CITY OF TIGARD, OREGON
TIGARD CITY COUNCIL
RESOLUTION NO. 15-52

A RESOLUTION APPROVING THE TRANSFER OF TWO MAIN STREET PROPERTIES (12533-12537 SW MAIN STREET, TAXLOT IDS 2S102AB02000 AND 2S102AB02100) THROUGH A PURCHASE AND SALE AGREEMENT TO THE TIGARD CITY CENTER DEVELOPMENT AGENCY

WHEREAS, Section 3.44.30 of the Tigard Municipal Code authorizes the Tigard City Council ("Council") to transfer real property to an urban renewal agency established by the Council pursuant to ORS Chapter 457 on such terms and conditions as the Council deems appropriate and upon making the required findings; *and*

WHEREAS, staff has proposed and recommends that the above-referenced properties be transferred through a purchase and sale agreement, attached as Exhibit A with the Tigard City Center Development Agency ("CCDA"); *and*

WHEREAS, the properties at 12533-12537 SW Main Street (tax lots 2S102AB02000 and 2S102AB02100) were purchased by the City of Tigard using Park Bond funds (Tigard Ballot Measure 34-81); *and*

WHEREAS, the purchase and sale agreement includes language that commits the Agency to repaying the Park Bond fund, or market value, whichever is greater, for the portion of the property not used for public space within two years.

NOW, THEREFORE, BE IT RESOLVED by the Tigard City Council that:

SECTION 1. Findings:

A. The City Center Development Agency was established by Council pursuant to ORS Chapter 457;

B. Goal 5 of the City Center Urban Renewal Plan is to "Promote high quality development of retail, office and residential uses that support and are supported by public streetscape, transportation, recreation and open space investments". The City Center Development Agency intends to induce redevelopment, including public space, on these parcels to bring new residents to Downtown, promote revitalization and increase property tax revenue. Transfer to the urban renewal agency for redevelopment or other purpose is consistent with, and furthers the goals and objectives of, the adopted urban renewal plan;

C. Transfer to the Agency furthers the public interest as it will increase the opportunities for cost-effective environmental remediation of the site, including making the properties eligible for brownfield clean-up grant funding, enable private sector investment and development, increase access to public spaces, promote an economically vibrant downtown area, and increase property tax revenues benefitting all city residents.

D. The City has authority under Oregon State law (ORS 271.310) to dispose of real property when the public interest would be furthered.

SECTION 2. Ownership of the properties at 12533-12537 SW Main Street (tax lots 2S102AB02000 and 2S102AB02100) hereby is authorized to be transferred to the CCDA.

SECTION 3. This Resolution is effective immediately upon passage. The City Manager hereby is authorized to execute a purchase and sale agreement and such other documents as are necessary to effectuate the transfer, in consultation with the City Attorney.

PASSED: This 24th day of November 2015.

Mayor - City of Tigard

ATTEST:

Carol A Krueger

City Recorder - City of Tigard

PURCHASE AND SALE AGREEMENT

BETWEEN:	City Of Tigard, an Oregon Municipal Corporation	("Seller")
And:	City Center Development Agency, An ORS Chapter 457 Urban Renewal Agency	("Purchaser")
DATED:	_____ _____, 2015	("Effective Date")

RECITALS

A. Seller owns two parcels of real property commonly known as 12533, 12535 and 12537 SW Main St., Tigard, Or. 97224 (Tax Map Nos: 2S102AB2000 and 2S102AB02100) both of which are more fully described on the attached and incorporated Exhibit 'A' (hereinafter the "Property"), including the improvements thereon.

B. Seller desires to sell the Property, and Purchaser desires to purchase the Property pursuant to the terms set forth in this Purchase and Sale Agreement ("Agreement").

C. The parties acknowledge that the Property was purchased by Seller with proceeds of the bonds sold under the authority of City Ballot Measure 34-181, approved by the voters November 2, 2010 (the "Measure"). Purchaser will use the Property in a manner permitted under the Measure and to advance the purposes described in the Measure, including seeking environmental remediation grant funding.

AGREEMENT

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

ARTICLE 1
DEFINED TERMS

1.1 Closing. The process described in Article 8 of this Agreement.

1.2 Contingency Period. As defined in Article 3.

1.3 Deed. A statutory special warranty deed in the form of Exhibit 'B' attached hereto which shall be used to convey the Property from Seller to Purchaser, subject to Seller's right to repurchase and Purchaser's post-closing obligations.

1.4 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.

1.5 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.

1.6 Property. Includes the 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, and Seller's lessor interest existing in leases of the Property, which will be transferred.

1.7 Property Documents. Any and all documents in Seller's possession or control relating to the Property, including without limitation, land use approvals, land use applications, permits, licenses, leases and related documents, all environmental studies, reports, assessments, any agreements related to the Property that will survive Closing, maps, development agreements, surveys and studies relating to the Property prepared by third parties, but excluding (i) documents which are no longer in effect (ii) tax documents, (iii) documents subject to attorney client privilege, and (iv) documents relating to potential transactions which have not occurred and (v) appraisals.

ARTICLE 2
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 Purchase Price. The Purchase Price due from Purchaser to Seller is:

2.2.1 $515,500 (representing the original purchase price for the Property paid by Seller) or the amount established by an independent MAI appraisal, whichever is greater as provided in Section 2.2.2; with $1.00 due and payable at Closing, and the balance due on June 30, 2017 (the "Due Date") and subject to the City's Right to Repurchase as provided in Article 10 (the "Purchase Price").

2.2.2 Purchaser may pay the balance of the Purchase Price at any time. At least sixty (60) days before tendering the remainder of the Purchase Price, but no later than January 30, 2017, Purchaser shall submit to Seller the qualifications of at least three MAI appraisers. Seller shall have 10 days to object to up to two of the appraisers. Purchaser shall select an appraiser not objected to by Seller and shall obtain a appraisal of the current fair market value of the Property at its highest and best use, which amount shall be the Purchase Price if greater than $515,500.00 (the original purchase price for the Property paid by Seller).

2.2.3 As further consideration, Purchaser shall assume, be bound by and fully perform Seller's obligations as set forth in the Consent Judgment (C152218CV) between Seller

and the State of Oregon, ex rel Dick Pederson, Director, Department of Environmental Quality, dated May 28, 2015.

ARTICLE 3
CONDITIONS PRECEDENT TO CLOSING

3.1 Purchaser's Deliveries. At or before Closing, Purchaser shall deliver to Seller (i) the sum of $1.00, (ii) an executed and acknowledged acceptance of the Deed, (iii) an executed counterpart of the Assignment and Assumption of the leases in the form of Exhibit 3.2 ("Assignment and Assumption"), duly executed by Purchaser, (iv) such documentation as may be necessary to assume the obligations under the Consent Judgment C152218CV, (v) a copy of the resolution or order authorizing the purchase and (vi) an executed Promissory Note in a form substantially conforming with Exhibit 'C' hereto securing payment of the remainder of the Purchase Price and all other documents and instruments reasonably requested by Seller to effectuate Closing.

3.2 Seller's Deliveries. At or before Closing, Seller shall deliver to Purchaser (i) an executed and acknowledged Deed, (ii) an executed Certificate of Non-Foreign Status, pursuant to Section 1445(b) (2) of the Internal Revenue Code, certifying that Seller is a non-foreign person, (iii) an executed counterpart of the Assignment and Assumption; (iii) a copy of the resolution or order authorizing the sale and (vi) all other documents and instruments reasonably requested by Closing. At Closing, Seller shall deliver possession of the Property to Purchaser, subject to the Lease Documents.

3.3 Purchaser's Right to Analyze Property Documents. Within ten (10) days after the Effective Date, Seller shall deliver all Property Documents to Purchaser. During the Contingency Period (as defined in Section 3.4 below), 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.

3.4 Purchaser's Right to Analyze Property. For a period of thirty (30) days after the Effective Date (the "Contingency Period"), unless extended by Purchaser as set forth below:

3.4.1 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.

3.4.2 Purchaser shall have the right, at no cost, to extend the Contingency Period two (2) times for a period of thirty (30) days each, upon ten (10) days prior written notice to the Seller stating the reasonable need for the extension.

3.4.3 The parties acknowledge that Purchaser intends to apply for an EPA Brownfields Cleanup grant. Seller agrees to reasonably assist Purchaser in obtaining such grant, including facilitating Purchaser in performing all appropriate inquiries as defined by law and

qualifying for liability protection pursuant to 40 CFR Part 312 or as otherwise provided by law. The parties understand that Seller has:

3.4.3.1 Obtained a Phase 1 and Phase II environmental assessment of the Property, copies of which are to be provided to Purchaser. Seller shall authorize and direct its environmental consultant(s) to make available to Purchaser any and all information obtained on behalf of Seller regarding the Property.

3.4.3.2 Entered into a Consent Judgment with the State of Oregon, ex rel Dick Pederson, Director, Department of Environmental Quality, C152218CV, dated May 28, 2015, obligating Seller to undertake certain actions regarding the property as specified therein. Purchaser agrees that on Closing it shall be bound by and responsible for fully performing the obligations under that Consent Judgment. Seller shall cooperate and assist Purchaser as reasonably necessary in performing such obligations.

3.4.3.3 Purchaser shall have the right to enter onto the Property, upon forty-eight (48) hour prior notice to Seller, to conduct any and all tests, investigations, and inspections deemed necessary by Purchaser. Seller shall have the right to be present at the inspections(s). Seller may, if it determines that access by Purchaser will interfere with the rights of current tenants, require coordination with such tenants and impose reasonable conditions on Purchaser's access.

3.4.3.4 Such investigations and/or studies shall be conducted by Purchaser at its sole expense.

3.4.4 Within the limits of the Oregon Tort Claims Act and the Oregon Constitution, 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. This agreement to indemnify, hold harmless and defend Seller shall survive Closing or other termination of this Agreement.

3.4.5 In the event Purchaser elects not to close on the Property, upon such determination and termination of the Agreement, Purchaser agrees it will provide to Seller copies of all written reports resulting from any and all investigations conducted by the Purchaser during the Contingency Period, within five (5) days of termination of this Agreement. This provision will survive the Closing or termination of the Agreement.

3.5 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 by delivering written notice of termination to Seller prior to the

expiration of the Contingency Period, as it may be extended, in which case this Agreement shall immediately terminate.

3.6 Review of Preliminary Report. Within ten (10) days after the Effective Date, Seller shall provide Purchaser with a preliminary title report, describing title to the Property, and including legible copies of all recorded documents described in the preliminary report (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. Any notice of disapproval shall specify which title exceptions are unacceptable (the "Unacceptable Exceptions"). The matters disclosed in the Preliminary Report to which Seller does not object, along with the standard printed exceptions on a form of title insurance policy, shall be the "Permitted Exceptions" and included as exceptions in the Title Policy, along with any Unacceptable Exceptions that become Permitted Exceptions.

3.7 Right to Cure Disapproval of Preliminary Report. If Purchaser delivers notice of disapproval, Seller shall notify Purchaser in writing (a "Response Notice") within five (5) days thereafter, whether Seller will agree to remove or otherwise cure, to Purchaser's reasonable satisfaction, any Unacceptable Exception(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). If Seller fails to timely provide a Response Notice, Seller shall be deemed to have elected not to cure any Unacceptable Exceptions. If Seller fails to agree to remove an Unacceptable Exception, Purchaser shall elect, by notice to Seller within five (5) days after the Response Notice (or, if no Response Notice is provided, within five (5) days after the Response Notice was due to either (I) terminate this Agreement or (II) waive Seller's objection and accept title subject to the Unacceptable Exceptions which Seller has not agreed to cure (in which event such Unacceptable Exceptions shall be Permitted Exceptions). Failure of Purchaser to timely so elect shall be deemed an election to waive such Unacceptable Exceptions, in which event such Unacceptable Exceptions shall become Permitted Exceptions.

3.8 Failure to Cure Disapproval of Preliminary Report. If Seller, in its Response Notice, agrees to cure an Unacceptable Exception and thereafter fails to cure such Unacceptable Exception prior to Closing, Purchaser shall have the right to (i) terminate this Agreement (ii) suspend performance of its obligations under this Agreement at no cost to Purchaser and extend the Closing Date until that removal of the Unacceptable Exception has occurred (but no more than 45 days) or (iii) waive in writing its prior disapproval of such exception and accept title subject to such previously disapproved item, by delivering written notice of Purchaser's election to Seller prior to Closing in which case such Unacceptable Exceptions will be Permitted Exceptions.

3.9 Title Policy. Seller shall be unconditionally committed to procure upon 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 without regard to any future credits 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 (I) that Purchaser pays any additional costs associated with issuance of such policy, and (II) Seller shall not be required to indemnify the title company to induce it to issue such extended coverage or endorsements.

3.10 Approval. This Agreement is specifically conditioned on approval by the Tigard City Council and the governing body of the City Center Development Agency before the end of the Contingency Period. If either governing body has not approved this Agreement on or before the expiration of the Contingency Period, this Agreement and the rights and obligations of the Purchaser and the Seller shall automatically terminate.

3.11 Approval of Leases & Estoppel Certificates. Within ten (10) days of the Effective Date, Seller will provide to Purchaser copies of all current leases affecting the Property, copies of any related documents other than leases which provide for or discuss any matters affecting the occupancy of the Property by the tenants who have any right now or in the future with respect to the Premises, 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 Contingency Period if Purchaser shall determine in the exercise of its sole discretion that any documents described herein are not satisfactory. Effective on the Closing Date, Seller will assign to Purchaser all leases then in effect.

3.12 Contingency Failure. If Purchaser fails to notify Seller in writing by the end of the Contingency Period that the conditions set forth in this Article 3 have been satisfied or waived, this Agreement and the rights and obligations of the Purchaser and the Seller shall automatically terminate.

3.13 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 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 provided that Purchaser may not terminate this Agreement pursuant to this Section if Purchaser is the condemning government entity.

ARTICLE 4
SELLER'S REPRESENTATIONS AND WARRANTIES

4.1 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:

4.1.1 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 Purchaser.

4.1.2 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, in the Preliminary Report, and the Lease Documents. Seller agrees to transfer to Purchaser, via Statutory Special Warranty Deed in the form of Exhibit 'B', the Property, subject only to the Permitted Exceptions.

4.1.3 Property Documents, Lease Documents; No Defaults. To Seller's knowledge, the Property Documents, including lease documents delivered by Seller to Purchaser are true, correct and complete copies and there are no other documents or instruments in Seller's possession and control that would constitute Property 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.

4.1.4 Pending Transactions, Suits or Proceedings. To Seller's knowledge, there are no suits, proceedings, litigation, 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.

4.1.5 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.

4.1.6 Environmental Conditions. Except as provided in the Consent Judgment C152218CV dated May 28, 2015, and documents provided to Purchaser, to Seller's knowledge, the Property is not now in violation of, and is not currently under investigation for the violation of, any Environmental Laws. 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.

4.1.7 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,

which will remain unpaid at Closing or upon which a lien may be filed, excepting work, labor, or materials for which the tenant under the Lease Documents is responsible.

4.1.8 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.

4.1.9 Conduct Pending Closing; Covenants.

4.1.9.1 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.

4.1.9.2 No Alterations. Seller will not make any material alterations to the Property prior to the Closing, provided nothing herein prohibits alterations made by a tenant permitted by such tenant's Lease.

4.1.9.3 Condition of the Property Through Closing. Seller shall, between the Effective Date and the Closing Date: (i) maintain the Property in substantially the same condition as it was on the Effective Date, with no tree cutting, timber harvesting or altering of the Property in any way, subject to casualty and to alterations made by a tenant permitted by such tenant's Lease, (ii) keep all existing insurance policies affecting the Property in full force and effect, (iii) make all regular payments of interest and principal on any existing financing, (iv) pay all real property taxes and assessments against the Property prior to delinquency, (v) comply with all government regulations, and (vi) keep Purchaser timely advised of any repair or improvement which is known by Seller required to keep the Property in substantially the same condition as it was on the Effective Date.

ARTICLE 5
AS-IS SALE

AS-IS Sale. The Property is being sold to, and accepted by, Purchaser at Closing in its then-present condition, AS-IS, WHERE IS, WITH ALL FAULTS, and without any warranty whatsoever, express or implied, except for the representations and warranties set forth in Article 4 and in the Deed to be delivered at Closing. Purchaser acknowledges that (a) it is purchasing the Property AS-IS, WHERE IS, WITH ALL FAULTS; (b) it will have made or performed any and all tests, surveys, or other examinations of the Property as Purchaser deems necessary prior to the end of the Contingency Period; and (c) it shall rely solely on its own inspection, examination, and evaluation of the Property in assessing and determining the condition of the Property. Seller and Seller's agents have not made, are not now making, and specifically hereby disclaim, any and all warranties and representations of any kind, express or implied, oral or

written, with respect to the Property, except for any representation or warranty made in Article 4 or any warranty of title to be contained in the Deed to be delivered at Closing. The provisions of this Article 5 shall survive Closing.

ARTICLE 6
PURCHASER'S REPRESENTATIONS AND WARRANTIES

6.1 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:

6.1.1 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.

6.1.2 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 7
PRORATED FEES AND COSTS

7.1 Prorations. Taxes will be prorated as of the Closing date.

7.2 Seller's Fees and Costs. Seller shall pay: (i) the costs for the Title Policy (but not extended coverage or endorsements requested by Purchaser; (ii) Seller's recording charges; and (iii) one-half of any transfer taxes.

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

7.4 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 8
CLOSING

8.1 Closing. Closing shall consist of (i) payment of the amount due and recording the Deed and providing a conformed copy to each Party; (ii) confirming execution of all documents necessary for Closing; and (iii) delivering funds and documents as set forth herein, when and only when the parties have confirmed that all terms and conditions of this Agreement have been met and each of the conditions set forth below have been satisfied:

8.1.1 Funds and Instruments. All funds and instruments required pursuant to this Agreement have been delivered.

8.1.2 Satisfaction of Conditions Precedent. Each of the conditions precedent set forth in the Agreement have been either satisfied or waived, or deemed waived.

8.1.3 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.

8.1.4 Assignment and Assumption Document. The parties shall have executed the Assignment and Assumption of the leases and such documents as are necessary for purchaser to assume the obligations under Consent Judgment C152218CV.

8.1.5 Closing. Closing shall occur on the date that is thirty (30) days after expiration of the Contingency Period unless agreed otherwise in writing by the parties.

ARTICLE 9
DEFAULT AND REMEDIES

9.1 Pre-Closing Remedies:

9.1.1. Purchaser's Breach. If Purchaser breaches this Agreement, which breach Purchaser fails to cure within thirty (30) days after receipt of written notice thereof from Seller, Seller may terminate this Agreement and receive as liquidated damages reimbursement of Seller's reasonable and necessary costs associated with this transaction and termination thereof, including attorney fees.

9.1.2. Seller's Breach. In the event of Seller's breach, which breach Seller fails to cure within thirty (30) days of receipt of written notice thereof from Purchaser, Purchaser may elect to either (i) terminate this Agreement, or receive as liquidated damages reimbursement for Purchaser's costs associated with this transaction, including attorney fees, or (ii) seek an action for specific performance in order to enforce Purchaser's rights hereunder.

9.1.3. Liquidated Damages. The parties agree that the amounts stated above have been agreed to as a reasonable compensation and the exclusive financial remedy for default, since the precise amount of such compensation would be difficult to determine.

9.2 Seller's Post Closing Remedies: If Purchaser breaches its post-Closing obligations under this Agreement, which breach Purchaser fails to cure within thirty (30) days after receipt of written notice thereof from Seller; Seller may, in addition to any other remedy provided by law:

9.2.1 Immediately exercise its right to repurchase provided for in Article 10.

9.2.2 File an action for specific performance of Purchaser's obligations.

9.2.3 File an action to collect all amounts due under the Promissory Note executed by Purchaser, the full amount of which shall be immediately due and payable.

9.3 Notwithstanding any other provision of this Agreement, if Purchaser takes any action that violates the Measure, or Purchaser's Measure-related Post Closing Obligations, including but not limited to those set forth in Section 10.2, below, the entire Purchase Price shall immediately be due and payable, and Purchaser shall immediately pay the remainder of the Purchase Price to Seller in full and not in installments.

ARTICLE 10
SELLER'S RIGHT TO REPURCHASE and PURCHASER'S POST CLOSING OBLIGATIONS

10.1 Right to Repurchase. Seller retains, and Purchaser acknowledges, Seller's right to repurchase the Property at any time prior to Purchaser paying the full amount of the Purchase Price, or on Purchaser's default, on 10 days written notice of its intent to repurchase the Property, or any portion thereof, for purposes consistent with the uses authorized by City of Tigard Ballot Measure 34-81.

10.1.1 The repurchase price shall be $515,500.00, pro-rated by the square footage to be purchased, or the fair market value of the property or portion thereof, established in the same manner as provided for in Section 2.2.1, whichever is less.

10.1.2 If Seller exercises its right to repurchase a portion of the Property less than the whole, Seller shall be responsible for obtaining any lot line adjustment or land division necessary to complete the repurchase.

10.1.3 Closing of the repurchase shall occur in a commercially reasonable manner generally consistent with the Closing provided for herein.

10.2 Purchaser's Post-Closing Obligations. Until such time as Purchaser has paid the full amount of the Purchase Price, Purchaser shall:

10.2.1 Not enter into any rental agreement or lease, earnest money, option, development agreement, deed, easement or other document relating to transfer or sale of any portion of the Property without first obtaining Seller's written consent. No lease shall extend beyond expiration of Seller's right to repurchase. The rental amount of any such lease of the Property or any portion of the Property shall be at fair market value. No lease shall provide an option to purchase or other property interest beyond that normally associated with a tenant.

10.2.2 Not permit or suffer any lien or other encumbrance against the Property without Seller's written consent.

10.2.3 Comply, and not take any action inconsistent, with the obligations set forth in the Consent Judgment (C152218CV) between Seller and the State of Oregon, ex rel Dick Pederson, Director, Department of Environmental Quality, dated May 28, 2015. Within the limits of the Oregon Tort Claims Act, Purchaser shall indemnify, defend and hold harmless Seller against any claim arising from Purchaser's failure to comply with, or negligent compliance with, the obligations set forth in the referenced Consent Judgment.

10.2.4 Hold the Property to advance the purposes set forth in the Measure.

10.2.5 Not authorize or suffer any action with regard to the Property that would cause it to diminish in value or not advance the purposes set forth in the Measure. Purchaser may demolish and remove the existing structures on the Property, conduct environmental remediation, and take other actions with the consent of City that advance the purposes of the Measure.

10.2.6 Not make any changes to the Property or take any other action related to the Property that benefits any particular private party.

10.3 Survival. This Article 10 shall survive Closing.

ARTICLE 11
GENERAL PROVISIONS

11.1 Attorney's 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.

11.2 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.

11.3 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.

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

11.5 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.

11.6 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.

11.7 Real Estate Brokerage Commission. Each party warrants to the other that it has not engaged the services of a real estate broker in regards to this transaction.

11.8 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:	City of Tigard Attn: Marty Wine, City Manager City Hall 13125 SW Hall Blvd Tigard, OR 97223 Fax: (503) 684-7297
If to Purchaser:	City Center Development Agency Attn: Marty Wine, Executive Director 13125 SW Hall Blvd Tigard, OR 97223 Fax: (503) 684-7297

11.9 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.

11.10 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.

11.11 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.

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

11.13 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.

11.14 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.

11.15 Calculation of Time. Unless specified otherwise, 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.

11.16 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.

11.17 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

City of Tigard, an Oregon municipal corporation

By:_____
Name:_____
Its:_____

PURCHASER

City Center Development Agency, an ORS Chapter 457 agency

By:_____
Name:_____
Its:_____

APPROVED AS TO FORM:

By: _____
City Attorney

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

EXHIBIT A

2003-98649

2004-28753

EXHIBIT A

Legal Description

A tract of land being a portion of Lot 3, BURNHAM TRACT, a duly recorded subdivision in Washington County plat records, said land being located in the Northeast quarter of Section 2, Township 2 South, Range 1 West of the Willamette Meridian, in the City of Tigard, County of Washington, State of Oregon, being further described as follows:

Beginning at the most Easterly corner of said Lot 3, BURNHAM TRACT, being a point on the centerline of S.W. Burnham Road; thence S45°06'43"W, along the Southeasterly line of said Lot 3, a distance of 30.00 feet to a point on the Southwesterly right-of-way line of said S.W. Burnham Road; thence S45°06'43"W, continuing on the Southeasterly line of said Lot 3, a distance of 314.41 feet to the Southwesterly line of a 30.00 foot easement recorded in Washington County Deed Book 890 Page 753; thence N44°28'10"W, 15.00 feet Southwesterly of, and parallel to, an existing sewer line, a distance of 190.74 feet to a point on the Northwesterly line of said Lot 3; thence N51°56'00"E, along the Northwesterly line of said Lot 3, a distance of 312.87 feet to a point on said Southwesterly right-of-way line of said S.W. Burnham Road; thence continuing N51°56'00"E, a distance of 30.27 feet to the most Northerly corner of said Lot 3, being a point on the centerline of said S.W. Burnham Road; thence S45°46'00"E, along said centerline, a distance of 150.00 feet to the point of beginning.

Excepting Therefrom that portion of said Lot dedicated to the public for street, road and utility purposes in document recorded October 13, 1978 in Book 1118, Page 567.

And Further Excepting Therefrom that portion of said Lot granted and dedicated to the City of Tigard for street and utility purposes in document recorded January 8 , 1980, as Recorder's Number 80000717.

The foregoing property is the same property which is occasionally described as:

Lot 3, BURNHAM TRACT, in the City of Tigard, Washington County, Oregon.

Excepting Therefrom that portion of said Lot dedicated to the public for street, road and utility purposes in document recorded October 13, 1976, page 567.

And Further Excepting Therefrom that portion of said Lot granted and dedicated to the City of Tigard for street and utility purposes in document recorded January 8, 1980, Recorder's No. 80000717.

And Further Excepting Therefrom that portion of said Lot conveyed to the City of Tigard by deed recorded August 6, 1980, Recorder's No. 80026999.

And Further Excepting Therefrom that portion of said Lot conveyed to Gerald L. Cach and Joan L. Cach, husband and wife, by deed recorded August 11, 1980, Recorder's No. 80027467.

EXHIBIT B

AFTER RECORDING RETURN TO:
City Center Development Agency
Attn: Executive Director
13125 SW Hall Blvd
Tigard OR 97223

UNTIL A CHANGE IS REQUESTED
SEND TAX STATEMENTS TO:

City Center Development Agency
Attn: Executive Director
13125 SW Hall Blvd
Tigard OR 97223

This space is reserved for recorder's use.

STATUTORY SPECIAL WARRANTY DEED

The City of Tigard, an Oregon Municipal Corporation ("Grantor") hereby conveys and warrants to the City Center Development Agency, an ORS chapter 457 urban renewal agency, ("Grantee"), the following described real property free of encumbrances created or suffered by Grantor except as specifically set forth herein:

See Exhibit A attached hereto.

The true consideration for this conveyance is _____. This conveyance is made subject to Grantor's right to repurchase and Grantee's obligations as set forth in the Purchase and Sale Agreement between the parties dated _____ and 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_____ , 2015.

GRANTOR

By:_____
Name:_____
Its:_____

STATE OF OREGON)
) ss.
County of _____)

This instrument was acknowledged before me on _____ ____, 2015 by _____ as _____ of the City of Tigard.

_____
NOTARY PUBLIC FOR OREGON
My Commission Expires:_____

ACCEPTED:

GRANTEE

City Center Development Agency, an ORS chapter 457 urban renewal agency

By:_____
Name:_____
Its:_____

STATE OF OREGON)
) ss.
County of _____)

This instrument was acknowledged before me on _____ ____, 2015, by _____ as _____ of the City Center Development Agency, an ORS chapter 457 urban renewal agency.

_____
NOTARY PUBLIC FOR OREGON
My Commission Expires:_____

2003-96649

2004-28753

EXHIBIT A

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And Further Excepting Therefrom that portion of said Lot conveyed to the City of Tigard by deed recorded August 6, 1980, Recorder's No. 80026999.

And Further Excepting Therefrom that portion of said Lot conveyed to Gerald L. Cach and Joan L. Cach, husband and wife, by deed recorded August 11, 1980, Recorder's No. 80027467.

Portlnd1-2140012.1 0099999-00001

Title Data, Inc. FA POR10411 WN 2004028753.003

Exhibit B

[to be provided after review of preliminary report]

Exhibit C

ASSIGNMENT OF LEASE

THIS Assignment and Assumption of Lease ("Agreement") is made as of this ___ day of _____, 20___, between the City of Tigard, an Oregon municipal corporation ("Assignor") and the City Center Development Agency, an ORS chapter 457 urban renewal agency ("Assignee")

RECITALS

A. Assignor owns the fee interest in those certain premises described on Exhibit A attached and incorporated hereto (the "Premises").

B. A portion of the Premises are leased pursuant to the lease attached and incorporated as Exhibit B (the "Lease"). Assignor holds all right, title and interest in and to the lessor's interest under the Lease.

C. Pursuant to that certain Purchase and Sale Agreement dated _____ _____, 20___, between Assignor and Assignee (the "Agreement"), Assignor has agreed to sell the Premises to Assignee and in connection with the sale has agreed to assign the Lease to Assignee and Assignee has agreed to assume the Lease.

AGREEMENT

NOW, THEREFORE, for valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties agree as follows:

1. Assignment.

Effective as of the Effective Date of this Assignment, Assignor hereby transfers, sets over and assigns to Assignee all right, title and interest of Assignor in and to the Lease, TO HAVE AND TO HOLD the same to Assignee, its successors and assigns forever; SUBJECT , HOWEVER, to each and every provision of the Lease and as hereinafter provided.

2. Acceptance of Assignment.

Effective as of the Effective Date, Assignee accepts the within assignment and agrees to perform and discharge all of the covenants, terms, conditions and provisions to be kept, observed and performed by Assignor as lessor under the Lease.

3. Assignor's Indemnity of Assignee.

Assignor hereby agrees to defend and indemnify Assignee, its directors, officers, employees, agents, representatives, successors and assigns, and each of them, from and against

any and all claims, suits, demands, causes of action, actions, liabilities, losses, damages, costs and expenses (including reasonable attorney's fees) arising out of or resulting from any breach or default committed or alleged to have been committed by Assignor as lessor under the Lease prior to the Effective Date.

4. Assignee's Indemnity of Assignor.

Within the limits of the Oregon Tort Claims Act and Oregon Constitution, Assignee hereby agrees to defend and indemnify Assignor, and its respective directors, officers, employees, agents, representatives, successors and assigns, and each of them, from and against any and all claims, suits, demands, causes of action, actions, liabilities, losses, damages, costs and expenses (including reasonable attorney's fees) arising out of or resulting from any breach or default committed or alleged to have been committed by Assignee, its successors or assigns, as the lessor under the Lease from and after the Effective Date.

5. Effective Date.

This Assignment shall be effective as of the date of recording of the deed conveying title to the Premises to Assignee (the "Effective Date").

6. Counterparts.

This Assignment may be executed in one or more counterparts by the parties hereto. All Counterparts shall be construed together and shall constitute one agreement.

7. Binding Effect.

This Assignment shall be binding on and inure to the benefit of the parties and their respective heirs, successors and assigns.

IN WITNESS WHEREOF, the parties hereto have caused this Assignment to be duly executed on behalf of each of them respectively, by their respective officer's thereunto duly authorized, in multiple originals, all as of the day and year first above written.

ASSIGNOR

City of Tigard, an Oregon municipal corporation

By: _____
Name: _____
Its: _____

ASSIGNEE

City Center Development Agency, an ORS Ch. 457 urban renewal agency

By: _____
Name: _____
Its: _____

EXHIBIT A

Premises

EXHIBIT B

The Leases