



January 17, 2019

Board of Commissioners
Clackamas County
Board of the North Clackamas Parks and Recreation District

Members of the Board:

Approval of Closing Documents for Hidden Falls Property

Purpose/Outcomes	Closing of transaction to purchase Hidden Falls Park Property in Happy Valley.
Dollar Amount and Fiscal Impact	Total Project Cost \$1,722,090 Amount already in escrow \$1,135,279 Balance paid at closing \$595,421.31 (including closing costs)
Funding Source	NCPRD Zone 3 SDCs and General Fund
Duration	Once closing documents are executed, ownership into perpetuity
Previous Board Action	<ul style="list-style-type: none"> • NCPRD Board Meeting 7/20/2017 – Approved Purchase and Sale and Development Agreements • NCPRD Board Meeting 12/21/2017 – Approved Addendum #1 to the Development Agreement • BCC Business Meeting 12/20/2018 – Approved Addendum #2 to the Development Agreement
Strategic Plan Alignment	<ol style="list-style-type: none"> 1. Honor, utilize, promote and invest in our natural resources 2. Build public trust through good government
Contact Person	Scott Archer, <i>NCPRD Director</i> , 503-742-4421 Kathryn Krygier, <i>Planning & Development Manager</i> , 503-742-4358

BACKGROUND:

The North Clackamas Parks and Recreation District (“NCPRD”), a division of Business and Community Services, requests approval of the closing documents to complete the purchase and transfer of the Hidden Falls Park property.

This sale is the result of a Purchase and Sale Agreement and Development Agreement with Hidden Falls Development, LLC. These agreements are enabling NCPRD to acquire approximately 21.3 acres of land in a unique, forested natural area bisected by Rock Creek with a waterfall and a 0.84-mile trail improvement including a bridge over the creek with a view of the waterfall, which is a segment of the 34-mile Regional Mt. Scott/Scouters Mountain Trail Loop (Multi-Use Trail).

This project was approved as part of NCPRD’s Adopted Budget for FY 2017/18. It is also included in NCPRD’s 2007 System Development Charges (SDC) Capital Improvement Plan. The SDC methodology provides for land acquisition to be 66.65% SDC-eligible and development of the Multi-Use Trail to be 47.99% SDC-eligible. The Multi-Use Trail was adopted by Metro in 2013 and subsequently identified in the City of Happy Valley’s Transportation System Plan.

The development included a ten-foot wide multi-use asphalt trail, a 110-foot bow-truss bridge, view areas of the falls that are separate from the trail, safety fencing and several resting places located adjacent to the trail. The improvements meet all of NCPRD development standards.

County Counsel has reviewed and approved the content of the closing documents.

RECOMMENDATION:

Staff respectfully recommends that the Board of County Commissioners, acting as the governing board of North Clackamas Parks and Recreation District, approve the closing documents in a substantially similar form to the attached drafts, and authorize Chair Bernard to sign on behalf of the Board and execute all documents necessary to effectuate the closing of this transaction.

ATTACHMENT:

1. Draft Closing Documents

Respectfully submitted,

Scott Archer, Director
North Clackamas Parks and Recreation District

Fidelity National Title Company of Oregon

12809 SE 93rd Avenue, Clackamas, OR 97015

Phone: (503)786-0340 | Fax: (503)786-0424

BORROWER'S STATEMENT

Settlement Date: January 11, 2019
Disbursement Date: January 11, 2019

Escrow Number: 45141719007A
Escrow Officer: Carrie Redifer
Email: carrie.redifer@fnf.com

Borrower: North Clackamas Parks and Recreation District
150 Beaver Creek Road
Oregon City, OR 97045

Seller: Hidden Falls Development LLC
1980 Willamette Falls Drive # 200
West Linn, OR 97068

Property: Parcel 9, PP No. 2017-032 and Tract "E", Hidden Falls No. 3
Clackamas, OR 97015

	\$	DEBITS	\$	CREDITS
FINANCIAL CONSIDERATION				
Sale Price of Property		1,650,000.00		
Deposit by NCPRD				1,050,279.00
Seller donation towards property				599,721.00
Contingency Funds				85,000.00
PRORATIONS/ADJUSTMENTS				
Cost for park construction		1,154,160.00		
Park construction change orders		117,930.00		
County Taxes at \$16,244.78	01/12/19 to 07/01/19 (\$16,244.78 / 365 X 170 days)	7,566.06		
Seller donation towards park construction				600,279.00
TITLE & ESCROW CHARGES				
Title - E-Recording Fee	Fidelity National Title Company of Oregon		5.00	
Title - Escrow Fee	Fidelity National Title Company of Oregon		926.25	
GOVERNMENT CHARGES				
Recording Fees	Fidelity National Title Company of Oregon		113.00	
Subtotals		2,930,700.31		2,335,279.00
Balance Due FROM Borrower				595,421.31
TOTALS		2,930,700.31		2,930,700.31

I have carefully reviewed the Settlement Statement and to the best of my knowledge and belief, it is a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction. I further certify that I have received a copy of the Settlement Statement.

BORROWER:

North Clackamas Parks and Recreation
District

BY: _____
Jim Bernard, NCPRD Board of
Directors



Carrie Redifer, AVP/Branch Manager
Fidelity National Title Company of Oregon
12809 SE 93rd Avenue
Clackamas, OR 97015
Phone: (503)786-0340 Fax: (503)786-0424

Date: January 9, 2019
Escrow No.: 45141719007A-CR
Property: Parcel 9, PP No. 2017-032 and Tract "E",
Hidden Falls No. 3
Clackamas, OR 97015

I have read the Preliminary Report dated January 2, 2019 covering the property described in your above numbered escrow, and approve the Policy of Title Insurance to be issued to me as required by my instructions to include as encumbrances therein General Exception No(s). 1-5 and Specific Item and Exception No(s). 7, pd current; 8-14, 16, 19-23, 27-37 of said report, in addition to those specific items described in my escrow instructions or created by me. I know of no other matters pertaining to the condition of title other than stated in this report. Further, we approve the legal description as being the property which is the subject of this escrow.

I hereby acknowledge receipt of a copy of said Preliminary Report.

In addition to the above, the undersigned hereby approve the legal description shown in Schedule A of said report and authorize the use of said description on all documents in this transaction.

IT IS UNDERSTOOD BY THE PARTIES SIGNING THE ABOVE INSTRUCTIONS OR THOSE ESCROW INSTRUCTIONS WHICH ARE ATTACHED HERETO THAT SUCH INSTRUCTIONS CONSTITUTE THE WHOLE AGREEMENT BETWEEN THIS FIRM AS AN ESCROW AGENT AND YOU AS A PRINCIPAL TO THE ESCROW TRANSACTION. THESE INSTRUCTIONS MAY NOT INCLUDE ALL OF THE TERMS OF THE AGREEMENT WHICH IS THE SUBJECT OF THIS ESCROW. READ THESE INSTRUCTIONS CAREFULLY, AND DO NOT SIGN THEM UNLESS THEY ARE ACCEPTABLE TO YOU.

IN WITNESS WHEREOF, the undersigned have executed this document on the date(s) set forth below.

BORROWER(S):

North Clackamas Parks and Recreation District

BY: _____ Date _____
Jim Bernard, NCPRD Board of Directors

Fidelity National Title Company of Oregon

By: Carrie Redifer _____ Date _____
Carrie Redifer, AVP/Branch Manager



Fidelity National Title

Company of Oregon

12809 SE 93rd Avenue, Clackamas, OR 97015
(503)786-0340 FAX (503)786-0424

PRELIMINARY REPORT

ESCROW OFFICER: Carrie Redifer
carrie.redifer@fnf.com
503-786-0340

ORDER NO.: 45141719007
Supplement 2nd - adding Tract "E"

TITLE OFFICER: Sheri Schriver

TO: Fidelity National Title Company of Oregon
12809 SE 93rd Avenue
Clackamas, OR 97015

ESCROW LICENSE NO.: 900400383

OWNER/SELLER: Hidden Falls Development, LLC

BUYER/BORROWER: North Clackamas Parks and Recreation District (NCPRD)

PROPERTY ADDRESS: Parcel 9 PP2017-032 & Tract E Hidden Falls, Clackamas, OR 97015

EFFECTIVE DATE: January 2, 2019, 08:00 AM

1. THE POLICY AND ENDORSEMENTS TO BE ISSUED AND THE RELATED CHARGES ARE:

	<u>AMOUNT</u>	<u>PREMIUM</u>
ALTA Owner's Policy 2006	\$ 1,650,000.00	\$ 1,999.00
Owner's Standard (Builder's Rate)		
Government Lien Search		\$ 120.00

2. THE ESTATE OR INTEREST IN THE LAND HEREINAFTER DESCRIBED OR REFERRED TO COVERED BY THIS REPORT IS:

A Fee

3. TITLE TO SAID ESTATE OR INTEREST AT THE DATE HEREOF IS VESTED IN:

Hidden Falls Development LLC, an Oregon limited liability company

4. THE LAND REFERRED TO IN THIS REPORT IS SITUATED IN THE CITY OF CLACKAMAS, COUNTY OF CLACKAMAS, STATE OF OREGON, AND IS DESCRIBED AS FOLLOWS:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

EXHIBIT "A"
Legal Description

PARCEL I:

Parcel 9, PARTITION PLAT NO. 2017-032, in the City of Happy Valley, Clackamas County, Oregon, according to the official plat thereof recorded May 2, 2017 as Document No. 2017-29436.

PARCEL II:

Tract "E", HIDDEN FALLS NO. 3, in the City of Happy Valley, Clackamas County, Oregon, according to the official plat thereof recorded November 9, 2018 as Document No. 2018-068766.

AS OF THE DATE OF THIS REPORT, ITEMS TO BE CONSIDERED AND EXCEPTIONS TO COVERAGE IN ADDITION TO THE PRINTED EXCEPTIONS AND EXCLUSIONS IN THE POLICY FORM WOULD BE AS FOLLOWS:

GENERAL EXCEPTIONS:

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Any facts, rights, interests or claims, which are not shown by the Public Records but which could be ascertained by an inspection of the Land or by making inquiry of persons in possession thereof.
3. Easements, or claims of easement, which are not shown by the Public Records; reservations or exceptions in patents or in Acts authorizing the issuance thereof; water rights, claims or title to water.
4. Any encroachment (of existing improvements located on the Land onto adjoining land or of existing improvements located on adjoining land onto the subject Land), encumbrance, violation, variation or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the subject Land.
5. Any lien or right to a lien for services, labor, material, equipment rental or workers compensation heretofore or hereafter furnished, imposed by law and not shown by the Public Records.

SPECIFIC ITEMS AND EXCEPTIONS:

6. The Land has been classified as Forest land, as disclosed by the tax roll. If the Land becomes disqualified, said Land may be subject to additional taxes and/or penalties.
Affects: Account No. 00417098
7. City Liens, if any, in favor of the City of Happy Valley. None found as of December 3, 2018.
8. The Land is within, and is subject to the statutory powers, including the power of assessment, of the Water Environment Services. None found as of December 3, 2018.
9. Rights and easements for navigation and fishery which may exist over that portion of said Land lying beneath the waters of Rock Creek .
10. Any adverse claim based upon the assertion that said Land or any part thereof is now or at any time has been included within a navigable river, slough, or other navigable body of water.
11. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Granted to: The State of Oregon, by and through its Department of Environmental Quality
Purpose: On site sewage disposal system
Recording Date: June 30, 1993
Recording No: 93-045839
Affects: As delineated on PARTITION PLAT NO. 2007-084 and on PARTITION PLAT NO. 2013-063.

12. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Granted to: Clackamas County Service District No. 1
Purpose: Sanitary sewer
Recording Date: August 23, 2006
Recording No: 2006-077584
Affects: Parcels 8 and 9-also delineated on Partition Plat No. 2007-084, Partition Plat No. 2013-063, Partition Plat No. 2017-032-20, and Tract E, Hidden Falls No. 3

13. Restrictions, but omitting restrictions, if any, based upon race, color, religion, sex, sexual orientation, familial status, marital status, disability, handicap, national origin, ancestry, or source of income, as set forth in applicable state or federal laws, except to the extent that said restriction is permitted by applicable law, as shown on that certain plat

Name of Plat: Partition Plat 2007-084

14. Restrictions, but omitting restrictions, if any, based upon race, color, religion, sex, sexual orientation, familial status, marital status, disability, handicap, national origin, ancestry, or source of income, as set forth in applicable state or federal laws, except to the extent that said restriction is permitted by applicable law, as shown on that certain plat

Name of Plat: Partition Plat No. 2013-063

15. A deed of trust to secure an indebtedness in the amount shown below,

Amount: \$5,500,000.00
Dated: November 3, 2016
Trustor/Grantor: Hidden Falls Development LLC, an Oregon limited liability company
Trustee: Fidelity National Title Company
Beneficiary: M&T Bank
Loan No.: Not disclosed
Recording Date: November 22, 2016
Recording No.: 2016-080663

Affects: This and other property.

The Deed of Trust set forth above is purported to be a "Credit Line" Deed of Trust. It is a requirement that the Trustor/Grantor of said Deed of Trust provide written authorization to close said credit line account to the Lender when the Deed of Trust is being paid off through the Company or other Settlement/Escrow Agent or provide a satisfactory subordination of this Deed of Trust to the proposed Deed of Trust to be recorded at closing.

16. Restrictions, but omitting restrictions, if any, based upon race, color, religion, sex, sexual orientation, familial status, marital status, disability, handicap, national origin, ancestry, or source of income, as set forth in applicable state or federal laws, except to the extent that said restriction is permitted by applicable law, as shown on that certain plat

Name of Plat: Partition Plat No. 2017-032

17. [Intentionally Deleted]

18. [Intentionally Deleted]

19. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Granted to: ICON Construction & Development, LLC,
Purpose: Slope and Landscape
Recording Date: July 6, 2017
Recording No: 2017-045316
Affects: Southwesterly portion of Parcel 9

20. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Granted to: Water Environment Services
Purpose: Surface Water, storm drainage and sanitary sewer easement Water Environment Services
Recording Date: November 9, 2018
Recording No: 2018-068768
Affects: See plat for location.

21. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Granted to: Water Environment Services
Purpose: Surface Water, Storm Drainage and Sanitary Sewer Easement Water Environment Services
Recording Date: November 9, 2018
Recording No: 2018-068769
Affects: See plat for location.

22. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Granted to: Water Environment Services
Purpose: Surface Water, Storm Drainage and Sanitary Sewer Easement Water Environment Services
Recording Date: November 9, 2018
Recording No: 2018-068770
Affects: See plat for location.

23. Restrictions, but omitting restrictions, if any, based upon race, color, religion, sex, sexual orientation, familial status, marital status, disability, handicap, national origin, ancestry, or source of income, as set forth in applicable state or federal laws, except to the extent that said restriction is permitted by applicable law, as shown on that certain plat

Name of Plat: Hidden Falls No. 3
Recording Date: November 9, 2018
Recording No: 2018-068766

24. The following are required when a principal to the proposed transaction is an instrumentality of the state, such as a municipality, a county or other governmental body:
- Certification, with supporting documentation, that the board or other governing authority of the governmental body has approved the transaction in accordance with applicable practices, procedures, rules, ordinances and statutes.
 - Certification that a named person or persons, identified by name and position, are authorized to act on behalf of the governmental body in the proposed transaction.
 - Verification of the current legal name and good standing of the governmental body when it is a local governmental body other than a city or county.

WARNING REGARDING DEED OR CONTRACT TO TAX-EXEMPT GOVERNMENTAL TRANSFEREE. Oregon law prohibits the county recording officer from recording a deed or contract to a tax-exempt governmental transferee, unless the deed or contract is accompanied by a certificate of payment of ad valorem county taxes. The certificate must be attested by the county assessor using a form prescribed by the Oregon Department of Revenue. Failure to allow adequate time for obtaining a certificate of payment may delay recording. This requirement is contained in Chapter 96, Oregon Laws 2015, effective Oct. 5, 2015.

25. The Company will require the following documents for review prior to the issuance of any title insurance predicated upon a conveyance or encumbrance from the entity named below.

Limited Liability Company: Hidden Falls Development LLC, an Oregon limited liability company

- a. A copy of its operating agreement, if any, and any and all amendments, supplements and/or modifications thereto, certified by the appropriate manager or member.
- b. If a domestic Limited Liability Company, a copy of its Articles of Organization and all amendment thereto with the appropriate filing stamps.
- c. If the Limited Liability Company is member-managed a full and complete current list of members certified by the appropriate manager or member.
- d. A current dated certificate of good standing from the proper governmental authority of the state in which the entity was created
- e. If less than all members, or managers, as appropriate, will be executing the closing documents, furnish evidence of the authority of those signing.

The Company reserves the right to add additional items or make further requirements after review of the requested documentation.

26. If requested to issue an extended coverage ALTA loan policy, the following matters must be addressed:
- a) The rights of tenants holding under unrecorded leases or tenancies
 - b) Matters disclosed by a statement as to parties in possession and as to any construction, alterations or repairs to the Land within the last 75 days. The Company must be notified in the event that any funds are to be used for construction, alterations or repairs.
 - c) Any facts which would be disclosed by an accurate survey of the Land

27. Declaration and Maintenance Agreement for on Site Stormwater Facilities

Recording Date: November 9, 2018
Recording No.: 2018-068772

Affects: Parcel II.

28. Perpetual Stormwater Maintenance Agreement

Recording Date: November 9, 2018
Recording No.: 2018-068776

Affects: Parcel II.

29. Perpetual Stormwater Maintenance Agreement

Recording Date: November 9, 2018
Recording No.: 2018-068778

Affects: Parcel II.

30. Conditions, restrictions and easements as shown on the plat of Hidden Falls No. 3, shown as follows:

"Tract "E" is subject to a conservation easement for the benefit of Happy Valley over its entirety, except the area covered by the Storm drainage and Sanitary Easement Granted to Clackamas County Water Environment Services, AKA "WES". Conservation Easements are subject to City of Happy Valley Municipal Codes 16.12.030, 16.42.060, 16.63.20 and 16.63.060 and shall be subject to public access Easement as shown on this plat."

31. Conditions, restrictions and easements as shown on the plat of Hidden Falls No. 3, shown as follows:

"The Access Easement over the Southeasterly Portion of Parcel 8 Partition Plat No. 2017-032 for the benefit of Parcel 9 of Partition Plat No. 2017-032 is hereby vacated by Virtue of this replat and the granting of other easements to said parcel 9 by this plat."

32. Conditions, restrictions and easements as shown on the plat of Hidden Falls No. 3, shown as follows:

"Tract "E" open space shall be owned and maintained by the declarant their heirs successors and assignees. The retaining walls in Tract "E" shall be owned and maintained by the owner of Tract "E"."

33. Easement(s) for the purpose(s) shown below and rights incidental thereto as delineated or as offered for dedication, on the map of said tract/plat;

Purpose: Private Access Easement
Affects: 20 feet wide over Tract "E" (Parcel II), see plat for exact location

34. Easement(s) for the purpose(s) shown below and rights incidental thereto as delineated or as offered for dedication, on the map of said tract/plat;

Purpose: Private Sanitary Sewer Easement
Affects: Tract "E" (Parcel II)-See plat for exact location

35. Easement(s) for the purpose(s) shown below and rights incidental thereto as delineated or as offered for dedication, on the map of said tract/plat;

Purpose: Private Storm Drainage Easement
Affects: Tract E(Parcel II)-See plat for exact location

36. Easement(s) for the purpose(s) shown below and rights incidental thereto as delineated or as offered for dedication, on the map of said tract/plat;

Purpose: Storm Drainage Easement
Affects: Tract E (Parcel II)-See plat for exact location

37. Easement(s) for the purpose(s) shown below and rights incidental thereto as delineated or as offered for dedication, on the map of said tract/plat;

Purpose: Sanitary Sewer Easement
Affects: Tract E (Parcel II)-See plat for exact location

ADDITIONAL REQUIREMENTS/NOTES:

A. Note: Property taxes for the fiscal year shown below are paid in full.

Fiscal Year: 2018-2019
Amount: \$2,008.90
Levy Code: 012-149
Account No.: 00417098
Map No.: 22E01 02100
(Affects Parcel I)

B. Note: Property taxes for the fiscal year shown below are paid in full.

Fiscal Year: 2018-2019
Amount: \$34,469.45
Levy Code: 012-149
Account No.: 05019481
Map No.: 22E01 02101
(Affects Parcel II and other property)

Note: The new 2018-2019 tax account information for the herein described property has not yet been assigned.

Prior to close of escrow, please contact the Tax Collector's Office to confirm all amounts owing, including current fiscal year taxes, supplemental taxes, escaped assessments and any delinquencies.

C. Note: No utility search has been made or will be made for water, sewer or storm drainage charges unless the City/Service District claims them as liens (i.e. foreclosable) and reflects them on its lien docket as of the date of closing. Buyers should check with the appropriate city bureau or water service district and obtain a billing cutoff. Such charges must be adjusted outside of escrow.

- D. Note: There are no matters against the party(ies) shown below which would appear as exceptions to coverage in a title insurance product:

Parties: North Clackamas Parks and Recreation District (NCPRD)

- E. Notice: Please be aware that due to the conflict between federal and state laws concerning the cultivation, distribution, manufacture or sale of marijuana, the Company is not able to close or insure any transaction involving Land that is associated with these activities.

- F. Recording Charge (Per Document) is the following:

County	First Page	Each Additional Page
Multnomah	\$42.00	\$5.00
Washington	\$41.00	\$5.00
Clackamas	\$53.00	\$5.00
Yamhill	\$41.00	\$5.00

Note: When possible the company will record electronically. An additional charge of \$5.00 applies to each document that is recorded electronically.

- G. In addition to the standard policy exceptions, the exceptions enumerated above shall appear on the final 2006 ALTA Policy unless removed prior to issuance.

- H. THE FOLLOWING NOTICE IS REQUIRED BY STATE LAW: YOU WILL BE REVIEWING, APPROVING AND SIGNING IMPORTANT DOCUMENTS AT CLOSING. LEGAL CONSEQUENCES FOLLOW FROM THE SELECTION AND USE OF THESE DOCUMENTS. YOU MAY CONSULT AN ATTORNEY ABOUT THESE DOCUMENTS. YOU SHOULD CONSULT AN ATTORNEY IF YOU HAVE QUESTIONS OR CONCERNS ABOUT THE TRANSACTION OR ABOUT THE DOCUMENTS. IF YOU WISH TO REVIEW TRANSACTION DOCUMENTS THAT YOU HAVE NOT SEEN, PLEASE CONTACT THE ESCROW AGENT.

- I. Note: This map/plat is being furnished as an aid in locating the herein described Land in relation to adjoining streets, natural boundaries and other land. Except to the extent a policy of title insurance is expressly modified by endorsement, if any, the Company does not insure dimensions, distances or acreage shown thereon.

RECORDING REQUESTED BY:



Fidelity National Title
Company of Oregon

12809 SE 93rd Avenue
Clackamas, OR 97015

GRANTOR'S NAME:

Hidden Falls Development, LLC

GRANTEE'S NAME:

North Clackamas Parks and Recreation District

AFTER RECORDING RETURN TO:

Order No.: 45141719007-CR

North Clackamas Parks and Recreation District
150 Beavercreek Road
Oregon City, OR 97045

SEND TAX STATEMENTS TO:

North Clackamas Parks and Recreation District (NCPRD)
150 Beavercreek Road
Oregon City, OR 97045

APN: 05019481 (portion)
00417098

READ AND APPROVED:
X _____
X _____

SPACE ABOVE THIS LINE FOR RECORDER'S USE

STATUTORY WARRANTY DEED

Hidden Falls Development LLC, an Oregon limited liability company, Grantor, conveys and warrants to North Clackamas Parks and Recreation District, county service district, Grantee, the following described real property, free and clear of encumbrances except as specifically set forth below, situated in the County of Clackamas, State of Oregon:

PARCEL I:

Parcel 9, PARTITION PLAT NO. 2017-032, in the City of Happy Valley, Clackamas County, Oregon, according to the official plat thereof recorded May 2, 2017 as Document No. 2017-29436.

PARCEL II:

Tract "E", HIDDEN FALLS NO. 3, in the City of Happy Valley, Clackamas County, Oregon, according to the official plat thereof recorded November 9, 2018 as Document No. 2018-068766.

THE TRUE AND ACTUAL CONSIDERATION FOR THIS CONVEYANCE IS ONE MILLION SIX HUNDRED FIFTY THOUSAND AND NO/100 DOLLARS (**\$1,650,000.00**). (See ORS 93.030).

Subject and excepting to: SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

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.

STATUTORY WARRANTY DEED

(continued)

IN WITNESS WHEREOF, the undersigned have executed this document on the date(s) set forth below.

Dated: _____

Hidden Falls Development LLC

ICON Construction & Development LLC, an Oregon limited liability company

BY: _____
Mark Handris, Managing Member

TR Oregon Holdings Inc., an Oregon Corp

BY: _____
Tim Bontkes, President

State of Oregon
County of Clackamas

This instrument was acknowledged before me on _____ by Mark Handris, Managing Member of ICON Construction and Development LLC, Member of Hidden Falls Development LLC, an Oregon limited liability company.

Notary Public - State of Oregon
My Commission Expires: _____

Province of British Columbia
Township of Langley

This instrument was acknowledged before me on _____ by Tim Bontkes, President of TR Oregon Holdings, Inc., Member of Hidden Falls Development LLC, an Oregon limited liability company.

Notary Public for British Columbia
My commission expires: N/A



Tami Little
County Assessor

DEPARTMENT OF ASSESSMENT AND TAXATION

Development Services Building
150 Beaver Creek Road | Oregon City, OR 97045

CERTIFICATE OF TAXES PAID

RE: Property Tax Account # 00417098 & 05019481

Assessor's Map # 22E01 02100 & 02101

Situs: 14488 SE 152nd Dr – Clackamas, OR 97015

As of this date, all taxes, fees, assessment or other charges as provided by Oregon Revised Statute 311.411 on the parcel referenced above have been paid in full.

Advance Tax was paid for the Forest Declass on September 12, 2019 in the amount of \$40,427.28.

Amount Paid: \$ 1,948.63 & 35,290.84

Date Paid: November 21, 2018 & October 15, 2018

Assessor/Deputy

January 8, 2019
Date

EXHIBIT "A"
Exceptions

Subject to:

City Liens, if any, in favor of the City of Happy Valley. None found as of recording.

The Land is within, and is subject to the statutory powers, including the power of assessment, of the Water Environment Services. None found as of December 3, 2018.

Rights and easements for navigation and fishery which may exist over that portion of said Land lying beneath the waters of Rock Creek .

Any adverse claim based upon the assertion that said Land or any part thereof is now or at any time has been included within a navigable river, slough, or other navigable body of water.

Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Granted to: The State of Oregon, by and through its Department of Environmental Quality
Purpose: On site sewage disposal system
Recording Date: June 30, 1993
Recording No: 93-045839
Affects: As delineated on PARTITION PLAT NO. 2007-084 and on PARTITION PLAT NO. 2013-063.

Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Granted to: Clackamas County Service District No. 1
Purpose: Sanitary sewer
Recording Date: August 23, 2006
Recording No: 2006-077584
Affects: Parcels 8 and 9-also delineated on Partition Plat No. 2007-084, Partition Plat No. 2013-063, Partition Plat No. 2017-032-20, and Tract E, Hidden Falls No. 3

Restrictions, but omitting restrictions, if any, based upon race, color, religion, sex, sexual orientation, familial status, marital status, disability, handicap, national origin, ancestry, or source of income, as set forth in applicable state or federal laws, except to the extent that said restriction is permitted by applicable law, as shown on that certain plat

Name of Plat: Partition Plat 2007-084

Restrictions, but omitting restrictions, if any, based upon race, color, religion, sex, sexual orientation, familial status, marital status, disability, handicap, national origin, ancestry, or source of income, as set forth in applicable state or federal laws, except to the extent that said restriction is permitted by applicable law, as shown on that certain plat

Name of Plat: Partition Plat No. 2013-063

Affects: This and other property.

Restrictions, but omitting restrictions, if any, based upon race, color, religion, sex, sexual orientation, familial status, marital status, disability, handicap, national origin, ancestry, or source of income, as set forth in applicable state or federal laws, except to the extent that said restriction is permitted by applicable law, as shown on that certain plat

Name of Plat: Partition Plat No. 2017-032

Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Granted to: ICON Construction & Development, LLC,
Purpose: Slope and Landscape
Recording Date: July 6, 2017
Recording No: 2017-045316
Affects: Southwesterly portion of Parcel 9

Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Granted to: Water Environment Services
Purpose: Surface Water, storm drainage and sanitary sewer easement Water Environment Services
Recording Date: November 9, 2018
Recording No: 2018-068768
Affects: See plat for location.

EXHIBIT "A"
Exceptions

Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Granted to: Water Environment Services
Purpose: Surface Water, Storm Drainage and Sanitary Sewer Easement Water Environment Services
Recording Date: November 9, 2018
Recording No: 2018-068769
Affects: See plat for location.

Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Granted to: Water Environment Services
Purpose: Surface Water, Storm Drainage and Sanitary Sewer Easement Water Environment Services
Recording Date: November 9, 2018
Recording No: 2018-068770
Affects: See plat for location.

Restrictions, but omitting restrictions, if any, based upon race, color, religion, sex, sexual orientation, familial status, marital status, disability, handicap, national origin, ancestry, or source of income, as set forth in applicable state or federal laws, except to the extent that said restriction is permitted by applicable law, as shown on that certain plat

Name of Plat: Hidden Falls No. 3
Recording Date: November 9, 2018
Recording No: 2018-068766

Declaration and Maintenance Agreement for on Site Stormwater Facilities

Recording Date: November 9, 2018
Recording No.: 2018-068772

Affects: Parcel II.

Perpetual Stormwater Maintenance Agreement

Recording Date: November 9, 2018
Recording No.: 2018-068776

Affects: Parcel II.

Perpetual Stormwater Maintenance Agreement

Recording Date: November 9, 2018
Recording No.: 2018-068778

Affects: Parcel II.

Conditions, restrictions and easements as shown on the plat of Hidden Falls No. 3, shown as follows:

"Tract "E" is subject to a conservation easement for the benefit of Happy Valley over its entirety, except the area covered by the Storm drainage and Sanitary Easement Granted to Clackamas County Water Environment Services, AKA "WES". Conservation Easements are subject to City of Happy Valley Municipal Codes 16.12.030, 16.42.060, 16.63.20 and 16.63.060 and shall be subject to public access Easement as shown on this plat."

Conditions, restrictions and easements as shown on the plat of Hidden Falls No. 3, shown as follows:

"The Access Easement over the Southeasterly Portion of Parcel 8 Partition Plat No. 2017-032 for the benefit of Parcel 9 of Partition Plat No. 2017-032 is hereby vacated by Virtue of this replat and the granting of other easements to said parcel 9 by this plat."

Conditions, restrictions and easements as shown on the plat of Hidden Falls No. 3, shown as follows:

"Tract "E" open space shall be owned and maintained by the declarant their heirs successors and assignees. The retaining walls in Tract "E" shall be owned and maintained by the owner of Tract "E"."

Easement(s) for the purpose(s) shown below and rights incidental thereto as delineated or as offered for dedication, on the map of said tract/plat;

Purpose: Private Access Easement
Affects: 20 feet wide over Tract "E" (Parcel II), see plat for exact location

EXHIBIT "A"
Exceptions

Easement(s) for the purpose(s) shown below and rights incidental thereto as delineated or as offered for dedication, on the map of said tract/plat;

Purpose: Private Sanitary Sewer Easement
Affects: Tract "E" (Parcel II)-See plat for exact location

Easement(s) for the purpose(s) shown below and rights incidental thereto as delineated or as offered for dedication, on the map of said tract/plat;

Purpose: Private Storm Drainage Easement
Affects: Tract E (Parcel II)-See plat for exact location

Easement(s) for the purpose(s) shown below and rights incidental thereto as delineated or as offered for dedication, on the map of said tract/plat;

Purpose: Storm Drainage Easement
Affects: Tract E (Parcel II)-See plat for exact location

Easement(s) for the purpose(s) shown below and rights incidental thereto as delineated or as offered for dedication, on the map of said tract/plat;

Purpose: Sanitary Sewer Easement
Affects: Tract E (Parcel II)-See plat for exact location



Carrie Redifer, AVP/Branch Manager
Fidelity National Title Company of Oregon
12809 SE 93rd Avenue
Clackamas, OR 97015
Phone: (503)786-0340 Fax: (503)786-0424

Date: January 9, 2019
Escrow No.: 45141719007A-CR
Property: Parcel 9, PP No. 2017-032 and Tract "E",
Hidden Falls No. 3
Clackamas, OR 97015

You are hereby directed to close escrow and hold the sum of One Hundred Seventeen Thousand Nine Hundred Thirty Dollars And No/100 Dollars (\$117,930.00) from the account of Hidden Falls Development LLC for planting and installing an irrigation system.

Said funds are to be held in escrow trust account or savings account. (If savings account, have savings account instruction form executed.)

CONDITIONS FOR RELEASE/PAYMENT OF FUNDS

1. Funds can be disbursed when the following conditions have been met: Developer is to notify NCPRD that work has been completed. NCPRD will have 10 business days to inspect the work completed and if the work has been completed to NCPRD's satisfaction they will then have 5 days escrow to release funds held to Hidden Falls Development LLC. If NCPRD does not agree that the Planting an Irrigation is complete, within 5 business days of the completeness inspection, NCPRD shall provide Developer with a complete list of all outstanding items.

In the event the requirements for release of funds as stated above have not been met by April 1, 2019, Escrow holder will obtain additional instructions from Developer and NCPRD on how to proceed per the terms of Page 2, item #6. Escrow will need mutual instructions prior to releasing any funds held after closing.

Escrow Holder shall not be held liable for any bill or group of bills presented individually or collectively in excess of the amount held. If funds held total less than the bills presented, pay entire amount held and notify parties hereto that the amounts held were not sufficient to satisfy bills presented. Any amount remaining due will be the responsibility of the parties hereto and shall not be the responsibility of the Escrow Holder.

The undersigned agree that there will be an initial charge of No Dollars And No/100 Dollars (\$0.00) for holding said funds and a service charge of No Dollars And No/100 Dollars (\$0.00) per calendar month for administering said funds. The service charge may be deducted from said funds for each and every calendar month or any portion thereof during which these funds are held.

Any modification(s) of these instructions shall be given mutually by the undersigned in writing and Escrow Holder is specifically instructed that only such mutual instructions are to be recognized.

In the event of conflicting claims to the funds held pursuant to these instructions, you have absolute right at your election, to file an action in interpleader requiring the principals to answer and litigate their several claims and rights amongst themselves, and you are authorized to comply with the requisite interpleader statutes of the State of Oregon in this regard. Any cost relative to same shall be deducted from the funds held.

When the Company has funds remaining in escrow over one hundred twenty (120) days after close of escrow or estimated close of escrow, the Company shall impose a monthly holding fee of Twenty Five and No/100 Dollars (\$25.00) that is to be charged against the funds held by the Company.

These instructions may be executed in counterparts, each of which shall be deemed an original, regardless of the date of execution and delivery. All such counterparts shall constitute one and the same document.

END OF INSTRUCTIONS

SUPPLEMENTAL ESCROW INSTRUCTIONS
FUNDS HELD
(continued)

IN WITNESS WHEREOF, the undersigned have executed this document on the date(s) set forth below.

SELLER(S):

Hidden Falls Development LLC

Date

ICON Construction & Development LLC, an Oregon
limited liability company

BY: _____
Mark Handris, Managing Member

TR Oregon Holdings Inc., an Oregon Corp

BY: _____
Tim Bontkes, President

BUYER (S):

North Clackamas Parks and Recreation District, a
county service district

BY: _____
Jim Bernard, NCPRD Board of Directors



Carrie Redifer, AVP/Branch Manager
Fidelity National Title Company of Oregon
12809 SE 93rd Avenue
Clackamas, OR 97015
Phone: (503)786-0340 Fax: (503)786-0424

Date: January 9, 2019
Escrow No.: 45141719007A-CR
Property: Parcel 9, PP No. 2017-032 and Tract "E",
Hidden Falls No. 3
Clackamas, OR 97015

Buyer hands you herewith collected funds pursuant to the closing statement approved by the undersigned buyer and:

- Read and approved preliminary title report
- Read and approved Statutory Warranty Deed
- Holdback Agreement

Which you are to use and/or deliver provided you can deliver for the account of the undersigned the following:

- Executed Statutory Warranty Deed

describing the real property as set forth in that certain preliminary title report issued by Fidelity National Title Company of Oregon No. 45141719007, dated January 2, 2019, which preliminary title report the undersigned has read and does hereby approve;

AND when you can cause to be issued an **Owner's Standard** coverage form Policy of Title Insurance from **Fidelity National Title Insurance Company** with a liability of **One Million Six Hundred Fifty Thousand And No/100 Dollars (\$1,650,000.00)** insuring the undersigned that title to the above referenced property:

SHOWING TITLE VESTED IN

North Clackamas Parks and Recreation District, a county service district

Subject to the usual printed exclusions and exceptions, current general and special taxes for the fiscal year in which this escrow closes, and taxes for the ensuing year, if any, a lien not yet due and payable, and exceptions numbered 1-5, 7, pd current; 8-14, 16, 19-23, 27-37 of the above referenced title report, and further subject to any new encumbrance recorded at closing.

Seller hands you herewith the following:

- 1099
- Statutory Warranty Deed
- Oregon Withholding Exemption
- FIRTPA Affidavit
- Holdback Agreement

describing the real property as set forth in that certain preliminary title report issued by Fidelity National Title Company of Oregon No. 45141719007, dated January 2, 2019, which preliminary title report the undersigned has read and does hereby approve;

which you can use when you hold for the account of the undersigned Seller funds pursuant to the closing statement approved by the undersigned; and:

Prorate the following as of Recording of Deed:

- Real property taxes based on Parcel 9, account #00417098 - 8.58 acres - \$2,008.90
- Tract E consists of 12.8 acres of account #05019481 originally 30.95 acres or \$34,469.45
- Tract E is equal to 41.3% of the total parcel or \$14,235.88 of the total tax amount.
- Prorates are based on \$16,244.78.

ADDITIONAL INSTRUCTIONS

NONE

GENERAL INSTRUCTIONS

The General Provisions attached to these instructions are part of these instructions.

Buyer agrees to provide new hazard insurance policy acceptable to lender and to authorize payment of premium through escrow unless a paid receipt is provided to escrow. N/A

The items indicated by "POC" or "PAID" or "***" are included at the direction of the Lender for disclosure purposes only. The Escrow Holder/Settlement Agent has no knowledge of these expenditures, except as provided by the Lender. They have not and cannot be verified as to the amount, the payee, nor actual payment and no liability is assumed by the closing agent as to the validity and/or sufficiency thereof.

Seller is aware that interest on the existing loan(s) does not stop accruing at close of escrow, but continues until the actual day of receipt of the payoff by Lender.

Seller is aware that interest will accrue through weekends or holidays.

SALE ESCROW INSTRUCTIONS

(continued)

Seller is aware he/she/they are responsible for payment of all of such interest and will indemnify and hold Escrow Holder harmless in connection with the payment of such interest. In the event you are paying in full the balance due on an existing trust deed and if a reconveyance of the trust deed is not recorded within sixty (60) days of it being paid off, you are requested to release the trust deed pursuant to the provisions of ORS 86.720.

Upon request, you are instructed to furnish any broker or lender identified with this transaction or anyone acting on behalf of such lender, any information concerning this escrow, copies of all instructions, amendments or statements.

All terms and provisions of the agreement between the parties, amendments or addendums thereto, have been complied with to the satisfaction of the undersigned parties or will be complied with outside this escrow.

TRANSFER All Net Proceeds, or \$ _____

TO: _____

ATTN: _____

Seller proceeds, or balance thereof, at closing shall be delivered as follows:

Mail Hold for Pick Up Deposit to Account:

Bank: _____

Account No.: _____

Account Name: _____

ABA Routing No.: _____

IT IS UNDERSTOOD BY THE PARTIES SIGNING THE ABOVE INSTRUCTIONS OR THOSE ESCROW INSTRUCTIONS WHICH ARE ATTACHED HERETO THAT SUCH INSTRUCTIONS CONSTITUTE THE WHOLE AGREEMENT BETWEEN THIS FIRM AS AN ESCROW AGENT AND YOU AS A PRINCIPAL TO THE ESCROW TRANSACTION. THESE INSTRUCTIONS MAY NOT INCLUDE ALL OF THE TERMS OF THE AGREEMENT WHICH IS THE SUBJECT OF THIS ESCROW. READ THESE INSTRUCTIONS CAREFULLY, AND DO NOT SIGN THEM UNLESS THEY ARE ACCEPTABLE TO YOU.

IN WITNESS WHEREOF, the undersigned have executed this document on the date(s) set forth below.

BORROWER(S):

North Clackamas Parks and Recreation District

BY: _____
Jim Bernard, NCPRD Board of Directors

_____ Date

Address: _____

Phone: _____ Fax: _____

Email: _____

SELLER(S):

Hidden Falls Development LLC

ICON Construction & Development LLC, an Oregon limited liability company

BY: _____
Mark Handris, Managing Member

_____ Date

Address: _____

Phone: _____ Fax: _____

Email: _____

TR Oregon Holdings Inc., an Oregon Corp

BY: _____
Tim Bontkes, President

RECEIVED BY:

Fidelity National Title Company of Oregon

By: _____
Carrie Redifer, AVP/Branch Manager

_____ Date

GENERAL PROVISIONS

1. DEPOSIT OF FUNDS

The law dealing with the disbursement of funds requires that all funds be available for withdrawal as a matter of right by the title entity's escrow and/or sub escrow account prior to disbursement of any funds. Only cash or wire transferred funds can be given immediate availability upon deposit. Cashier's checks may be available one business day after deposit. All other funds such as personal, corporate or partnership checks and drafts are subject to mandatory holding periods which may cause material delays in disbursement of funds in this escrow. In order to avoid delays, all fundings should be wire transfer. Outgoing wire transfers will not be authorized until confirmation of the respective incoming wire transfer or of availability of deposited checks.

All funds received in this escrow shall be deposited with other escrow funds in a general escrow account or accounts of Fidelity National Title Company of Oregon, with any state or national bank, and may be transferred to any other such general escrow account or accounts. Said funds will not earn interest unless the instructions otherwise specifically state that funds shall be deposited in an interest-bearing account.

Escrow Holder receives indirect benefits including but not limited to checks, deposit slips, data processing and account service and waiving of certain fees from the depository bank where its non-interest bearing client trust accounts are maintained. Escrow Holder or its affiliates may also elect to enter into other business transactions with or obtain loans for investment or other purposes from the depository institution. These benefits are passed on to the escrow principals through lower escrow fees. Pursuant to OAR 863-50-065, a good faith estimate of the value of the benefit is Twenty-Four and 12/100 Dollars (\$24.12) per escrow. By initialing below, we hereby acknowledge advisement of the disclosure.

NOTICE OF OPPORTUNITY. You have the opportunity to earn interest on your escrow funds by requesting Escrow Holder to set up an interest bearing account on your behalf. Escrow Agent will inform you of any fees it will charge to establish the account. Interest earned is dependent upon the amount of the deposit, the length of time of the deposit, and the prevailing interest rate.

All disbursements shall be made by check of Fidelity National Title Company of Oregon. The principals to this escrow are hereby notified that the funds deposited herein are insured only to the limit provided by the Federal Deposit Insurance Corporation. Any instruction for bank wire will provide reasonable time or notice for Escrow Holder's compliance with such instruction. Escrow Holder's sole duty and responsibility shall be to place said wire transfer instructions with its wiring bank upon confirmation of (1) satisfaction of conditions precedent or (2) document recordation at close of escrow. Escrow Holder will NOT be held responsible for lost interest due to wire delays caused by any bank or the Federal Reserve System, and recommends that all parties make themselves aware of banking regulations with regard to placement of wires.

In the event there is insufficient time to place a wire upon any such confirmation or the wires have closed for the day, the parties agree to provide written instructions for an alternative method of disbursement. **WITHOUT AN ALTERNATIVE DISBURSEMENT INSTRUCTION, FUNDS WILL BE HELD IN TRUST IN A NON-INTEREST BEARING ACCOUNT UNTIL THE NEXT OPPORTUNITY FOR WIRE PLACEMENT.**

If for any reason funds are retained or remain in escrow after closing date, Escrow Agent is authorized to deduct therefrom reasonable monthly charges as custodian thereof of one percent of the original balance but not less than Ten and No/100 Dollars (\$10.00) per month. Funds deposited into this escrow are to be maintained in a federally insured trust account and any escrow related services provided to Escrow Agent by any depository bank or savings and loan association are hereby consented to and approved.

Unless specifically instructed otherwise in writing, mail all funds and instruments deliverable to the parties in favor of them to their address indicated below. At your discretion, you are authorized to receive and/or disburse any funds in connection with this escrow by electronic (wire) transfer.

The undersigned hereby authorize and instruct Escrow Holder to charge each party to the escrow for their respective Federal Express, special mail handling/courier and/or incoming/outgoing wire transfer fees. Unless specified in writing by the undersigned, Escrow Holder is authorized to select special mail/delivery or courier service to be used.

2. PRORATIONS AND ADJUSTMENTS

Make each proration on the basis of the actual number of days in the year covered by said item, annualizing monthly amounts. Tax prorations shall be based on the amount of the latest available tax statement (which may include reductions based on any deferral or exemption); during periods in which the current years tax figures are not available, you shall prorate taxes or assessments upon the immediate preceding year's figures, any further adjustment in actual taxes shall be handled between the parties outside of this escrow and Escrow Agent shall have no liability for the collection or payment thereof. If the parties herein have provided Escrow Agent with a rent schedule on the subject property, you shall prorate rents and charge seller and credit buyer with any deposits paid in advance pursuant to the rent schedule approved by the parties. Seller represents that they will collect all rents which fall due prior to the close of escrow. Make no adjustment against buyer for uncollected rent. Buyer acknowledges that the assessor's office customarily mails tax notices for the July 1 to June 30 tax year in October of the tax year and that Escrow Agent cannot guarantee that the tax assessor's office will address the tax bill to Buyer. Buyer accepts responsibility for contacting the assessor's office and obtaining a tax bill in a timely manner. Buyer acknowledges that a discount applies only if taxes are paid in full on or before November 15 of the tax year and that interest and billing charges may accrue after November 15.

3. UTILITIES/POSSESSION

Transfer, payment and adjustment of utilities and possession of the premises are to be settled by the parties directly and outside escrow.

4. PREPARATION AND RECORDATION OF INSTRUMENTS

Escrow Holder is authorized to prepare, obtain, record and deliver the necessary instruments to carry out the terms and conditions of this escrow and to order the policy of title insurance to be issued at close of escrow as called for in these instructions. Close of escrow shall mean the date instruments are recorded.

You are further authorized to record any documents required by the lender pursuant to their instructions to secure its lien on the subject property. Said documents are authorized to be recorded prior to the lenders disbursement of loan funds pursuant to the loan agreement.

5. AUTHORIZATION TO FURNISH COPIES

You are authorized to furnish copies of these instructions, supplements, amendments, notices of cancelation and closing statements, to the Real Estate Broker(s) and Lender(s) named in this escrow.

6. RIGHT OF CANCELATION

Any principal instructing you to cancel this escrow shall file notice of cancelation in your office in writing. You shall, within two (2) working days thereafter, deliver, one copy of such notice to each of the other principals at the addresses stated in this escrow. If written objection is filed, you are authorized to institute an action in interpleader pursuant to provisions of paragraph number 9 contained herein,

7. PERSONAL PROPERTY

No examination, chattel or security interest search or insurance as to the amount or payment of personal property taxes is required unless specifically requested.

Bills of sale, if any required, are to be delivered unrecorded at the close of escrow. Escrow Agent shall have no responsibility or liability for the condition or delivery of any personal property being transferred herein.

By signing these General Provisions, the parties to the escrow hereby acknowledge that they are indemnifying the Escrow Holder against any and all matters relating to any "Bulk Sales" requirements, and instruct Escrow Holder to proceed with the closing of escrow without any consideration of matter of any nature whatsoever regarding "Bulk Sales" being handled through escrow.

8. RIGHT OF RESIGNATION

Escrow Holder has the right to resign upon ten (10) days written notice delivered to the principals herein. If such right is exercised, all funds and documents shall be returned to the party who deposited them and Escrow Holder shall have no liability hereunder.

9. ACTION IN INTERPLEADER

The principals hereto expressly agree that you, as Escrow Holder, have the absolute right at your election to file an action in interpleader requiring the principals to answer and litigate their several claims and rights among themselves and you are authorized to deposit with the clerk of the court all documents and funds held in this escrow. In the event such action is filed, the principals jointly and severally agree to pay your cancelation charges and costs, expenses and reasonable attorney's fees which you are required to expend or incur in such interpleader action, the amount thereof to be fixed and judgment therefor to be rendered by the court. Upon the filing of such action, you shall thereupon be fully released and discharged from all obligations imposed by the terms of this escrow or otherwise.

GENERAL PROVISIONS

(continued)

10. TERMINATION OF AGENCY OBLIGATION

These instructions shall be binding on the undersigned until the close of business thirty (30) days from date hereon and shall be performed within said period or thereafter until written demand by the undersigned is made upon you for the revocation hereof; provided however, that your agency as Escrow Holder will not extend beyond six (6) months from the date set forth herein. Any such written notices shall be effective upon receipt of such notice. This escrow may be terminated and all papers and monies returned to the parties only upon written instructions of both parties unless otherwise specified herein.

11. SETTLEMENT STATEMENTS

The parties hereto agree to pay all items as set forth on the approved settlement statements. It is understood that certain items therein may be estimated figures and are subject to adjustment.

12. POST CLOSING FILE PROCESSING

It is understood and agreed that the "Reconveyance Fee" specified on the HUD-1 or Closing Disclosure form and on the Estimated Closing Statement is for payment of Trustee Fees, as well as reconveyance and post-closing file processing services.

13. COLLECTION OF FEES

Upon recordation and disbursement of documents and funds required herein, you are authorized to collect your fees earned as agreed to for your closing services. Parties agree to pay on demand, whether or not this escrow closes, any charges incurred by Escrow Holder on our behalf and its usual escrow fees and charges.

14. DELIVERY/RECEIPT

Delivery to principals as used in these instructions unless otherwise stated herein is to be by hand in person to the principal, regular mail, email or fax to any of the contact information provided in these instructions. If delivered by regular mail receipt is determined to be seventy-two (72) hours after such mailing. All documents, balances and statements due to the undersigned may be delivered to the contact information shown herein. All notices, change of instructions, communications and documents are to be delivered in writing to the office of Fidelity National Title Company of Oregon as set forth herein.

15. STATE/FEDERAL CODE NOTIFICATIONS

According to Federal Law, the Seller, when applicable, will be required to complete a sales activity report that will be utilized to generate a 1099 statement to the Internal Revenue Service.

The parties have satisfied themselves that the transaction covered by this escrow is not in violation of any planning or zoning law, and Escrow Agent is relieved of all liability in connection therewith, and is not concerned with the enforcement of said laws.

16. NON-RESIDENT ALIEN

The Foreign Investment in Real Property Tax Act (FIRPTA), Title 26 U.S.C., Section 1445, and the regulations there under, provide in part, that a transferee (buyer) of a U.S. real property interest from a foreign person must withhold a statutory percentage of the amount realized on the disposition, report the transaction and remit the withholding to the Internal Revenue Service (IRS) within twenty (20) days after the transfer.

Fidelity National Title Company of Oregon will not determine nor aid in the determination of whether the FIRPTA withholding provisions are applicable to the subject transaction, nor act as a Qualified Substitute under state or federal law, nor furnish tax advice to any party to the transaction. Fidelity National Title Company of Oregon will not determine nor aid in the determination of whether the transaction will qualify for an exception or an exemption and is not responsible for the filing of any tax forms with the IRS as they relate to FIRPTA, nor responsible for collecting and holding of any documentation from the buyer or seller on the buyer's behalf for the purpose of supporting a claim of an exception or exemption. Fidelity National Title Company of Oregon is not an agent for the buyer for the purposes of receiving and analyzing any evidence or documentation that the seller in the subject transaction is a U.S. citizen or resident alien. Fidelity National Title Company of Oregon is not responsible for the payment of this tax and/or penalty and/or interest incurred in connection therewith and such taxes are not a matter covered by the Owner's Policy of Title Insurance to be issued to the buyer. Fidelity National Title Company of Oregon is not responsible for the completion of any IRS documents or related forms related to the referenced statute. The buyer is advised: they must independently make a determination of whether the contemplated transaction is subject to the withholding requirement; bear full responsibility for compliance with the withholding requirement if applicable and/or for payment of any tax, interest, penalties and/or other expenses that may be due on the subject transaction; and they are responsible for the completion of any and all forms, including but not limited to applicable IRS documentation, and the mailing of those forms. The Buyer is advised any forms, documents, or information received from Fidelity National Title Company of Oregon is not tax or legal advice and should not be construed as such nor treated as a complete representation of FIRPTA requirements. Buyer should seek outside counsel from a qualified individual to determine any and all implications of the referenced statute.

17. ENCUMBRANCES

Escrow Holder is to act upon any statements furnished by a lienholder or his agent without liability or responsibility for the accuracy of such statements. Any adjustments necessary because of a discrepancy between the information furnished Escrow Holder and any amount later determined to be incorrect upon demand of Escrow Holder, parties responsible for payment will immediately pay the amount of any such deficiency.

If a reconveyance of the deed of trust is not recorded within sixty (60) days of its being paid off, you are requested to release the deed of trust pursuant to provisions of ORS 86.720.

18. ENVIRONMENTAL ISSUES

Fidelity National Title Company of Oregon has made no investigation concerning said property as to environmental/toxic waste issues. Any due diligence required or needed to determine environmental impact as to forms of toxification, if applicable, will be done directly and by principals outside of escrow. Fidelity National Title Company of Oregon is released of any responsibility and/or liability in connection therewith.

19. USURY

Escrow Holder is not to be concerned with any questions of usury in any loan or encumbrance involved in the processing of this escrow and is hereby released of any responsibility or liability therefore.

20. DISCLOSURE

Escrow Holder's knowledge of matters affecting the property, provided such facts do not prevent compliance with these instructions, does not create any liability or duty in addition to these instructions.

21. CLARIFICATION OF DUTIES

Fidelity National Title Company of Oregon serves ONLY as an Escrow Holder in connection with these instructions and cannot give legal advice to any party hereto.

Escrow Holder is not to be held accountable or liable for the sufficiency or correctness as to form, manner of execution, or validity of any instrument deposited in this escrow, nor as to the identity, authority or rights of any person executing the same. Escrow Holder's duties hereunder shall be limited to the proper handling of such money and the proper safekeeping of such instruments, or other documents received by Escrow Holder, and for the disposition of same in accordance with the written instructions accepted by Escrow Holder.

The agency and duties of Escrow Holder commence only upon receipt of copies of these Escrow Instructions executed by all parties.

THIS AGREEMENT IN ALL PARTS APPLIES TO, INURES TO THE BENEFIT OF, AND BINDS ALL PARTIES HERETO, THEIR HEIRS, LEGATEES, DEVISEES, ADMINISTRATORS, EXECUTORS, SUCCESSORS AND ASSIGNS, AND WHENEVER THE CONTEXT SO REQUIRES THE MASCULINE GENDER INCLUDES THE FEMININE AND NEUTER, AND THE SINGULAR NUMBER INCLUDES THE PLURAL. THESE INSTRUCTIONS AND ANY OTHER AMENDMENTS MAY BE EXECUTED IN ANY NUMBER OF COUNTERPARTS, EACH OF WHICH SHALL BE CONSIDERED AS AN ORIGINAL AND BE EFFECTIVE AS SUCH.

MY SIGNATURE HERETO CONSTITUTES INSTRUCTION TO ESCROW HOLDER OF ALL TERMS AND CONDITIONS CONTAINED IN THIS AND ALL PRECEDING PAGES AND FURTHER SIGNIFIES THAT I HAVE READ AND UNDERSTAND THESE GENERAL PROVISIONS.

GENERAL PROVISIONS

(continued)

IT IS UNDERSTOOD BY THE PARTIES SIGNING THE ABOVE INSTRUCTIONS OR THOSE ESCROW INSTRUCTIONS WHICH ARE ATTACHED HERETO THAT SUCH INSTRUCTIONS CONSTITUTE THE WHOLE AGREEMENT BETWEEN THIS FIRM AS AN ESCROW AGENT AND YOU AS A PRINCIPAL TO THE ESCROW TRANSACTION. THESE INSTRUCTIONS MAY NOT INCLUDE ALL OF THE TERMS OF THE AGREEMENT WHICH IS THE SUBJECT OF THIS ESCROW. READ THESE INSTRUCTIONS CAREFULLY, AND DO NOT SIGN THEM UNLESS THEY ARE ACCEPTABLE TO YOU.

END OF INSTRUCTIONS

IN WITNESS WHEREOF, the undersigned have executed this document on the date(s) set forth below.

BORROWER(S):

North Clackamas Parks and Recreation District

BY: _____
Jim Bernard, NCPRD Board of Directors

Date

SELLER(S):

Hidden Falls Development LLC

ICON Construction & Development LLC, an Oregon limited liability company

BY: _____
Mark Handris, Managing Member

Date

TR Oregon Holdings Inc., an Oregon Corp

BY: _____
Tim Bontkes, President

RECEIVED BY:

Fidelity National Title Company of Oregon

By: _____
Carrie Redifer, AVP/Branch Manager

Date