

**PURCHASE AGREEMENT
AND
ESCROW INSTRUCTIONS**

BETWEEN: Kelly Eiswerth, an individual (“Seller”)
And: City of Tigard, (“Purchaser”)
a Municipal corporation
DATED: _____, _____, 2012 (“Effective Date”)

RECITALS

A. Seller owns certain real property in the city of Tigard, county of Washington, Oregon, located near SW Benchview Place in Tigard, OR, further identified as Tax Lot 5901 and Assessor’s Map No. 2S104DC05901, which is more fully described on the attached and incorporated **Exhibit A** (the “Property”).

B. Seller desires to sell the Property, and Purchaser desires to purchase the Property pursuant to the terms set forth in this Agreement.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as set forth below.

**ARTICLE 1
DEFINED TERMS**

1.1 **Cash.** The term “Cash” means (i) United States currency, (ii) a check currently dated and payable to Escrow Holder, or (iii) U.S. funds credited by wire transfer into Escrow Holder’s bank account.

1.2 **Closing.** The process described in Article 9 of this Agreement.

1.3 **Closing Date.** Closing shall occur no later than thirty (30) days after the expiration of the Contingency Period, or on such other date as the parties may agree upon in writing.

1.4 **Contingency Period.** The period that ends on the date that the conditions precedent to Closing set forth in Sections 4.1 through 4.9 are waived by Purchaser or satisfied.

1.5 **Deed.** A statutory warranty deed in the form of **Exhibit B** attached hereto which shall be used to convey the Property from Seller to Purchaser.

1.6 **Earnest Money.** The cash payable to Seller pursuant to Section 2.2 of this Agreement in the amount of Five Thousand and No/100 Dollars (\$5,000.00), plus all interest which accrues thereon.

1.7 **Environmental Laws.** Any federal, state, or local laws, ordinances, codes, statutes, regulations, administrative rules, policies and orders, and other authority existing now or in the future that classify, regulate, list, or define Hazardous Materials.

1.8 **Escrow Holder.** First American Title, located at 9200 SE Sunnybrook Blvd, Suite 400, Clackamas, Oregon, 97015, Phone: (503) 659-0069.

1.9 **Escrow.** The escrow opened by Escrow Holder pursuant to this Agreement.

1.10 **Hazardous Materials.** Any toxic or hazardous substance, material, waste, pollutant, contaminant, or infectious or radioactive material, including but not limited to those substances, materials, waste, chemicals, or mixtures that are (or that contain any) substances, chemicals, compounds, or mixtures regulated, either now or in the future, under any law, rule, regulation, code or ordinance.

1.11 **Property.** The term "Property" as defined in this Agreement, includes land described in Exhibit A, together with all improvements, rights, privileges, servitudes and appurtenances thereunto belonging or appertaining, including all right, title, and interest of Seller, if any, in and to the streets, alleys, and rights-of-way adjacent to the land, which will be transferred to Purchaser at Closing.

1.12 **Property Documents.** Any and all documents relating to or affecting the Property, including without limitation, conditional use permits, land use approvals, land use applications, permits, licenses, any agreements related to the Property that will survive Closing, maps, development agreements, surveys and studies relating to the Property prepared by third parties.

1.13 **Purchase Price.** Cash in the amount of Sixty-Five Thousand and No/100 Dollars (\$65,000.00).

ARTICLE 2 EARNEST MONEY AND PURCHASE PRICE

2.1 **Sale of Property.** Subject to the terms and conditions in this Agreement, Seller agrees to sell the Property to Purchaser, and Purchaser agrees to buy the Property from Seller.

2.2 **Earnest Money.** Within five (5) business days after the opening of Escrow as set forth in Section 3.1, Purchaser shall deposit the Earnest Money into Escrow. Escrow Holder shall hold the Earnest Money in an interest-bearing account that is FDIC insured, unless the parties approve holding the Earnest Money in a non-interest bearing account. The Earnest Money shall be refundable to Buyer until the all the conditions precedent to Closing set forth in Section 4 of this Agreement expire or the conditions precedent to Closing set forth in Section 4 of this Agreement are waived in writing by Buyer; thereafter, the Earnest Money shall not be

refundable except in the event of a Seller default. The Earnest Money shall be applicable to the Purchase Price at closing.

2.3 **Purchase Price.** The Purchase Price shall be paid by Purchaser in Cash to Seller at the Closing, subject to any withholdings required pursuant to this Agreement. The Earnest Money shall be applied to the Purchase Price.

ARTICLE 3 DELIVERIES TO ESCROW HOLDER

3.1 **Opening of Escrow.**

3.1.1 Within five (5) business days after the Effective Date, Purchaser and Seller shall open Escrow by depositing with Escrow Holder the Earnest Money and a fully executed photocopy of this Agreement for use as escrow instructions. Escrow Holder shall execute the Consent of Escrow Holder which appears at the end of this Agreement and deliver a fully executed consent to Purchaser and Seller.

3.1.2 Purchaser and Seller hereby authorize Escrow Holder to take necessary steps for the Closing of this transaction pursuant to the terms of this Agreement.

3.1.3 Purchaser and Seller may jointly or separately prepare additional escrow instructions. Escrow Holder may also provide general instructions. If there is any inconsistency between the provisions of any of these instructions and this Agreement, the provisions of this Agreement shall control.

3.2 **Purchaser's Deliveries.** At or before Closing, Purchaser shall deposit into Escrow (i) the Earnest Money, (ii) the Purchase Price, (iii) an executed and acknowledged counterpart acceptance of the Deed, and (iv) all other documents and instruments reasonably requested by Escrow Holder for Closing.

3.3 **Seller's Deliveries.** At or before Closing, Seller shall deliver into Escrow (i) an executed and acknowledged counterpart of the Deed, (ii) an executed Certificate of Non-Foreign Status, pursuant to Section 1445(b)(2) of the United States Internal Revenue Code or, if Seller is a Foreign Person, as defined in the United States Foreign Investment in Real Property Tax Act of 1980 ("FIRPTA"), any documents required to comply with the withholding requirements set forth in the FIRPTA, and (iii) all other documents and instruments reasonably requested by Escrow Holder for Closing. At Closing, Seller shall deliver possession of the Property to Purchaser.

ARTICLE 4 CONDITIONS PRECEDENT TO CLOSING

4.1 **Purchaser's Right to Analyze Property Documents.** Within ten (10) days after the Effective Date, Seller shall deliver all Property Documents in Seller's possession or control to Purchaser. During the Contingency Period, Purchaser shall have the right to analyze the

Property Documents and determine, in Purchaser's sole, absolute and arbitrary discretion, whether the Property is suitable for Purchaser's intended use.

4.2 Purchaser's Right to Analyze Property. For a period of thirty (30) days after the Effective Date, Purchaser shall have the right to analyze the Property and determine, in Purchaser's sole, absolute and arbitrary discretion, whether the Property is suitable for Purchaser's intended use (the "Study Period"). Purchaser shall have the right to enter onto the Property to conduct any and all tests, investigations, and inspections deemed necessary by Purchaser, including without limitation a Level I environmental site assessment and a geotechnical assessment. Such investigations and/or studies shall be conducted by Purchaser at its sole expense. Purchaser shall defend, indemnify and hold Seller harmless for, from, and against any claim, loss, or liability, or any claim of lien or damage which arises in connection with any entry on the Property by Purchaser or any activities on the Property by Purchaser, its agents, employees, and independent contractors; provided, however, that Purchaser shall have no obligation to indemnify, defend, or hold harmless Seller from any condition of the Property discovered by Purchaser, or from any loss of marketability of the Property as a consequence of such discovery.

4.3 Notice of Termination; Failure to Notify. If Purchaser determines, in Purchaser's sole, absolute, and arbitrary discretion, the Property is not suitable, Purchaser may terminate this Agreement and cancel Escrow by delivering written notice of termination to Seller prior to the expiration of the Contingency Period, in which case this Agreement shall immediately terminate and Escrow Holder shall immediately return the Earnest Money to Purchaser.

4.4 Review of Preliminary Report. Within ten (10) days after the Effective Date, Seller shall provide Purchaser with a preliminary title report issued by the Escrow Holder, describing title to the Property, and including legible copies of all recorded documents described in the preliminary report and plotted easements (collectively, the "Preliminary Report"). On or before ten (10) days after Purchaser's receipt of the Preliminary Report, Purchaser shall deliver written notice of approval or disapproval of matters disclosed in the Preliminary Report, which approval or disapproval shall be in Purchaser's sole and absolute discretion. Unless waived pursuant to Section 4.6, the approved matters disclosed in the Preliminary Report along with the standard printed exceptions on a form of title insurance policy, shall be the "Permitted Exceptions" included as exceptions in the Title Policy, defined in Section 4.7.

4.5 Right to Cure Disapproval of Preliminary Report. If Purchaser delivers notice of disapproval pursuant to Section 4.4 above, Seller may elect in writing, within five (5) days thereafter, to agree to remove or otherwise cure, to Purchaser's reasonable satisfaction, any disapproved item(s) prior to Closing. Notwithstanding any provision in this Agreement to the contrary, Seller shall be obligated to remove any deeds of trust and other monetary liens (other than liens for non-delinquent taxes and assessments) and any exceptions to title caused by Seller.

4.6 Failure to Cure Disapproval of Preliminary Report. If Seller fails to agree to cure a disapproved item, or agrees to cure and thereafter fails to cure a disapproved item prior to Closing, Purchaser shall have the right to (i) terminate this Agreement and receive a full refund

of the Earnest Money, (ii) suspend performance of its obligations under this Agreement at no cost to Purchaser and extend the Closing Date until that removal of the disapproved exception has occurred or (iii) waive in writing its prior disapproval of such item and accept title subject to such previously disapproved item, by delivering written notice of Purchaser's election to Seller prior to Closing.

4.7 **Title Policy.** Seller shall be unconditionally committed to procure from Escrow Holder upon the Closing, an ALTA standard coverage owner's policy of title insurance for the Property, with a liability limit in the amount of the Purchase Price, and insuring fee title vests in Purchaser subject only to the Permitted Exceptions (collectively, the "Title Policy"). At Purchaser's option, Purchaser may elect to have the Title Policy issued with endorsements and/or in an ALTA extended coverage form, provided that Purchaser pays any additional costs associated with issuance of such policy and pursuant to section 8.4 of this Agreement.

4.8 **Approval of Leases; No Tenancies.**

4.8.1 **Leases.** Within ten (10) days of the Effective Date, Seller will provide to Purchaser copies of all current leases affecting the Property, and copies of any and all documents other than leases which provide for or discuss any matters affecting the occupancy of the Property by tenants, including but not limited to options to lease, relocation rights, termination rights, and/or expansion or contraction rights (collectively, the "Lease Documents"). Purchaser may terminate this Agreement at any time during the Study Period if Purchaser shall determine in the exercise of its sole discretion that the documents described in Section 4.1 or the Lease Documents are not satisfactory.

4.8.2 **No Tenancies.** At least five (5) days prior to the Closing Date, Seller shall have terminated any tenancy provided for in the Lease Documents and rendered the Property free of any occupants whatsoever.

4.9 **Acquisition of Additional Property.** Purchaser's acquisition of the Property is contingent upon the City's prior requisition of title of two parcels of property located directly to the east of the Property, identified as tax assessor map nos. 2S104DC05800 and 2S104DC05900, on or before the Closing Date of this Agreement.

4.10 **Contingency Failure.** In the event any of the contingencies set forth in Section 4 are not timely satisfied or waived, this Agreement and the rights and obligations of the Purchaser and the Seller shall automatically terminate, and shall immediately return the Earnest Money to Purchaser.

ARTICLE 5
COVENANTS AND AGREEMENTS

5.1 **Damage or Destruction; Eminent Domain.** If, prior to the Closing, all or a material part of the Property is damaged or destroyed, or taken or appropriated by any public or quasi-public authority under the power of eminent domain or such an eminent domain action is threatened pursuant to a resolution of intention to condemn filed by any public entity, Purchaser

may either (i) terminate this Agreement and receive a refund of the Earnest Money, or (ii) elect to receive an assignment from Seller in lieu of the part of the Property that has been so damaged or taken of all of Seller's rights to any award and/or proceeds attributable to said damaged or taken part of the Property, and the parties shall proceed to Closing pursuant to this Agreement.

ARTICLE 6 SELLER'S REPRESENTATIONS AND WARRANTIES

6.1 Representations and Warranties of Seller. Seller represents and warrants that, as of the Effective Date, the end of the Contingency Period, and the Closing, that all of the representations and warranties contained in this Agreement are and shall be true and correct, and shall survive Closing for a period of one (1) year. Each of Seller's representations and warranties is material to and is being relied upon by Purchaser and the continuing truth thereof shall constitute a condition precedent to Purchaser's obligations hereunder. Seller represents and warrants to Purchaser as follows:

6.1.1 Proof of Authority. Seller has authority and authorization to enter into this Agreement and consummate the transaction contemplated by it, and shall deliver such proof of the power and authority of the persons executing and/or delivering any instruments, documents, or certificates on behalf of the Seller to act for or bind the Seller, as may be reasonably required by the Escrow Holder and/or the Purchaser.

6.1.2 Title to the Property. Seller has sole legal and beneficial fee title to the Property, and has not granted any person or entity any right or interest in the Property except as set forth in this Agreement and in the Preliminary Report. Seller agrees to transfer to Purchaser, via Deed, the Property, subject only to the Permitted Exceptions.

6.1.3 Property Documents, Lease Documents; No Defaults. To Seller's knowledge, the Property Documents and Lease Documents delivered by Seller to Purchaser are true, correct and complete copies and there are no other documents or instruments that would constitute Property Documents or Lease Documents that have not been delivered by Seller or otherwise made available to Purchaser. Seller has no knowledge of any default by Seller under any Property Documents or Lease Documents. Seller warrants that the services associated with the Property Documents and Lease Documents, have been, or will be, paid for by Seller no later than Closing.

6.1.4 Pending Transactions, Suits or Proceedings. To Seller's knowledge, there are no transactions, suits, proceedings, litigation (including zoning or other land use regulation proceedings), condemnation, or investigations pending or threatened against or affecting the Property or Seller as the owner of the Property in any court at law or in equity, or before or by any governmental department, commission, board, agency or instrumentality.

6.1.5 Defects. To Seller's knowledge, there are no latent or other defects or conditions on or about the Property which would cause injury or damage to persons or property, or which would have a material adverse effect on lawful uses of the Property.

6.1.6 No Further Encumbrances. As long as this Agreement remains in force, Seller will not lease, transfer, option, mortgage, pledge, or convey its interest in the Property or any portion thereof nor any right therein, nor shall Seller enter into any agreement granting to any person or entity any option to purchase or rights superior to Purchaser with respect to the Property or any part thereof.

6.1.7 Hazardous Materials. To Seller's knowledge, no Hazardous Materials have been generated, disposed of, deposited or released (or caused to be generated, disposed of or released) on, within, under, about or from the Property. To Seller's knowledge, no other party or person has used, stored, transported, generated, disposed of or released on, within, under, about or from the Property any Hazardous Materials. Without limiting the foregoing, neither Seller nor, to Seller's knowledge, any other party, has installed, operated or maintained any underground storage tanks on or adjacent to the Property, and the Property is not now, and has never been, in violation and is not currently under investigation for the violation of any Environmental Laws. To Seller's knowledge, there is no asbestos or lead paint on the Property. Seller hereby assigns to Purchaser as of the Closing, to the extent assignable, all claims, counterclaims, defenses or actions, whether at common law or pursuant to any other applicable federal or state or other laws, if any, that Seller may have against third parties to the extent relating to the existence of Hazardous Materials in, at, on, under or about the Property.

6.1.8 Access; Possession. The Property has legal and physical access to a publicly-dedicated street or road. Except as reflected in the Lease Documents, there are no leases or tenancies in effect on the Property and possession thereof can and will be delivered to Purchaser upon Closing.

6.1.9 Construction or Other Liens. Seller warrants that, at the time of Closing, no work, labor or materials have been expended, bestowed or placed upon the Property, adjacent thereto or within any existing or proposed assessment district which will remain unpaid at close of escrow or upon which a lien may be filed.

6.1.10 No Option or Right of First Refusal to Acquire Premises. Seller represents that no person or entity has any right of first refusal or option to acquire any interest in the property or any part thereof.

6.1.11 Conduct Pending Full Payment; Covenants.

6.1.11.1 Conduct of Property. Seller hereby agrees that Seller will not modify, cancel, extend or otherwise change in any material manner any of the terms, covenants or conditions of the Property Documents or Lease Documents, nor enter into any additional leases as to the Property without Purchaser's written consent, nor enter into any other agreements having a material effect on the Property without the prior written consent of Purchaser, which Purchaser shall not unreasonably withhold.

6.1.11.2 No Alterations. Seller will not make any material alterations to the Property prior to the Closing.

6.1.11.3 Maintain Physical Condition. Seller, at its sole cost and expense, will maintain and keep the Property in approximately the same condition, reasonable wear and tear excepted, between the Effective Date and the Closing Date, and will keep Purchaser timely advised of any significant repair or improvement required to keep the Property in such condition.

ARTICLE 7
PURCHASER'S REPRESENTATIONS AND WARRANTIES

7.1 Purchaser's Representation and Warranties. Purchaser represents and warrants that, as of the Effective Date, the end of the Contingency Period, and Closing, all of the representations and warranties of Purchaser contained in this Agreement are and shall be true and correct, and shall survive Closing for a period of one (1) year. Each of Purchaser's representations and warranties is material to and is being relied upon by Seller and the continuing truth thereof shall constitute a condition precedent to Seller's obligations hereunder. Purchaser represents and warrants to Seller as follows:

7.1.1 Authority. The execution and delivery of this Agreement has been duly authorized and approved by all requisite action of Purchaser, and the consummation of the transactions contemplated hereby will be duly authorized and approved by all requisite action of Purchaser, and no other authorizations or approvals will be necessary in order to enable Purchaser to enter into or to comply with the terms of this Agreement.

7.1.2 Binding Effect of Documents. This Agreement and the other documents to be executed by Purchaser hereunder, upon execution and delivery thereof by Purchaser, will have been duly entered into by Purchaser, and will constitute legal, valid and binding obligations of Purchaser. To Purchaser's actual knowledge, neither this Agreement nor anything provided to be done under this Agreement violates or shall violate any contract, document, understanding, agreement or instrument to which Purchaser is a party or by which it is bound.

ARTICLE 8
PRORATED FEES AND COSTS

8.1 Prorations. Escrow Holder will prorate between the parties, based on the latest information available to Escrow Holder, all taxes, bonds and assessments ("Taxes") for the Property, except as provided in Section 8.2 below. If, after the Closing, either party receives a bill for any Taxes, the parties agree that the Taxes shall be prorated between the parties to the Closing Date. The party receiving the bill for the Taxes shall notify the other party in writing of the amount of such Taxes and the party receiving that notice shall pay its prorated share of such Taxes within thirty (30) days of demand therefore, but not later than ten (10) days prior to delinquency. The parties' obligations under this Section shall survive Closing.

8.2 Penalties. Any penalties that would be due as a result of removal of the Property from any tax deferral program shall be charged to Seller as though the Property were removed from such program on the Closing Date. Seller's obligations under this Section shall survive Closing.

8.3 **Seller's Fees and Costs.** Seller shall pay: (i) the costs for the Title Policy; (ii) Seller's recording charges; (iii) one-half of Escrow Holder's escrow fee; and (iv) one-half of any transfer taxes.

8.4 **Purchaser's Fees and Costs.** Purchaser shall pay (i) one-half of the Escrow Holder's escrow fee, (ii) Purchaser's recording charges; (iii) if requested by Purchaser, any extended coverage and endorsements for the Title Policy; and (iv) one-half of any transfer taxes.

8.5 **Other Costs.** Except as otherwise provided in this Agreement, each party shall bear and pay the expense of its own attorneys, accountants and other professionals incurred in negotiating this Agreement.

ARTICLE 9 CLOSING

9.1 **Closing.** Escrow Holder shall close Escrow by (i) recording the Deed; (ii) confirming execution of all documents necessary for Closing and (iii) delivering funds and documents as set forth herein, when and only when all terms and conditions of this Agreement have been met and each of the conditions set forth below have been satisfied:

9.1.1 **Funds and Instruments.** All funds and instruments required pursuant to this Agreement have been delivered to Escrow Holder.

9.1.2 **Satisfaction of Conditions Precedent.** Each of the conditions precedent set forth in the Agreement have been either satisfied or waived.

9.1.3 **Liens and Encumbrances.** All liens and encumbrances required to be paid by Seller have been paid and satisfied at Seller's sole expense, including without limitation any trust deed or mortgage affecting the Property. The Property shall be conveyed free of encumbrances, except for the Permitted Exceptions and those expressly accepted or waived by Purchaser pursuant to the terms of this Agreement.

9.1.4 **Assignment of Lease Documents.** Seller shall have executed the Assignment of Leases attached to this Agreement as **Exhibit C**, if any ("Assignment of Leases").

ARTICLE 10 RECORDATION AND DISTRIBUTION OF FUNDS AND DOCUMENTS

10.1 **Recorded Documents.** Escrow Holder shall cause the County Recorder of Washington County to mail the Deed.

10.2 **Conformed Copies.** Escrow Holder shall at Closing deliver to Seller and Purchaser (i) a copy of the Deed, conformed to show recording date, and conformed copies of each document recorded to place title in the condition required by this Agreement, (ii) a copy of each non-recorded document received hereunder by Escrow Holder, and (iii) copies of all documents deposited into Escrow to the parties herein.

10.3 **Payment of Funds at Closing.** Escrow Holder shall deliver at Closing all amounts as set forth in the final, approved closing statement.

10.4 **Original Documents.** Escrow Holder shall at Closing deliver to Purchaser the Original Assignment of Leases.

ARTICLE 11 DEFAULT AND REMEDIES

11.1 **Purchaser's Default.** If Purchaser breaches this Agreement, which breach Purchaser fails to cure within thirty (30) days after receipt of written notice thereof from Seller, Purchaser shall be in default hereunder and Seller is entitled, as Seller's sole and exclusive remedy, to liquidated damages pursuant to this Article. If Escrow fails to close due to Purchaser's default, Purchaser shall pay all Escrow cancellation charges.

11.2 **Seller's Remedies.** In the event of Purchaser's default under this Agreement, the Earnest Money shall be forfeited by Purchaser and retained by Seller as liquidated damages. Such amount has been agreed by the parties to be reasonable compensation and the exclusive remedy for Purchaser's default, since the precise amount of such compensation would be difficult to determine. Seller shall have no right to any other damages, claims or actions against Purchaser. By initialing this provision in the spaces below, Seller and Purchaser each specifically affirm their respective agreement to this liquidated damages provision as Seller's sole and exclusive remedy for Purchaser's default, and agreement that the sum is a reasonable sum.

Purchaser's Initials

Seller's Initials

11.3 **Seller's Default.** If Seller breaches this Agreement, which breach Seller fails to cure within thirty (30) days after receipt of written notice thereof from Purchaser, Seller shall be in default of this Agreement. If Escrow fails to close due to Seller's default, Seller shall pay all Escrow cancellation charges.

11.4 **Purchaser's Remedies.** In the event of Seller's default under this Agreement, Purchaser shall have the right to either (i) terminate this Agreement, and upon such event the Earnest Money shall be immediately refunded to Purchaser, or (ii) seek an action for specific performance in order to enforce Purchaser's rights hereunder. No provision of this Agreement shall be construed as waiving any of Purchaser's rights regarding eminent domain.

ARTICLE 12 ASSIGNMENT

12.1 **Assignment by Purchaser.** Purchaser may not assign or otherwise transfer any of its rights or obligations under this Agreement.

ARTICLE 13
GENERAL PROVISIONS

13.1 **Attorneys Fees.** If any action is instituted between Seller and Purchaser in connection with this Agreement, the party prevailing in such action shall be entitled to recover from the other party all of its costs of action, including, without limitation, attorneys' fees and costs as fixed by the court therein.

13.2 **Construction of Agreement.** The agreements contained herein shall not be construed in favor of or against either party, but shall be construed as if both parties prepared this Agreement.

13.3 **Entire Agreement.** This Agreement constitutes the entire agreement between the parties hereto pertaining to the subject matter hereof and all prior and contemporaneous agreements, representations, negotiations and understandings of the parties hereto, oral or written, are hereby superseded and merged herein. The foregoing sentence shall in no way affect the validity of any instruments executed by the parties in the form of the exhibits attached to this Agreement.

13.4 **Governing Law.** This Agreement shall be governed by and construed under the laws of the State of Oregon.

13.5 **Joint and Several Liability.** If any party consists of more than one person or entity, the liability of each such person or entity signing this Agreement shall be joint and several.

13.6 **Modification.** No modification, waiver, amendment, discharge, or change of this Agreement shall be valid unless the same is in writing and signed by all signatories hereto.

13.7 **Real Estate Brokerage Commission.** Purchaser represents and warrants that no real estate agent or broker representing Purchaser was involved in negotiating the transaction contemplated herein. Seller is represented by Dirk Knudsen of Prudential Northwest Properties. Seller agrees to be responsible for payment of any compensation, commission or fee to Seller's broker in accordance with the terms and conditions of the agreement between them. In the event any claims for real estate commissions, fees or compensation arise in connection with this transaction, the party so incurring or causing such claims shall indemnify, defend and hold harmless the other party from any loss or damage, including attorneys' fees, that said other party suffers because of said claims. The obligations of the parties in the prior sentence shall survive Closing or the termination of this Agreement.

13.8 **Notice and Payments.** Any notice or document to be given pursuant to this Agreement must be delivered either in person, deposited in the United States mail duly certified or registered, return receipt requested with postage prepaid, by electronic mail, or by Federal Express or other similar overnight delivery service marked for next business day delivery. Notices shall be effective upon receipt if delivered personally, upon confirmation of receipt if sent by electronic mail, on the next day if sent by overnight courier, or two (2) days after deposit

in the mail if mailed. Any party listed below may designate a different address, which shall be substituted for the one specified below, by written notice to the others.

If to Seller: Kelly Eiswerth
4189-2 Ave W
Prince Albert, Saskatchewan, Canada S6W 1A1
E-mail: gail.trunorth@gmail.com

with a copy to: Dirk Knudsen
dirkknudsen@gmail.com

If to Purchaser: City of Tigard
Attn: Parks Manager
City Hall
13125 SW Hall Blvd
Tigard OR 97223
E-mail: steve@tigard-or.gov

with a copy to : Jeff Bennett
Jordan Ramis PC
Two Centerpointe Drive, 6th Floor
Lake Oswego, OR 97035
Fax: (503) 598-7373

13.9 **Remedies Cumulative.** Except as specifically set forth herein, all rights and remedies of Purchaser and Seller contained in this Agreement shall be construed and held to be cumulative.

13.10 **Severability.** In the event that any phrase, clause, sentence, paragraph, section, article or other portion of this Agreement shall become illegal, null or void or against public policy, for any reason, or shall be held by any court of competent jurisdiction to be illegal, null or void or against public policy, the remaining portions of this Agreement shall not be affected thereby and shall remain in force and effect to the fullest extent permissible by law.

13.11 **Successors and Assigns.** Subject to limitations expressed in this Agreement, each and all of the covenants and conditions of this Agreement shall inure to the benefit of and shall be binding upon the successors-in-interest, assigns, and representatives of the parties hereto. As used in the foregoing, "successors" shall refer to the parties' interest in the Property and to the successors to all or substantially all of their assets and to their successors by merger or consolidation.

13.12 **Time of the Essence.** Time is of the essence of each and every provision of this Agreement.

13.13 **Legal Representation.** Seller acknowledges that this is a legal document and that Seller has been advised to obtain the advice of legal counsel in connection with its review

and execution of this Agreement. Seller covenants that it will not deny the enforceability of this Agreement on the basis that Seller elects not to obtain legal counsel to review and approve this Agreement.

13.14 **Waiver.** No waiver by Purchaser or Seller of a breach of any of the terms, covenants or conditions of this Agreement by the other party shall be construed or held to be a waiver of any succeeding or preceding breach of the same or any other term, covenant or condition herein contained. No waiver of any default by Purchaser or Seller hereunder shall be implied from any omission by the other party to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect a default other than as specified in such waiver. The consent or approval by Purchaser or Seller to or of any act by the other party requiring the consent or approval of the first party shall not be deemed to waive or render unnecessary such party's consent or approval to or of any subsequent similar acts by the other party.

13.15 **Negation of Agency and Partnership.** Any agreement by either party to cooperate with the other in connection with any provision of this Agreement shall not be construed as making either party an agent or partner of the other party.

13.16 **Calculation of Time.** All periods of time referred to herein shall include Saturdays, Sundays and legal holidays in the State of Oregon, except that if the last day of any period falls on any Saturday, Sunday or such holiday, the period shall be extended to include the next day which is not a Saturday, Sunday or such holiday.

13.17 **Statutory Disclaimer.** THE PROPERTY DESCRIBED IN THIS INSTRUMENT MAY NOT BE WITHIN A FIRE PROTECTION DISTRICT PROTECTING STRUCTURES. THE PROPERTY IS SUBJECT TO LAND USE LAWS AND REGULATIONS THAT, IN FARM OR FOREST ZONES, MAY NOT AUTHORIZE CONSTRUCTION OR SITING OF A RESIDENCE AND THAT LIMIT LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, IN ALL ZONES. 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. 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 VERIFY THE EXISTENCE OF FIRE PROTECTION FOR STRUCTURES 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.

13.18 **Counterparts.** This Agreement may be executed in counterparts, each of which, when taken together, shall constitute fully executed originals.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

SELLER

PURCHASER

City of Tigard, an Oregon municipal corporation

By: _____

By: _____

Name: _____

By: _____

Its: _____

APPROVED AS TO FORM:

By: _____
City Attorney

- Exhibit A - Property
- Exhibit B – Deed
- Exhibit C – Assignment of Leases

CONSENT OF ESCROW HOLDER

The undersigned Escrow Holder hereby agrees to (i) accept the foregoing Agreement, (ii) be the Escrow Holder under said Agreement, and (iii) be bound by said Agreement in the performance of its duties as Escrow Holder; provided, however, the undersigned shall have no obligations, liability or responsibility under this Consent or otherwise unless and until said Agreement, fully signed by the parties, has been delivered to the undersigned.

DATED: _____, 2012.

By: _____
Name: _____
Title: _____

EXHIBIT A

Real property in the City of Tigard, County of Washington, State of Oregon, described as follows:

A TRACT OF LAND SITUATED WITHIN THE SOUTHEAST ONE-QUARTER OF SECTION 4, TOWNSHIP 2 SOUTH, RANGE 1 WEST OF THE WILLAMETTE MERIDIAN, IN THE CITY OF TIGARD, WASHINGTON COUNTY, OREGON, DESCRIBED AS FOLLOWS:

BEGINNING AT THE ONE-QUARTER CORNER BETWEEN SECTION 4 AND SECTION 9, TOWNSHIP 2 SOUTH, RANGE 1 WEST OF THE WILLAMETTE MERIDIAN; AND RUNNING THENCE TRACING THE SECTION LINE BETWEEN SAID SECTIONS 4 AND 9, SOUTH 89° 53' 30" EAST 262.86 FEET; THENCE LEAVING SAID SECTION LINE NORTH 0° 19' 06" EAST 331.43 FEET TO THE EASTERLY PROJECTION OF THE SOUTH LINE OF BENCHVIEW ESTATES, A DULY RECORDED SUBDIVISION PLAT RECORDED IN PLAT BOOK 66, PAGE 39, WASHINGTON COUNTY PLAT RECORDS; THENCE WESTERLY TRACING SAID EASTERLY PROJECTION AND THE SOUTH LINE OF SAID BENCHVIEW ESTATES, NORTH 89° 53' 30" WEST 262.86 FEET TO THE SOUTHWEST CORNER THEREOF; THENCE SOUTH 0° 19' 30" WEST 331.43 FEET TO THE POINT OF BEGINNING.

NOTE: This Legal Description was created prior to January 01, 2008.

EXHIBIT B

AFTER RECORDING RETURN TO:

City of Tigard
Attn: City Manager
City Hall
13125 SW Hall Blvd
Tigard OR 97223

UNTIL A CHANGE IS REQUESTED
SEND TAX STATEMENTS TO:

This space is reserved for recorder's use.

STATUTORY WARRANTY DEED

Kelly Eiswerth, Grantor, whose address is: _____conveys and warrants to CITY OF TIGARD, an Oregon municipal corporation, Grantee, whose address is: 13125 SW Hall Blvd, Tigard OR 97223, the following described real property free of encumbrances except as specifically set forth herein:

See Exhibit A attached hereto.

The true consideration for this conveyance is Sixty-Five Thousand and no/100 (\$65,000.00). This conveyance is made subject to the matters set forth on Exhibit B attached hereto.

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.

DATED this _____ day of _____, 20__.

By: _____

STATE OF OREGON)
) ss.
County of _____)

This instrument was acknowledged before me on _____, 20____, by
_____.

NOTARY PUBLIC FOR OREGON
My Commission Expires: _____

ACCEPTED:

GRANTEE

CITY OF TIGARD, an Oregon municipal corporation

By: _____
Name: _____
Its: _____

STATE OF OREGON)
) ss.
County of _____)

This instrument was acknowledged before me on _____, 20____, by
_____ as _____ of the City of Tigard, an Oregon
municipal corporation.

NOTARY PUBLIC FOR OREGON
My Commission Expires: _____

Exhibit A

Real property in the City of Tigard, County of Washington, State of Oregon, described as follows:

A TRACT OF LAND SITUATED WITHIN THE SOUTHEAST ONE-QUARTER OF SECTION 4, TOWNSHIP 2 SOUTH, RANGE 1 WEST OF THE WILLAMETTE MERIDIAN, IN THE CITY OF TIGARD, WASHINGTON COUNTY, OREGON, DESCRIBED AS FOLLOWS:

BEGINNING AT THE ONE-QUARTER CORNER BETWEEN SECTION 4 AND SECTION 9, TOWNSHIP 2 SOUTH, RANGE 1 WEST OF THE WILLAMETTE MERIDIAN; AND RUNNING THENCE TRACING THE SECTION LINE BETWEEN SAID SECTIONS 4 AND 9, SOUTH 89° 53' 30" EAST 262.86 FEET; THENCE LEAVING SAID SECTION LINE NORTH 0° 19' 06" EAST 331.43 FEET TO THE EASTERLY PROJECTION OF THE SOUTH LINE OF BENCHVIEW ESTATES, A DULY RECORDED SUBDIVISION PLAT RECORDED IN PLAT BOOK 66, PAGE 39, WASHINGTON COUNTY PLAT RECORDS; THENCE WESTERLY TRACING SAID EASTERLY PROJECTION AND THE SOUTH LINE OF SAID BENCHVIEW ESTATES, NORTH 89° 53' 30" WEST 262.86 FEET TO THE SOUTHWEST CORNER THEREOF; THENCE SOUTH 0° 19' 30" WEST 331.43 FEET TO THE POINT OF BEGINNING.

NOTE: This Legal Description was created prior to January 01, 2008.

Exhibit B

Exhibit C
Assignment of Leases



ADDENDUM TO REAL ESTATE SALE AGREEMENT

1 This is an Addendum to: [X] Real Estate Sale Agreement [] Seller's Counter Offer [] Buyer's Counter Offer
2 Re: Real Estate Sale Agreement No. E1swerth2012 Dated 4/1/2012 Addendum No. A
3 Buyer: City Of Tigard
4 Seller: Kelly Eiswerth

5 The real property described as: 2 Acres: Washington CO, Or: R2003384

6 SELLER AND BUYER HEREBY AGREE THE FOLLOWING SHALL BE A PART OF THE REAL ESTATE SALE AGREEMENT REFERENCED ABOVE.

7 The following Clarifications are made to the sale of the property and shall apply to the terms of this sale.

8 a: Dirk Knudsen of Prudential Northwest Properties is representing the Seller. City of Tigard represents itself.

9 b: Closing shall be on or before June 30th, 2012 unless extended by written document between the purchaser and seller.

10 c: Seller has no written information or reports on this property. Therefore they have nothing to deliver to the Purchaser as
11 indicated on Page 3 and elsewhere on the contract.

12 d: There are no leases on this property and therefore Seller has no documentation to provide.

13 e: In the event the property is in Farm or Forest deferral by Washington County Assesors Office then the Seller will deliver it
14 in good standing and the buyer will assume any costs if it is removed during their ownership through their actions.

15 f: Earnest Money shall be in the amount of \$5,000.00

16 g: The property is land locked without any legal access. Buyer Acknowledges this and understands they will have to arrange their
17 own access at their own expense and that the value of the property is being agreed to as a land locked vacant parcel of land.

18 h: The seller has never set foot on the subject property and bought it with any and all defects in As-Is. Therefore this this
19 property is being conveyed completely As-Is with any and all defects both patent and latent. Seller has agreed to purchasers
20 accessing the property and completing any and all inspections and research as needed. Purchaser understands that they
21 make their decision to purchase based upon their own inspections and findings there of.

27 Buyer Signature _____ Date _____ a.m. p.m. ←

28 Buyer Signature _____ Date _____ a.m. p.m. ←

29 Seller Signature (M) _____ Date (M) _____ a.m. p.m. ←

30 Seller Signature _____ Date _____ a.m. p.m. ←

31 Selling Licensee _____ Listing Licensee (Signature) _____

32 Selling Firm Broker Initials/Date _____ Listing Firm Broker Initials/Date 4-1-12 _____

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