BUYER AND SELLER, THE FOLLOWING SHALL APPLY TO THIS AGREEMENT:**

ANY DISPUTE BETWEEN BUYER AND SELLER RELATED TO THIS AGREEMENT, THE PROPERTY, OR THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT WILL BE RESOLVED BY ARBITRATION GOVERNED BY THE OREGON UNIFORM ARBITRATION ACT (ORS 36.600 et seq.) AND, TO THE EXTENT NOT INCONSISTENT WITH THAT STATUTE, CONDUCTED IN ACCORDANCE WITH THE RULES OF PRACTICE AND PROCEDURE FOR THE ARBITRATION OF COMMERCIAL DISPUTES OF ARBITRATION SERVICES OF PORTLAND ("ASP"). THE ARBITRATION SHALL BE CONDUCTED IN PORTLAND, OREGON AND ADMINISTERED BY ASP, WHICH WILL APPOINT A SINGLE ARBITRATOR HAVING AT LEAST FIVE (5) YEARS EXPERIENCE IN THE COMMERCIAL REAL ESTATE FIELD IN THE Portland MSA GEOGRAPHIC AREA (IF

{SSBLS Main Documents/8809/001/00647568-2 }

© 1997 Commercial Association of REALTORS® OREGON/SW WASHINGTON (Rev. 02/11)
PURCHASE AND SALE AGREEMENT AND RECEIPT FOR EARNEST MONEY (OREGON)
ALL RIGHTS RESERVED

228 **BLANK IS NOT COMPLETED, PORTLAND METROPOLITAN AREA).** ALL ARBITRATION HEARINGS WILL BE
229 COMMENCED WITHIN THIRTY (30) DAYS OF THE DEMAND FOR ARBITRATION UNLESS THE ARBITRATOR,
230 FOR SHOWING OF GOOD CAUSE, EXTENDS THE COMMENCEMENT OF SUCH HEARING. THE DECISION OF
231 THE ARBITRATOR WILL BE BINDING ON BUYER AND SELLER, AND JUDGMENT UPON ANY ARBITRATION
232 AWARD MAY BE ENTERED IN ANY COURT HAVING JURISDICTION. THE PARTIES ACKNOWLEDGE THAT,
233 BY AGREEING TO ARBITRATE DISPUTES, EACH OF THEM IS WAIVING CERTAIN RIGHTS, INCLUDING ITS
234 RIGHTS TO SEEK REMEDIES IN COURT (INCLUDING A RIGHT TO A TRIAL BY JURY), TO DISCOVERY
235 PROCESSES THAT WOULD BE ATTENDANT TO A COURT PROCEEDING, AND TO PARTICIPATE IN A CLASS
236 ACTION.

237 
238 _____
239 Initials of Buyer

Initials of Seller

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

248
249 15. Statutory Notice. THE PROPERTY DESCRIBED IN THIS INSTRUMENT MAY NOT BE WITHIN A
250 FIRE PROTECTION DISTRICT PROTECTING STRUCTURES. THE PROPERTY IS SUBJECT TO LAND USE
251 LAWS AND REGULATIONS THAT, IN FARM OR FOREST ZONES, MAY NOT AUTHORIZE CONSTRUCTION OR
252 SITING OF A RESIDENCE AND THAT LIMIT LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS
253 DEFINED IN ORS 30.930, IN ALL ZONES. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE
254 PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER
255 ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS
256 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8,
257 OREGON LAWS 2010. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING
258 FEE 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 VERIFY THE EXISTENCE OF FIRE PROTECTION FOR STRUCTURES AND TO INQUIRE
262 ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND
263 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND
264 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010.

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.

{SSBLS Main Documents/8809/001/00647568-2 }

© 1997 Commercial Association of REALTORS® OREGON/SW WASHINGTON (Rev. 02/11)
PURCHASE AND SALE AGREEMENT AND RECEIPT FOR EARNEST MONEY (OREGON)
ALL RIGHTS RESERVED

Page 7 of 13

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 21.1 Leases.

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

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

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

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

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

- ☒ Exhibit A – Legal Description of Property **[REQUIRED]**
- ☒ Exhibit B – Additional Terms to Purchase and Sale Agreement
- ☒ Exhibit C – Form of Quit Claim Deed and Escrow Instructions
- ☐ 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 June 30, 2017, then the Earnest Money shall be promptly refunded to Buyer and thereafter, neither party shall have any further right or obligation hereunder.

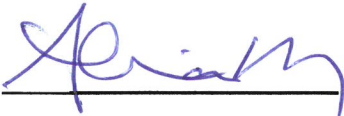
25. OFAC Certification. The Federal Government, Executive Order 13224, requires that business persons of the United States not do business with any individual or entity on a list of "Specially Designated nationals and Blocked Persons" - that is, individuals and entities identified as terrorists or other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

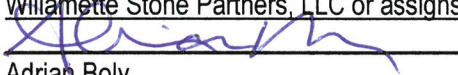
25.2 It has not executed this Agreement, directly or indirectly on behalf of, or instigating or facilitating this Agreement, directly or indirectly on behalf of, any such person, group, entity, or nation.

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: 5/31/2017

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

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

Buyer Willamette Stone Partners, LLC or assigns
By 
Title Adrian Boly
Date 5/31/2017

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 _____
Date _____

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>7/21/2017</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>120</u> days of the Execution Date
• Expiration date for satisfaction of Financing Condition (Section 2.1):	Within <u>0</u> days of the Execution Date
• By this date, Buyer must deliver the notice to proceed contemplated in Section 2.2.	Within <u>120</u> days of the Execution Date
• Closing Date (Section 7.1):	<u>Within 30 days of issuance of building permits or issuance of construction loan whichever is sooner.</u>

Initials of Buyer: AB
Initials of Buyer: _____

Initials of Seller: _____
Initials of Seller: _____

EXHIBIT A
LEGAL DESCRIPTION OF PROPERTY

As provided by Lawyers Title Company

{SSBLS Main Documents/8809/001/00647568-2 }

© 1997 Commercial Association of REALTORS® OREGON/SW WASHINGTON (Rev. 02/11)
PURCHASE AND SALE AGREEMENT AND RECEIPT FOR EARNEST MONEY (OREGON)
ALL RIGHTS RESERVED

EXHIBIT B TO PURCHASE AND SALE AGREEMENT

This Exhibit is dated June 21, 2017 and modifies the terms and provisions of that certain Purchase and Sale Agreement and Receipt for Earnest Money between the Oregon City Urban Renewal Agency, the duly designated Urban Renewal Agency of the City of Oregon City ("Seller") and Willamette Stone Partners, LLC ("Buyer") dated _____, 2017 (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 one hundred twenty (120) 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 one thousand eighty (1080) days from the expiration of the Due Diligence Period to receive all land use and building permit approvals from the City of Oregon City or other regulatory agency ("Site Approvals"), needed to construct the Project ("Site Approval Period"). Buyer shall, in a professional and workmanlike manner, proceed to obtain the Site Approvals in a timely manner and at Buyer's sole cost, energy, and efforts. In the event that Buyer fails to obtain the Site Approvals prior to expiration of the Site Approval Period, this Purchase and Sale Agreement shall be null and void without recourse to either Party and the Earnest Money shall be retained by Seller.

2. Conditions to Sale. Seller's obligation to sell the Property under this Purchase and Sale Agreement shall be expressly subject to the following conditions precedent.

- A. Financing. Financing. Prior to the Closing Date, Buyer shall deliver to Seller, (i) evidence of all sources and terms of Project purchase financing and construction financing for the Project, both debt and equity, and (ii) Evidence of a completed construction guarantee that includes Seller as a beneficiary authorized to enforce the guarantee and executed by financial guarantor approved in writing by Seller, which approval shall not be unreasonably withheld. Also prior to the Closing Date, Seller must have determined that such Project purchase financing, construction financing and completion of construction guarantee are commercially reasonable and subordinate to the Seller's interest in the Deed Restriction.
- B. Deed Restriction. The conveyance of the Property to Buyer shall be made upon, and the Deed or, at the request of Buyer, other document recorded contemporaneous to the Deed, shall provide for a continuing restrictive covenant ("Deed Restriction") that the Property will be used for the development and construction of the Project, substantially consistent with the following terms and subject to the Seller's Post-Closing Remedies at

Section 4. The form of the Deed Restriction shall be negotiated and finalized by Buyer and Seller during the Due Diligence Period. Upon final completion of the Project, the Deed Restriction shall automatically terminate and be of no further force or effect. Following the written request of Buyer after such termination of the Deed Restriction, Seller agrees to execute and record a document or instrument confirming the termination of the Deed Restriction

- (1) Project. The Project will consist of one 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 historic character of Downtown Oregon City from Highway 99E to 10th Street. The developer will conduct at least one design charrette for the purpose of refining design elements of the structure.
- (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 and partially along 10th Street.
- (3) Residential Component. The Residential Component will consist of the following elements.
 - (a) At least three levels of apartments above the Retail Component.
 - (b) The Residential Component will be served by a main entrance and interior access to the apartment units.
 - (c) State of the art green features to an Earth Advantage Commercial standard.
- (4) Parking Component. The Parking Component will consist of the following elements.
 - (a) The design charrette and the Oregon City Municipal Code will direct parking requirements for the development
- (5) Timeline. The Project shall proceed consistent with the following terms.
 - (a) Commencement of Construction. Within ninety (90) days following the Closing Date, Buyer shall have achieved commencement of construction as demonstrated by Buyer's contractor commencing the pouring of foundation concreted.
 - (b) Completion of Construction. Construction of the Project shall be complete within two (2) years following the Closing Date.

3. Closing.

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

4. Seller's Post-Conveyance Remedies. If Buyer violates the terms of the Deed Restriction after the Property is conveyed to the Buyer, including but not limited to the Buyer's failure to complete the Project in the allotted time, and such violation continues for a period of forty-five (45) days after written notice thereof from Seller to Buyer, Seller shall have the following remedies.
- A. Seller shall have the right to re-enter and take possession of the Property and to terminate (and revert in Seller) the estate conveyed by the Deed, terminate Buyer's right to develop the Project, and resell the Property at Seller's discretion. The conveyance to the Seller shall be made upon a condition subsequent to the effect that, in the event of Buyer's violation of the Deed Restriction, Seller, at its option, may, upon thirty (30) days written notice and transfer to Escrow of compensation in an amount equal to 105% of the Purchase Price ("Repurchase Price"), declare a termination of the Buyer's rights, title, and interest in the Property. In the event such a termination, all the title and rights and interest in the Property conveyed to Buyer by the Deed, or to any successors or permitted assigns of Buyer, shall be reconveyed to Seller by quitclaim deed, consistent with the Escrow Instruction found in Exhibit C. Any delay by Seller in instituting or prosecuting any such actions or proceedings or otherwise asserting its rights under this Section 4.A shall not operate as a waiver of such rights or to deprive it of or limit such rights in any way (it being the intent of this provision that Seller not be constrained because of concepts of waiver, laches, or estoppel, so as to avoid the risk of being deprived of or limited in the exercise of the remedy provided in this section or otherwise to exercise such remedy at a time when it may still hope otherwise to resolve the problems created by the violation of the Deed Restriction); nor shall any waiver in fact made by Seller with respect to any specific violation or default by the Buyer be considered or treated as a waiver of the rights of Seller with respect to any other violation or default except to the extent specifically waived.

EXHIBIT C

FORM OF QUITCLAIM DEED AND ESCROW INSTRUCTIONS

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

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

QUITCLAIM DEED

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

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

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

[Signature page to follow]

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

By: _____
Name: _____
Title: _____

Accepted this ____ day of _____, 20__.

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

By: _____
Name: _____
Title: _____

STATE OF OREGON)
) ss.
County of Clackamas)

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

Notary Public for
My commission expires: _____

STATE OF OREGON)
) ss.
County of Clackamas)

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

Notary Public for
My commission expires: _____

EXHIBIT C (Continued)

ESCROW INSTRUCTIONS FOR QUITCLAIM DEED

_____ Title Insurance Company

Attention: [INSERT TITLE OFFICER]

Re: Escrow No. _____

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

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

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

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

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

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

Very truly yours,

_____, a _____

By: _____
Name: _____
Title: _____

Very truly yours,

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

By: _____
Name: _____
Title: _____

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

_____, Title Insurance Company

By: _____
Name: _____
Title: _____

