

OFFICE OF COUNTY COUNSEL

PUBLIC SERVICES BUILDING

2051 KAEN ROAD OREGON CITY, OR 97045

January 10, 2019

Development Agency Board Board of County Commissioners Clackamas County

Members of the Board:

Stephen L. Madkour County Counsel

Kathleen Rastetter
Scott C. Ciecko
Amanda Keller
Nathan K. Boderman
Shawn Lillegren
Jeffrey D. Munns
Andrew R. Naylor
Andrew Narus
Sarah Foreman

Assistants

Acceptance of a Quitclaim Deed Releasing an Interest in a Temporary

<u>Slope Construction Easement - Clackamas Industrial Area</u>

Purpose/Outcomes	Accept quitclaim deed to release interest in a temporary slope construction
	easement.
Dollar Amount and	None identified
Fiscal Impact	
Funding Source	N/A
Duration	Indefinitely
Previous Board	None
Action	
Strategic Plan	Build Public Trust Through Good Government
Alignment	
Contact Person	Nate Boderman, 503-655-8364
Contract No.	N/A

BACKGROUND:

As part of the pending sale of a portion of the Clackamas Industrial Opportunity Area (CIAO) property to the Oregon Bottle Recycling Cooperative (OBRC), the Development Agency is obligated to remove certain encumbrances affecting title to the property. One such encumbrance is a temporary slope construction easement that was recorded on November 10, 1981 as document No. 81-038746. By its terms, this easement was to automatically expire upon the completion of the Clackamas Industrial Area Local Improvement District. Development Agency staff have confirmed that no additional improvements associated with such a local improvement district remain to be completed. The title company has requested that the County execute the attached quitclaim deed to evidence that the temporary slope construction easement is no longer needed by the County.

The quitclaim deed included with this staff report would release any and all interest that Clackamas County may have in the easement described above. The quitclaim deed would release to the Development Agency any interest the County has in the property by virtue of the temporary slope construction easement. This release would then allow the Development Agency to complete the transfer of the property to OBRC free and clear of the encumbrance described above.

Since the Development Agency is a public entity, state law requires that the Agency affirmatively accept this conveyance as the grantee.

RECOMMENDATION:

Staff recommends the Board accept the attached quitclaim deed.

Respectfully submitted

Nate Boderman

Assistant County Counsel

After recording, return to:	I
Clackamas County	I
150 S. Beavercreek Road	I
Oregon City, OR 97045	
	I
Accepted By Clackamas County	1
Development Agency	I
Agenda Date & Number:	1
OR	I
Board Order Number:	I

STATUTORY QUIT CLAIM DEED

Clackamas County, a political subdivision of the State of Oregon ("Grantor"), releases and quit claims to the Clackamas County Development Agency, the urban renewal agency of Clackamas County ("Grantee"), all its right, title, and interest in and to its easements over, in, and under the real property described on the attached Exhibit A, which description by this reference is hereby incorporated herein as if set forth in full.

The easement was originally granted to Grantor by an instrument recorded on November 10, 1981, referenced as Document No. 81-038746 in the Clackamas County Deed Records.

The true consideration for this conveyance is the sum of \$0 dollars and other such good and valuable consideration. The easement is no longer necessary for use by the Grantor.

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	, 20
	Clackamas County
	BY:
	BY: Chair, Board of County Commissioners
	NAME:
STATE OF OREGON)
County of Clackamas)
This instrument was a	nowledged before me on
	, authorized to act on behalf of Clackamas County, Grantor.
	Notary for Oregon
	My Commission expires:
ACCEPTED BY GRANTEE CLACKAMAS COUNTY DI	VELOPMENT AGENCY
Chair	
Date	

STATUTORY QUIT CLAIM DEED EXHIBIT A

Legal Description

A portion of that certain tract of land described in Clackamas County Deed Records 78-9691, further described as follows:

A temporary slope easement for construction purposes, 5 feet wide, lying West of and adjacent to the most Westerly right-of-way line of Wildu Road.

Also, a temporary slope easement for construction purposes, 10 feet wide, lying south of and adjacent to the most southerly right-of-way line of Capps Road from the northeast corner of said tract to a point which is westerly a distance of 255 feet. All located in Section 15, T. 2 S., R. 2 E. of the W. M., Clackamas County, Oregon.





DEVELOPMENT SERVICES BUILDING
150 BEAVERCREEK ROAD | OREGON CITY, OR 97045

January 10, 2019

Board of County Commissioners Clackamas County

Members of the Board:

Approval of the Third Amendment to the Disposition Agreement with Oregon Beverage Recycling Cooperative

Purpose/Outcome	To amend the existing Disposition Agreement with Oregon Beverage Recycling Cooperative
Dollar Amount and Fiscal Impact	No change
Funding Source	N/A.
Duration	The amendment will extend the date by which closing must occur by 30 days
Previous Board Action/Review	Discussed with Board at Executive Session on December 18, 2018
Strategic Plan Alignment	Build public trust through good government
Contact Person	Dave Queener, Development Agency Program Supervisor, 503-742-4322

The Agency has a Disposition Agreement with Oregon Beverage Recycling Cooperative (OBRC) associated with the purchase of a portion of the Clackamas Industrial Area Opportunity (CIAO) site. As part of their due diligence and the Agency's obligation to finalize as-built construction drawings for the on-site storm system installed by the Agency, it was discovered that some minor repairs were required on the system.

OBRC has requested the date by which they are required to close be extended in order to allow for the repairs to be completed prior to closing.

This third amendment will extend closing by 30 days and clarify the Agency's commitment to make the necessary repairs to the storm water system.

County Counsel has reviewed and approved the proposed amendment to the agreement.

RECOMMENDATION

Staff respectfully recommends that the Board, as the governing body of the Clackamas County Development Agency, execute this Third Amendment to the Disposition Agreement with Oregon Beverage Recycling Cooperative.

Respectfully submitted,

David Queener, Program Supervisor Development Agency

THIRD AMENDMENT TO DISPOSITION AGREEMENT

THIS THIRD AMENDMENT TO DISPOSTION AGREEMENT ("Amendment") is entered into effective as of December 21, 2018, between CLACKAMAS COUNTY DEVELOPMENT AGENCY, the Urban Renewal Agency of Clackamas County, a corporate body politic ("Agency"), and OREGON BEVERAGE RECYLCING COOPERATIVE, an Oregon domestic cooperative ("Developer").

RECITALS

- A. Agency and Developer are parties to that certain Disposition Agreement dated effective as of November 22, 2017, as amended by that First Amendment dated May 3, 2018 and that Second Amendment dated November 20, 2018 (collectively, the "Disposition Agreement"), concerning approximately 12.68 acres of land located east of SE 120th Avenue and south of Capps Road, Clackamas County, Oregon, as more particularly described in the Disposition Agreement (the "Property").
- B. The parties desire to modify the Disposition Agreement on the terms and conditions set forth herein. All capitalized terms used in this Amendment and not otherwise defined herein shall have their meanings as set forth in the Disposition Agreement.

AGREEMENT

- 1. <u>Closing</u>. Section 3.3 of the Disposition Agreement is hereby amended such that the transaction shall close on a date to be selected by Developer and reasonably acceptable to Agency that is on or before one hundred fifty (150) days after the expiration of the Due Diligence Period.
- 2. Storm Water Facility Certification. Agency agrees to obtain final approval from Clackamas County Water Environment Services and any other necessary regulatory agency, that the Storm Facilities, as that term is defined in the Storm Line Easement Agreement recorded July 5, 2018 as Document No. 2018-041894 in the Official Records of Clackamas County, Oregon (the "Easement"), are complete and are able to function as described in the Easement and the Capps Real Property Stormwater Mitigation & Road Construction Project Stormwater Management Plan dated January 31, 2015 "Stormwater Plan". The Agency shall be responsible for all costs associated with repairs to the Storm Facilities described in the Easement, and with obtaining the final approved described in this section. Agency shall provide Developer as-built drawings from OTAK, Inc. showing the completed repairs made to the Storm Facilities described in the Easement. The County will warrant the repair work to the Storm Facilities described in the easement on behalf of the Developer, but only to the extent of the warranty provided to the County by the contractor performing said repair work.
- 3. <u>Counterpart; Email</u>. This Amendment may be executed simultaneously or in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Amendment. Facsimile or email transmission of any signed original of this Amendment, and retransmission of any signed facsimile or email transmission, shall be the same as delivery of an original. At the request of either party, the parties shall confirm transmitted signatures by signing an original document.
- 4. <u>Confirmation</u>. The Disposition Agreement is hereby amended and modified in accordance with the terms of this Amendment. Except as expressly modified by this Amendment, the Disposition Agreement and all its terms and provisions are hereby acknowledged, approved, ratified and confirmed and shall be and remain in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Amendment effective as of the date first written above.

AGENCY:
CLACKAMAS COUNTY DEVELOPMENT AGENCY, corporate body politic
By:
Name:
ts:
DEVELOPER:
OREGON BEVERAGE RECYCLING COOPERATIVE
n Oregon domestic cooperative
By:
Vame: Soun Andersen
ts: President





DEVELOPMENT SERVICES BUILDING
150 BEAVERCREEK ROAD | OREGON CITY, OR 97045

January 10, 2019

Development Agency Board Board of County Commissioners Clackamas County

Members of the Board:

Execution of a Property Exchange Agreement 11627 SE Capps Road – Clackamas Industrial Area

Purpose/Outcomes	Execute a property exchange agreement in the area of 11627 SE Capps Road to help facilitate a related property disposition on adjacent property.
Dollar Amount and Fiscal Impact	None identified
Funding Source	N/A
Duration	Indefinitely
Previous Board Action	Approval of Disposition Agreement with Bottling Group, LLC on May 24, 2018.
	Executive Session on January 8, 2019.
Strategic Plan Alignment	Build public trust through good government.
Contact Person	David Queener, 503-742-4322
Contract No.	None

BACKGROUND:

As part of the pending sale of a portion of the Clackamas Industrial Area Opportunity (CIAO) property to Bottling Group, LLC, the Development Agency is obligated to address certain encumbrances affecting title to the property. One such encumbrance is a potential adverse possession claim by the property owners to the north. Over the course of the last several months, the Development Agency, representatives from Bottling Group, LLC, and the property owners to the north, Patrick and Dyan Murphy, have negotiated a solution that would resolve the title encumbrance issue and provide Bottling Group, LLC the access it needs to properly develop the site.

As more specifically set forth in the attached swap agreement, Patrick and Dyan Murphy would transfer any claim they have to an area approximately 0.27 acres in size along the common north south border of the two parcels. In exchange, the Development Agency would transfer two separate areas, approximately 0.32 and 0.14 acres in size, to Patrick and Dyan Murphy. Since the area being

acquired by the Agency is currently used as parking by the business on site, Crystal Greens Landscape, Inc., the Agency has agreed to replace the parking area on the portion of the exchange property that is approximately 0.32 acres in size.

The Development Agency has planned certain improvements to SE Capps Road. The property exchange agreement also contains certain requirements related to the Agency's coordination of this project with the business that is owned by Patrick and Dyan Murphy, Crystal Greens Landscape, Inc.

The property exchange agreement allows both parties a period of time to complete due diligence to ensure that the properties to be exchanged are satisfactory. If this transaction proceeds to completion, the property acquired by the Development Agency would then be included in the sale of property to Bottling Group, LLC, which will allow that purchaser to better develop the site it is acquiring.

RECOMMENDATION:

Staff recommends the Board accept the attached property exchange agreement.

Respectfully submitted,

David Queener
Development Agency Program Supervisor

PROPERTY EXCHANGE AGREEMENT

THIS PROPERTY EXCHANGE AGREEMENT (this "Agreement") is by and between the CLACKAMAS COUNTY DEVELOPMENT AGENCY, the Urban Renewal Agency of Clackamas County, a corporate body politic (the "Agency"), and PATRICK L. MURPHY AND DYAN M. MURPHY (collectively herein "Crystal Greens") (Agency and Crystal Greens are each referred to herein as a "Party" and collectively as the "Parties"). The latest date on which this Agreement is signed by Agency and Crystal Greens (as indicated below their signatures herein) is referred to in this Agreement as the "Effective Date."

RECITALS

- A. Crystal Greens owns the land legally described in **Exhibit "A"** which is attached hereto and incorporated herein (the "**Crystal Greens Property**"). The Agency owns adjacent land which is legally described in **Exhibit "B"** which is attached hereto and incorporated herein (the "**Agency Property**").
- B. The Agency recently discovered that the legally described boundary line separating the Crystal Greens Property and the Agency Property does not coincide with the existing fence on the Agency Property, and the boundary line is in a different location than the Agency originally believed it to be.
- C. The Agency has committed to sell the Agency Property to a third-party buyer and the Agency has committed to use good faith efforts to resolve any pending issues with regards to the boundary issue described above.
- D. To help resolve the issue, Crystal Greens has agreed to convey any interest it may have obtained in the land depicted in purple and identified on Exhibit C as "LAND GOING TO NDA CLACKAMAS (11,744 SF./0.27 AC.)" ("Swap Parcel A"), and the Agency has agreed to exchange the areas of land depicted in yellow and identified on Exhibit C as "LAND GOING TO CRYSTAL GREENS (20,379 SF./0.46 AC." ("Swap Parcel B"), all on and subject to the terms and conditions set forth in this Agreement. Swap Parcel B is comprised of two separate areas, one that is approximately 14,092 SF./0.32 AC. and the other that is approximately 6,287 SF./0.14 AC., all as identified on Exhibit C.
- E. As part of the consideration supporting this Agreement, the Agency has agreed to design driveway access that is acceptable to Crystal Greens and to provide certain improvements to property that is, or will be owned, by Crystal Greens.

AGREEMENT

ARTICLE 1: SUBJECT OF AGREEMENT

Section 1.1: The Crystal Greens Exchange Parcel.

Swap Parcel A consists of approximately 0.27 acres located at the terminus of Capps Road, west of SE 120th Avenue, as more particularly shown on the map attached hereto as Exhibit "C."

Section 1.2: The Agency Exchange Parcel.

Swap Parcel B consists of approximately 0.46 acres located adjacent to the western boundary line of the Crystal Greens Property, as more particularly shown on the map attached hereto as Exhibit "C."

Section 1.3: The Agency.

The Agency is a corporate body politic of the State of Oregon, as the duly designated Urban Renewal Agency of Clackamas County, Oregon, exercising governmental functions and powers and organized and existing under Oregon Revised Statutes, Chapter 457. The term "Agency" as used in this Agreement includes the Urban Renewal Agency of Clackamas County, Oregon and any assignee of or successor to its rights, powers, duties and responsibilities. The principal offices and mailing address of the Agency for purposes of this Agreement is:

Clackamas County Development Agency c/o Development Agency Program Supervisor 150 Beavercreek Road Oregon City, OR 97045

Attn: Dave Queener

Email: DavidQue@co.clackamas.or.us

Section 1.4: Crystal Greens.

The term "Crystal Greens" as used in this Agreement refers to Patrick L. Murphy and Dyan M. Murphy, individuals holding title to the Crystal Greens Property as tenants by the entirety. The mailing address of Crystal Greens for purposes of this Agreement is:

Crystal Greens Landscape, Inc. 11627 SE Capps Road Clackamas, OR 97045

Attn: Pat Murphy

Email: Pat.Murphy@crystalgreens.com

Section 1.5: Escrow Officer/Title Company.

The principal office and mailing address of the Escrow Officer and Title Company for purposes of this Agreement is:

Chicago Title Insurance Company of Oregon 10151 SE Sunnyside Rd. #300

Clackamas, Oregon 97015 Attn: Jennifer Hunt Email:jennifer.hunt@CCT.com

Section 1.6: Assignment

Neither Party may assign its rights in this Agreement without prior written consent of the other Party, which consent may not be unreasonably withheld, except that Agency may assign its rights and obligation to complete the transaction to Bottling Group, LLC, so long as that right is exercised within one (1) year of the Effective Date.

ARTICLE 2: DUE DILIGENCE

Section 2.1: Title Commitment.

Within five (5) days after the Effective Date, Agency will request the Title Company (defined in Section 3.3 below) furnish Crystal Greens a preliminary title report on Swap Parcel B ("Agency's Preliminary Commitment"), along with copies of all documents that give rise to exceptions listed in the Preliminary Commitment ("Agency's Underlying Documents"). Within two (2) days of receiving the last of Agency's Preliminary Commitment, Agency's Underlying Documents and Agency's Initial Survey (defined in Section 2.2 below), Crystal Greens will give Agency written notice setting forth the title exceptions that are not acceptable to Crystal Greens ("Agency's Unacceptable Exceptions"). All exceptions other than those timely objected to will be deemed acceptable to Crystal Greens as "Agency's Permitted Exceptions." Agency will have two (2) days after receiving Crystal Greens' notice within which to notify Crystal Greens in writing whether Agency is willing or able to eliminate Agency's Unacceptable Exceptions. If Agency agrees to eliminate Agency's Unacceptable Exceptions, Agency will be obligated to do so on or before Closing (defined in Section 3.3 below) at its cost. If Agency is unwilling or unable to eliminate Agency's Unacceptable Exceptions, Crystal Greens may terminate this Agreement or elect to accept Agency's Unacceptable Exceptions and proceed to close escrow by giving written notice to Agency within two (2) days of receiving notice from Agency. If Crystal Greens does not provide timely written notice of its election to terminate this Agreement, it will be deemed to have waived its objections to Agency's Unacceptable Exceptions and all of Agency's Unacceptable Exceptions shall become Agency's Permitted Exceptions. Crystal Greens shall have the same rights as set forth above to approve (or disapprove and terminate this Agreement with respect to) any subsequent title matters or exceptions that are disclosed in any subsequent title reports that may be issued after the receipt of Agency's Preliminary Commitment. Upon termination of this Agreement by Crystal Greens as provided in this Section 2.1, neither party shall have any further obligations or liability hereunder, except for those obligations herein that expressly survive such termination. Notwithstanding anything to the contrary in this Section or elsewhere in this Agreement, at or before Closing, Agency shall remove, in a manner satisfactory to Title Company, all mortgages, deeds of trust and other monetary liens created by or with the consent of Agency.

Within five (5) days after the Effective Date, Crystal Greens will request the Title Company (defined in Section 3.3 below) furnish Agency a preliminary title report on Swap

Parcel A ("Crystal Greens's Preliminary Commitment"), along with copies of all documents that give rise to exceptions listed in the Preliminary Commitment ("Crystal Greens's Underlying Documents"). Within two (2) days of receiving the last of Crystal Greens's Preliminary Commitment, Crystal Greens's Underlying Documents and Agency's Initial Survey (defined in Section 2.2 below), Agency will give Crystal Greens written notice setting forth the title exceptions that are not acceptable to Agency ("Crystal Greens's Unacceptable Exceptions"). All exceptions other than those timely objected to will be deemed acceptable to Agency as "Crystal Greens's Permitted Exceptions." Crystal Greens will have two (2) days after receiving Agency's notice within which to notify Agency in writing whether Crystal Greens is willing or able to eliminate Crystal Greens's Unacceptable Exceptions. If Crystal Greens agrees to eliminate Crystal Greens's Unacceptable Exceptions, Crystal Greens will be obligated to do so on or before Closing (defined in Section 3.3 below) at its cost. If Crystal Greens is unwilling or unable to eliminate Crystal Greens's Unacceptable Exceptions, Agency may terminate this Agreement or elect to accept Crystal Greens's Unacceptable Exceptions and proceed to close escrow by giving written notice to Crystal Greens within two (2) days of receiving notice from Crystal Greens. If Agency does not provide timely written notice of its election to terminate this Agreement, it will be deemed to have waived its objections to Crystal Greens's Unacceptable Exceptions and all of Crystal Greens's Unacceptable Exceptions shall become Crystal Greens's Permitted Exceptions. Agency shall have the same rights as set forth above to approve (or disapprove and terminate this Agreement with respect to) any subsequent title matters or exceptions that are disclosed in any subsequent title reports that may be issued after the receipt of Crystal Greens's Preliminary Commitment. Upon termination of this Agreement by Agency as provided in this Section 2.1, neither party shall have any further obligations or liability hereunder, except for those obligations herein that expressly survive such termination. Notwithstanding anything to the contrary in this Section or elsewhere in this Agreement, at or before Closing, Crystal Greens shall remove, in a manner satisfactory to Title Company, all mortgages, deeds of trust and other monetary liens created by or with the consent of Crystal Greens.

Section 2.2: Survey

Within five (5) days after the Effective Date, Agency shall, at Agency's cost, deliver a current survey of Swap Parcel A and Swap Parcel B (in electronic format CAD & PDF, where available) to Crystal Greens ("Agency's Survey"). Within two (2) days after receiving the last of Agency's Preliminary Commitment, Agency's Underlying Documents and Agency's Survey, Crystal Greens may deliver to Agency, in writing, any objection that the configurations of either Swap Parcel A or Swap Parcel B as shown on the Survey are different than that which is set forth in Exhibit "C" (the "Crystal Greens Objections"). Crystal Greens's failure to timely object to any such matters shall be deemed to constitute Crystal Greens's approval thereof and such shall then become Agency's Permitted Exceptions, as defined in Article 2. If Crystal Greens timely objects to any matters shown on Agency's Survey, then Agency shall have the right, but not the obligation, to agree in writing to cure before Closing the Crystal Greens Objections, or to decline to cure such Crystal Greens Objections. Agency will have two (2) days after receiving the Crystal Greens Objections within which to notify Crystal Greens in writing whether Agency is willing or able to cure the Crystal Greens Objections. If Agency agrees to cure the Crystal

Greens Objections, Agency will be obligated to do so by Closing at its cost. If Agency is unwilling or unable to cure the Crystal Greens Objections, Crystal Greens may terminate this Agreement or elect to accept the Crystal Greens Objections and proceed to close escrow by giving written notice to Agency within two (2) days of receiving notice from Agency. If Crystal Greens does not provide timely written notice of its election to terminate this Agreement, it will be deemed to have waived its objections and all of the Crystal Greens Objections shall become Agency's Permitted Exceptions. Upon termination of this Agreement by Crystal Greens as provided above, neither party shall have any further obligations or liability hereunder, except for those obligations herein that expressly survive such termination.

Section 2.3: Property Documents.

Within five (5) days after the Effective Date, Agency shall deliver all documents and materials, in electronic format, which Agency has in its possession (or access to) which concern Swap Parcel B or its development, including but not limited to: existing surveys, environmental assessments (Phase I and II); soils or geotechnical reports; wetland reports, analysis and permits; traffic studies; development feasibility studies; copies of use and development permits; and any covenants, conditions, restrictions, maintenance agreements, development standards applicable to Swap Parcel B and not otherwise set forth herein (except those that appear in zoning codes, comprehensive plans or other readily available government planning documents).

Within five (5) days after the Effective Date, Crystal Greens shall deliver all documents and materials, in electronic format, which Crystal Greens has in its possession (or access to) which concern Swap Parcel A or its development, including but not limited to: existing surveys, environmental assessments (Phase I and II); soils or geotechnical reports; wetland reports, analysis and permits; traffic studies; development feasibility studies; copies of use and development permits; and any covenants, conditions, restrictions, maintenance agreements, development standards applicable to Swap Parcel A and not otherwise set forth herein (except those that appear in zoning codes, comprehensive plans or other readily available government planning documents).

Section 2.4: Due Diligence Period.

Crystal Greens shall have a period of fourteen (14) days after the Effective Date ("Crystal Greens's Initial Due Diligence Period", which period, as may be extended as provided herein, is referred to herein as "Crystal Greens's Due Diligence Period") to conduct its due diligence investigation of Swap Parcel B and to satisfy itself concerning all aspects of Swap Parcel B and the suitability of Swap Parcel B for Crystal Greens's intended uses, including without limitation the physical condition, the amount of land available to support Crystal Greens's intended use, zoning, access, and utilities. During the period from the Effective Date until the earlier of Closing or termination of this Agreement, Crystal Greens and its employees, agents, consultants, contractors, prospective tenants or purchasers, and lenders may enter Swap Parcel B to perform such tests, inspections and studies as Crystal Greens may deem necessary, including without limitation environmental assessments. Crystal Greens hereby indemnifies and holds the Agency and the County, and their elected officials, officers, agents and employees harmless from any

injury or damages arising out of any activity of Crystal Greens, its agents, employees and contractors performed and conducted on Swap Parcel B for the purposes of completing its due diligence. Due diligence may include, without limitations, physical inspections of Swap Parcel B; soils investigations and coring; Phase I and, as necessary, Phase II environmental assessments; and examination of survey and title exceptions. Crystal Greens shall restore Swap Parcel B to its pre-examination state after conducting such due diligence at its own expense, except that the test pits need only be backfilled with clean available fill and compacted with the bucket of a backhoe. Crystal Greens agrees to provide the Agency with copies of all third party reports concerning the condition of Swap Parcel B obtained or produced as a result of its due diligence investigation. On or before expiration of Crystal Greens's Due Diligence Period, Crystal Greens at its option and in its sole and absolute discretion may provide Agency with a notice approving its due diligence investigation of Swap Parcel B and electing to proceed with acquisition of Swap Parcel B as provided herein ("Crystal Greens's Approval Notice"). Alternatively, Crystal Greens at its option and in its sole and absolute discretion may provide notice to Agency of its election to terminate this Agreement prior to the expiration of Crystal Greens's Due Diligence Period. If Crystal Greens fails to provide either Crystal Greens's Approval Notice or a termination notice prior to expiration of Crystal Greens's Due Diligence Period, Crystal Greens shall be deemed to have elected to proceed with this Agreement as if Crystal Greens's Approval Notice were given to Agency prior to expiration of Crystal Greens's Due Diligence Period. Where Crystal Greens elects to terminate this Agreement, except as otherwise expressly provided herein, neither party shall have any further rights, duties or obligations hereunder.

Agency shall have a period of fourteen (14) days after the Effective Date ("Agency's Initial Due Diligence Period", which period, as may be extended as provided herein, is referred to herein as "Agency's Due Diligence Period") to conduct its due diligence investigation of Swap Parcel A and to satisfy itself concerning all aspects of Swap Parcel A and the suitability of Swap Parcel A for Agency's intended uses, including without limitation the physical condition, the amount of land available to support Agency's intended use, zoning, access, and utilities. During the period from the Effective Date until the earlier of Closing or termination of this Agreement, Agency and its employees, agents, consultants, contractors, prospective tenants or purchasers, and lenders may enter Swap Parcel A to perform such tests, inspections and studies as Agency may deem necessary, including without limitation environmental assessments. Agency hereby indemnifies and holds Crystal Greens, and their officers, agents and employees harmless from any injury or damages arising out of any activity of Agency, its agents, employees and contractors performed and conducted on Swap Parcel A for the purposes of completing its due diligence. Due diligence may include, without limitations, physical inspections of Swap Parcel A; soils investigations and coring; Phase I and, as necessary, Phase II environmental assessments; and examination of survey and title exceptions. Agency shall restore Swap Parcel A to its pre-examination state after conducting such due diligence at its own expense, except that the test pits need only be backfilled with clean available fill and compacted with the bucket of a backhoe. Agency agrees to provide Crystal Greens with copies of all third party reports concerning the condition of Swap Parcel A obtained or produced as a result of its due diligence investigation. On or before expiration of Agency's Due Diligence Period, Agency at its option and in its sole and absolute discretion may provide Crystal Greens with a notice approving its

due diligence investigation of Swap Parcel A and electing to proceed with acquisition of Swap Parcel A as provided herein ("Agency's Approval Notice"). Alternatively, Agency at its option and in its sole and absolute discretion may provide notice to Crystal Greens of its election to terminate this Agreement prior to the expiration of Agency's Due Diligence Period. If Agency fails to provide either Agency's Approval Notice or a termination notice prior to expiration of Agency's Due Diligence Period, Agency shall be deemed to have elected to proceed with this Agreement as if Agency's Approval notice were given to Crystal Greens prior to expiration of Agency's Due Diligence Period. Where Agency elects to terminate this Agreement, except as otherwise expressly provided herein, neither party shall have any further rights, duties or obligations hereunder.

Section 2.5: Design Drawings.

Agency shall prepare and submit to Crystal Greens design development drawings of proposed improvements to the driveway serving Crystal Greens's Property from the terminus of Capps Rd. ("Design Drawings"), for Crystal Greens's review and written approval within Crystal Greens's Due Diligence Period. Crystal Greens shall diligently, in good faith, review the Design Drawings to determine whether they are acceptable and shall issue its decision within five (5) days after receipt of same. If Crystal Greens does not approve the Design Drawings, Crystal Greens shall specify, in writing, its specific objections to same, and Agency shall have a reasonable opportunity to revise the Design Drawings. The Agency's preparation of the Design Drawings shall not be deemed approval by the Clackamas County Planning Division or any other County agency or department. When approved by Crystal Greens, the Agency shall submit the Design Drawings Clackamas County for the purposes of compliance with all codes, regulations and other requirements in connection with the construction of the proposed improvements.

Section 2.6: Governmental Approvals.

Prior to the Closing Date, both Agency and Crystal Greens agree to join in executing any applications reasonably required in connection with attempts to obtain governmental permits and approvals necessary to complete the exchange of Swap Parcel A and Swap Parcel B, as contemplated by this Agreements. The Parties acknowledge that property line adjustment or partition applications may be necessary. The Parties' agreement to cooperate in connection with the governmental approvals and any other provision of this Agreement shall not be construed as making either party an agent or partner of the other party.

Section 2.7: No Liens.

Prior to Closing, neither Party shall place or allow to be placed on either Swap Parcel A or Swap Parcel B, or any part thereof, any mortgage, trust deed, encumbrance or lien, unless specifically pre-approved in writing by the other Party. For any levy, lien or attachment coming into existence without permission prior to Closing, the responsible Party shall remove or have removed any levy, lien or attachment, or any part thereof, or provide assurance of the satisfaction therein within a reasonable time, but in any case no later than thirty (30) days of such

encumbrance attaching to either Swap Parcel A or Swap Parcel B as the case may be. Any Party may contest or challenge the validity or amount of any such lien or encumbrance provided such challenge or contest is taken in accordance with applicable law and within a reasonable time, so long as the Party provides security satisfactory to the other Party.

ARTICLE 3: DISPOSITION OF PROPERTY

Section 3.1: Exchange of Property.

In accordance with, and subject to all the terms, covenants, and conditions of this Agreement, the Agency agrees to convey to Crystal Greens, and Crystal Greens agrees to accept from Agency, Swap Parcel B, and Crystal Greens agrees to convey to the Agency, and the Agency agrees to accept from Crystal Greens, Swap Parcel A.

Section 3.2: Reserved.

Section 3.3: Closing.

This transaction shall close (the "Closing") on a date to be selected by Agency that is at least (7) days after the expiration of both Agency's Due Diligence Period and Crystal Greens's Due Diligence Period, but in no event sooner than a partition or property line adjustment has been approved for both Swap Parcel A and Swap Parcel B such that the Parties can complete the transfer contemplated herein (the "Closing Date"). Closing shall occur in escrow on or before the Closing Date by and through a mutually acceptable escrow officer (the "Escrow Officer") of Chicago Title Insurance Company of Oregon, 10151 SE Sunnyside Rd. #300, Clackamas, OR 97015 (the "Title Company"), in accordance with the terms and conditions of this Agreement. The Agency and Crystal Greens agree to perform all acts necessary to close this transaction in accordance with the terms of this Agreement. Each party may submit escrow instructions to the Escrow Officer consistent with this Agreement.

Section 3.4: Deed Form.

At Closing, the Agency shall convey to Crystal Greens marketable fee simple title to Swap Parcel B by way of a property line adjustment deed, duly executed and acknowledged (the "Agency Deed"), free and clear of all liens, claims and encumbrances other than Agency's Permitted Exceptions. Conveyance of title to Swap Parcel A to Crystal Greens shall conclusively establish satisfaction or waiver of all closing conditions set forth in Article 4 herein.

At Closing, Crystal Greens shall convey to the Agency marketable fee simple title to Swap Parcel A either by way of a property line adjustment deed or Bargain and Sale deed, duly executed and acknowledged (the "Crystal Greens Deed"), free and clear of all liens, claims and encumbrances other than Crystal Greens's Permitted Exceptions. Conveyance of title to Swap Parcel B to the Agency shall conclusively establish satisfaction or waiver of all closing conditions set forth in Article 4 herein.

Section 3.5: Title Insurance; Prorations; Adjustments; Commissions.

3.5.1 Agency shall be responsible for the cost of any and all standard title insurance for Swap Parcel B and Crystal Greens shall be responsible for obtaining and paying the cost of any additional premiums for ALTA extended coverage and additional title endorsements required by Crystal Greens. At Crystal Greens's request, Agency will execute and deliver at Closing an affidavit certifying that there are no unrecorded leases or agreements affecting Swap Parcel B, there are no parties in possession of Swap Parcel B, that there are no mechanic's or statutory liens against Swap Parcel B, and as to such other matters as may be reasonably requested by the Title Company or Crystal Greens for issuance of extended coverage title insurance in favor of Crystal Greens.

Agency shall be responsible for the cost of any and all standard title insurance for Swap Parcel A and the Agency shall be responsible for obtaining and paying the cost of any additional premiums for ALTA extended coverage and additional title endorsements required by the Agency. At the Agency's request, Crystal Greens will execute and deliver at Closing an affidavit certifying that there are no unrecorded leases or agreements affecting Swap Parcel A, there are no parties in possession of Swap Parcel A, that there are no mechanic's or statutory liens against Swap Parcel A, and as to such other matters as may be reasonably requested by the Title Company or the Agency for issuance of extended coverage title insurance in favor of the Agency.

3.5.2 Real property taxes and assessments and other expenses for the current year (if any) for Swap Parcel A and Swap Parcel B shall be prorated and adjusted between the Parties as of the Closing Date. Agency shall be responsible for any and all real property taxes for the period of time prior to the recording of the Deed for Swap Parcel B and Crystal Greens shall be responsible for such taxes for the period of time on and subsequent thereto. Crystal Greens shall be responsible for any and all real property taxes for the period of time prior to the recording of the Deed for Swap Parcel A and the Agency shall be responsible for such taxes for the period of time on and subsequent thereto. Escrow fees shall be shared equally by Crystal Greens and the Agency. Except as provided below in Section 3.6.9, Crystal Greens shall be responsible for all professional fees incurred by Crystal Greens in connection with its investigation of Swap Parcel B, all recording fees and payment of its respective expenses. With respect to those attorney fees to be paid by Agency on behalf of Crystal Greens, prior to Closing, Crystal Greens shall provide Agency a detailed invoice describing all fees for which Crystal Greens seeks reimbursement. Agency may object to any charge it determines to be unreasonable or unrelated to this transaction and the Parties shall negotiate in good faith to resolve the disagreement. In no event shall Agency's responsibility for Crystal Greens's attorney fees exceed \$10,000.00. Agency shall pay the costs of its own attorneys, consultants and advisors with respect to this transaction.

Section 3.6: Events of Closing.

Provided the Escrow Officer has received sums equal to the costs, prorations and adjustments as provided herein, and is in a position to cause the title insurance policy to be issued as described herein, this transaction shall be closed on the Closing Date as follows:

- 3.6.1 The Escrow Officer shall perform the prorations and adjustments described in <u>Section 3.5</u>, and the Parties shall be charged and credited accordingly.
- 3.6.2 Any liens required to be paid by Agency or Crystal Greens at closing shall be paid and satisfied of record.
- 3.6.3 Agency shall convey Swap Parcel B to Crystal Greens by execution and delivery of the Agency Deed, subject only to Agency's Permitted Exceptions.
- 3.6.4 Crystal Greens shall convey Swap Parcel A to the Agency by execution and delivery of the Crystal Greens Deed, subject only to Crystal Greens's Permitted Exceptions.
- 3.6.5 The Title Company shall be irrevocably committed to issue the policy described in <u>Section 4.2.5</u>, upon recordation of the Agency Deed.
- 3.6.6 The Title Company shall be irrevocably committed to issue the policy described in <u>Section 4.1.5</u>, upon recordation of the Crystal Greens Deed.
- 3.6.7 Agency shall deliver Agency's Certification of Nonforeign Status as provided in <u>Section 8.14</u> herein.
- 3.6.8 Crystal Greens shall deliver Crystal Greens's Certification of Nonforeign Status as provided in <u>Section 8.14</u> herein.
- 3.6.9 Agency shall deliver to escrow a sum agreed to by the Parties which represents the amount of attorney fees reasonably incurred by Crystal Greens in connection with this transaction.
- 3.6.10 The Escrow Officer shall record the following documents in the following order: (i) Crystal Greens Deed and (ii) Agency Deed.
- 3.6.11 The parties will take such further actions and execute and deliver such other instruments as may be reasonably necessary or desirable to consummate the transactions contemplated by this Agreement.

Section 3.7: Possession.

Exclusive possession of Swap Parcel B shall be delivered to Crystal Greens concurrently with the conveyance of title on the Closing Date. Crystal Greens shall accept title and possession on the Closing Date, unless such date is extended as provided herein. Exclusive possession of Swap Parcel A shall be delivered to the Agency concurrently with the conveyance of title on the Closing Date. The Agency shall accept title and possession on the Closing Date, unless such date is extended as provided herein.

Section 3.8: Conditions of the Property.

The Parties acknowledge that the acceptance of Swap Parcel A and Swap Parcel B is "As

Is," except as provided otherwise herein.

ARTICLE 4: CLOSING CONDITIONS

Section 4.1: Agency's Closing Conditions.

Agency's obligations to convey Swap Parcel B under this Agreement are expressly conditioned upon the satisfaction of the following conditions:

- 4.1.1 Agency giving Agency's Approval Notice, or being deemed to have given its approval pursuant to <u>Section 2.4</u>.
- 4.1.2 The fulfillment by Crystal Greens of all its obligations and covenants under this Agreement to be performed on or before the Closing Date.
- 4.1.3 That all of Crystal Greens's representations and covenants set forth in this Agreement are true and correct in all material respects on the Closing Date.
- 4.1.4 There being no change in the condition or legal requirements of Swap Parcel A, whether directly or indirectly, including any dumping of refuse or environmental contamination, after Effective Date, and that no legal action or proceeding (including condemnation) affecting Swap Parcel A or the Agency's intended use thereof shall have been threatened or commenced.
- 4.1.5 That the Title Company shall be irrevocably committed to issue an owner's title insurance policy insuring that fee simple title to Swap Parcel A is vested in the Agency as of the Closing Date, subject only to Crystal Greens's Permitted Exceptions.

The foregoing conditions may be waived only by Agency. If any one or more of such conditions are not satisfied as of the Closing Date, Agency at its option may terminate this Agreement and neither party shall have any further obligation or liability hereunder (except for such obligations that expressly survive such termination), except to the extent such condition is not satisfied solely as a result of a breach of this Agreement by Crystal Greens, in which case the provisions of Section 7.1 below shall apply.

Section 4.2: Crystal Greens' Closing Conditions.

Crystal Greens's obligations to convey Swap Parcel A under this Agreement are expressly conditioned upon the satisfaction of the following conditions:

- 4.2.1 Crystal Greens giving Crystal Greens's Approval Notice, or being deemed to have given its approval pursuant to Section 2.4.
- 4.2.2 The fulfillment by Agency of all its obligations and covenants under this Agreement to be performed on or before the Closing Date.

- 4.2.3 That all of Agency's representations and covenants set forth in this Agreement are true and correct in all material respects on the Closing Date.
- 4.2.4 There being no change in the condition or legal requirements of Swap Parcel B, whether directly or indirectly, including any dumping of refuse or environmental contamination, after Effective Date, and that no legal action or proceeding (including condemnation) affecting Swap Parcel B or Crystal Greens's intended use thereof shall have been threatened or commenced.
- 4.2.5 That the Title Company shall be irrevocably committed to issue an owner's title insurance policy insuring that fee simple title to Swap Parcel B is vested in Crystal Greens as of the Closing Date, subject only to Agency's Permitted Exceptions.
- 4.2.6 Design Drawings (as defined in <u>Section 2.5</u>) have been prepared and submitted by the Agency in accordance with the terms of this Agreement and have been reviewed and approved by Crystal Greens, such approval not to be unreasonably withheld, conditioned or delayed, within five (5) days after receipt of such Design Drawings.

The foregoing conditions may be waived only by Crystal Greens. If any one or more of such conditions are not satisfied as of the Closing Date, Crystal Greens at its option may terminate this Agreement and neither party shall have any further obligation or liability hereunder (except for such obligations that expressly survive such termination), except to the extent such condition is not satisfied solely as a result of a breach of this Agreement by Agency, in which case the provisions of Section 7.2 below shall apply.

ARTICLE 5: ADDITIONAL CONDITIONS

Section 5.1: Post-Closing Improvements.

- 5.1.1 On or before June 30, 2020, Agency or its designee shall install a permanent fence along the south boundary line of the Crystal Greens Property, less the area described as Swap Parcel A, and the west boundary line of Swap Parcel B. Agency or its designee shall not remove the existing fence located to the south of the boundary line of the Crystal Greens Property until such time that a temporary or permanent fence is installed along the south boundary line of the Crystal Greens Property, less the area described as Swap Parcel A, and the west boundary line of Swap Parcel B.
- 5.1.2 Agency shall replace the existing motorized gate and any fencing that is removed as a result of the improvements to the driveway depicted in the Design Drawings. This will be done concurrent with construction of the improvements to the terminus of Capps Road and modifications to the driveways to the Crystal Greens property, which is anticipated to begin May 2019. The replacement gate and fencing shall be of a similar quality and character as currently exists on the Crystal Greens Property. Crystal Greens shall approve the replacement gate and fencing, and such approval shall not be unreasonably withheld.

- 5.1.3 On or before Closing, Agency shall remove any equipment and personal property from Swap Parcel B. In the event that contaminated soil is discovered on Swap Parcel B which requires removal under state or federal law, Agency shall remove any such contamination in accordance with applicable state and federal regulations prior to the construction of the improvements described in Sections 5.1.4 and 5.1.5.
- 5.1.4 Agency or its designee shall grade and gravel a portion of Swap Parcel B within the area identified in Exhibit "C" as the "LAND GOING TO CRYSTAL GREENS (14,092 SF./0.32 AC." which is adjacent to the existing western property line of the Crystal Greens Property. Agency shall develop this area with road fabric and gravel at a depth of eight (8) inches. This work shall be completed on or before April 30, 2019. Crystal Greens shall retain access the area described as Swap Parcel A at all times until the Agency or its designee substantially completes the work to grade and gravel the portion of Swap Parcel B within the area identified in Exhibit "C" as the "LAND GOING TO CRYSTAL GREENS (14,092 SF./0.32 AC." The work described herein shall be considered substantially complete when at least 90% of the portion of Swap Parcel B within the area identified in Exhibit "C" as the "LAND GOING TO CRYSTAL GREENS (14,092 SF./0.32 AC" has been graded and graveled and can be utilized by Crystal Greens for parking. The Parties may enter into a separate license agreement to memorialize the rights to access Swap Parcel A, as described in this Section 5.1.4.
- 5.1.5 Agency shall construct the improvements to the driveway depicted in the Design Drawings. This will be done concurrent with construction of the improvements to the terminus of Capps Road and modifications to the driveways to the Crystal Greens property, which is anticipated to begin May 2019. During construction, the Agency shall not eliminate or substantially impede access to the Crystal Greens property Access to the Crystal Greens property shall not be deemed eliminated or substantially impeded where alternative access is provided over the parcel to the south, which includes Swap Parcel A, and which is suitable to accommodate vehicles used in Crystal Greens's existing operations.
- 5.1.6 Agency agrees to design the improvements described in Section 5.1.5 in a way that retains the existing parking stalls in the area identified in Exhibit "C" as the "Impacted Parking Area." In the event the Agency is not able to provide at least 30 parking stalls in the area identified in Exhibit "C" as the "Impacted Parking Area," Agency shall compensate Crystal Greens in an amount to be determined by appraisal. In no event, however, shall the sum paid to Crystal Greens be less than \$10,000 for the loss of one parking stall below the 30 parking stalls to be provided, and \$20,000 for the loss of each parking stall thereafter.

Section 5.2: Construction Coordination.

Agency shall coordinate with Crystal Greens prior to, and during the construction of the improvements to the driveway depicted in the Design Drawings. Agency shall ensure that Crystal Greens retains access to the Crystal Greens Property and will use best efforts to minimize any disruptions to Crystal Greens's operation throughout construction of the driveway improvements.

Section 5.3: Environmental Indemnification

Agency agrees, at its sole cost and expense, to indemnify, defend and hold harmless Crystal Greens from any loss, cost, damage, obligation, liability, judgment, action, penalty, claim, proceeding, injunction suit, fine, or expense (including consultants', experts', attorneys' fees and court costs) incurred or sustained by Crystal Greens arising directly or indirectly from any failure of Agency to comply with any Environmental Laws, or from those Hazardous Substances that exist on Swap Parcel B currently, or that may migrate onto Swap Parcel B in the future, and that are directly related to the contamination described in that Easement and Equitable Servitudes agreement recorded April 23, 2014, a copy of which is recorded in the Clackamas County real property records as document #2014-018753. Agency shall have no obligation to indemnify, defend and hold harmless Crystal Greens for damage or loss resulting from Crystal Greens's acts, omissions, gross negligence or willful misconduct. In the event Agency must undertake government-ordered cleanup of Swap Parcel B, Crystal Greens will allow the Agency reasonable access to Swap Parcel B for such purpose, and will not require the cleanup to exceed the government authority's requirements allowing Crystal Greens, and its successors and assigns, to use Swap Parcel B for vehicle parking, and ingress and egress.

Crystal Greens agrees, at its sole cost and expense, to indemnify, defend and hold harmless Agency from any loss, cost, damage, obligation, liability, judgment, action, penalty, claim, proceeding, injunction suit, fine, or expense (including consultants', experts', attorneys' fees and court costs) incurred or sustained by Agency arising directly or indirectly from any failure of Crystal Greens to comply with any Environmental Laws, or from any Hazardous Substance present on Swap Parcel A as of the Closing Date, except that Crystal Greens shall have no obligation to indemnify, defend and hold harmless Agency for damage or loss resulting from Agency's acts, omissions, gross negligence or willful misconduct. In the event Crystal Greens must undertake government-ordered cleanup of Swap Parcel A, the Agency will allow Crystal Greens reasonable access to Swap Parcel A for such purpose, and will not require the cleanup to exceed the government authority's requirements allowing the Agency, and its successors and assigns, to use Swap Parcel A for vehicle parking, and ingress and egress.

As used in this Agreement, the term "Environmental Laws" includes any and all state, federal and local statutes, regulations, and ordinances to which either Swap Parcel A or Swap Parcel B is subject and relating to the protection of human health and the environment, as well as any judgments, orders, injunctions, awards, decrees, covenants, conditions, or other restrictions or standards relating to same. The term "Hazardous Substance" includes all hazardous and toxic substances, wastes, or materials, including without limitation all substances, wastes, and materials containing either petroleum, including crude oil or any fraction thereof, or any of the substances referenced in Section 101(14) of the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Section 9601(14), and similar or comparable state or local laws.

Section 5.4: Survival.

The Provisions of this Article 5 shall specifically survive Closing and not be merged into

ARTICLE 6: REPRESENTATIONS AND WARRANTIES

Section 6.1: Crystal Greens's Representations and Covenants.

Crystal Greens represents, warrants and covenants as follows:

- 6.1.1: To the best of Crystal Greens's knowledge (without any requirement of further investigation), there are no actions, suits, claims, legal proceedings, condemnation or eminent domain proceedings, or any other proceedings affecting Swap Parcel A, or any portion thereof, at law or in equity, before any court or governmental agency, domestic or foreign, nor is there any basis for any such proceeding which, if adversely determined, might affect the use or operation of Swap Parcel A for the Agency's intended purpose, the value of Swap Parcel A, or adversely affect the ability of Crystal Greens to perform its obligations under this Agreement; provided, however, that Crystal Greens makes no representation or warranty regarding the use of Swap Parcel A under current or future land use codes, building codes, or other generally applicable laws and regulations, and the Agency acknowledges their obligation to investigate the same as part of their due diligence process;
- 6.1.2: To the best of Crystal Greens's knowledge (without any requirement of further investigation), there are no liens, bonds, encumbrances, covenants, conditions, reservations, restrictions, easements or other matters affecting Swap Parcel A except as disclosed in Crystal Greens's Preliminary Commitment, and Crystal Greens has not received notice and has no knowledge of any pending liens or special assessments to be made against Swap Parcel A.
- 6.1.3: From the Effective Date until the Closing Date, Crystal Greens shall use commercially reasonable efforts to properly maintain Swap Parcel A in its current condition as of the Effective Date less reasonable impact of natural conditions and the Agency's due diligence efforts.
- 6.1.4: Pat Murphy, in his capacity as owner, is individually authorized to act on behalf of, and bind, Crystal Greens;
- 6.1.5: To the best of Crystal Greens's knowledge (without any requirement of further investigation), all information, documents and instruments delivered to Agency by Crystal Greens in connection with this Agreement are complete and true copies of such documents or original counterparts thereof;
- 6.1.6: Crystal Greens has not obligated itself in any manner to sell Swap Parcel A to any party other than the Agency and promises not to enter into an agreement with any other party for the sale or lease of any portion of Swap Parcel A while this Agreement is in effect;
- 6.1.7: Crystal Greens is not a "foreign person" for purposes of Section 1445 of the Internal Revenue Code; and
 - 6.1.8: To the best of Crystal Greens's knowledge, Crystal Greens, for a period of no

fewer than six calendar years preceding the effective date of this Agreement, has faithfully complied with (i) all applicable tax laws of this state, including but not limited to ORS 305.620 and ORS chapters 316, 317, and 318; (ii) any tax provisions imposed by a political subdivision of this state that applied to Crystal Greens, to the Crystal Greens Property, operations, receipts, or income, or to Crystal Greens's performance of or compensation for any work performed by Crystal Greens; (iii) any tax provisions imposed by a political subdivision of this state that applied to Crystal Greens, or to goods, services, or property, whether tangible or intangible, provided by Crystal Greens; and (iv) any applicable rules, regulations, charter provisions, or ordinances that implemented or enforced any of the foregoing tax laws or provisions.

- 6.1.9 To the best of Crystal Greens's knowledge (without any requirement of further investigation), Crystal Greens' exchange of Swap Parcel A is not subject to any federal, state or local withholding obligation under the tax laws applicable to the Parties or Swap Parcel A;
- 6.1.10 Crystal Greens has received no written notice of and has no knowledge of any material violations or investigations of violations of any applicable laws or ordinances affecting Swap Parcel A that have not been corrected or resolved;
- 6.1.11 To the best of Crystal Greens's knowledge (without any requirement of further investigation), during the time Crystal Greens has owned Swap Parcel A, Crystal Greens has not released to the soil or groundwater on Swap Parcel A any hazardous substances in any material concentration or quantity;
- 6.1.12 To the best of Crystal Greens's knowledge (without any requirement of further investigation), other than this Agreement, the documents to be executed and delivered hereunder at Closing and Crystal Greens's Permitted Exceptions, there are no contracts or agreements of any kind relating to Swap Parcel A to which Crystal Greens or its agents is a party and which would be binding on Agency after Closing.

For the purposes of this Agreement, "Crystal Greens's knowledge" is defined as the knowledge of Pat Murphy.

Section 6.2: Agency's Representations and Covenants.

Agency represents, warrants and covenants as follows:

- 6.2.1 Agency has been duly organized and is validly existing as a corporate body politic, in good standing in the State of Oregon. Agency has the full right and authority and has obtained any and all consents required to enter into this Agreement and to consummate the transactions contemplated hereby;
- 6.2.2 To the best of Agency's knowledge (without any requirement of further investigation), there are no actions, suits, claims, legal proceedings, condemnation or eminent domain proceedings, or any other proceedings affecting Swap Parcel B, or any portion thereof, at law or in equity, before any court or governmental agency, domestic or foreign, nor is there any basis for any such proceeding which, if adversely determined, might affect the use or operation of Swap Parcel B for Crystal Greens's intended purpose, the value of Swap Parcel B, or adversely affect the ability of Agency to perform its obligations under this Agreement; provided, however,

that Agency makes no representation or warranty regarding the use of Swap Parcel B under current or future land use codes, building codes, or other generally applicable laws and regulations, and Crystal Greens acknowledges their obligation to investigate the same as part of their due diligence process;

- 6.2.3 To the best of Agency's knowledge (without any requirement of further investigation), there are no liens, bonds, encumbrances, covenants, conditions, reservations, restrictions, easements or other matters affecting Swap Parcel B except as disclosed in Agency's Preliminary Commitment, and Agency has not received notice and has no knowledge of any pending liens or special assessments to be made against Swap Parcel B;
- 6.2.4 From the Effective Date until the Closing Date, Agency shall use commercially reasonable efforts to properly maintain Swap Parcel B in its current condition as of the Effective Date less reasonable impact of natural conditions and Crystal Greens's due diligence efforts;
- 6.2.5 Jim Bernard, in his capacity as Chair of the Development Agency Board, is individually authorized to act on behalf of, and bind, the Agency;
- 6.2.6 To the best of Agency's knowledge (without any requirement of further investigation), all information, documents and instruments delivered to Crystal Greens by Agency are complete and true copies of such documents or original counterparts thereof;
- 6.2.7 With the exception of the aforementioned third-party buyer which would have the right to acquire Swap Parcel B in the event Crystal Greens does not complete the property exchange described in this Agreement, Agency has not obligated itself to sell Swap Parcel B to any party other than Crystal Greens and promises not to enter into an agreement with any other party for the sale or lease of any portion of Swap Parcel B while this Agreement is in effect;
- 6.2.8 Agency is not a "foreign person" for purposes of Section 1445 of the Internal Revenue Code;
- 6.2.9 To the best of Agency's knowledge (without any requirement of further investigation), Agency is not (and is not engaged in this transaction on behalf of) a person or entity with which Crystal Greens is prohibited from doing business pursuant to any law, regulation or executive order pertaining to national security including, but not limited to, the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001; Executive Order 13224; the Bank Secrecy Act; the Trading with the Enemy Act; the International Emergency Economic Powers Act; sanctions and regulations promulgated pursuant thereto by the Office of Foreign Assets Control, as well as laws related to the prevention and detection of money laundering in 18 U.S.C Sections 1956 and 1957;
- 6.2.10 To the best of Agency's knowledge (without any requirement of further investigation), Agency's sale of Swap Parcel B is not subject to any federal, state or local withholding obligation under the tax laws applicable to the Parties or Swap Parcel B;
- 6.2.11 Agency has received no written notice of and has no knowledge of any material violations or investigations of violations of any applicable laws or ordinances affecting Swap Parcel B that have not been corrected or resolved;

- 6.2.12 To the best of Agency's knowledge (without any requirement of further investigation), during the time Agency has owned Swap Parcel B, Agency has not released to the soil or groundwater on Swap Parcel B any hazardous substances in any material concentration or quantity;
- 6.2.13 To the best of Agency's knowledge (without any requirement of further investigation), other than this Agreement, the documents to be executed and delivered hereunder at Closing and Agency's Permitted Exceptions, there are no contracts or agreements of any kind relating to Swap Parcel B to which Agency or its agents is a party and which would be binding on Crystal Greens after Closing.

For the purposes of this Agreement, "Agency's knowledge" is defined as the knowledge of Mr. David Queener.

Section 6.3: Survival.

All representations and warranties contained in this Agreement shall be true on and as of the Closing Date with the same force and effect as though made on and as of the Closing Date, and shall survive Closing and not be merged into any documents delivered at Closing.

ARTICLE 7: DEFAULTS AND REMEDIES

Section 7.1: Agency's Remedies.

If this transaction fails to close because of Crystal Greens's default hereunder, the Agency shall be entitled to such remedies for breach of contract as may be available under applicable law.

Section 7.2: Crystal Greens's Remedies.

If this transaction fails to close because of Agency's default hereunder, Crystal Greens shall be entitled to such remedies for breach of contract as may be available under applicable law.

Section 7.3: Default.

Except for the Parties' wrongful failure to close or satisfy a condition to Closing by the Closing Date, neither party shall be deemed in default under this Agreement unless such party is given written notice of its failure to comply with this Agreement and such failure continues for a period of fifteen (15) days following the date such notice is given.

ARTICLE 8: GENERAL PROVISIONS

Section 8.1: Applicable Law.

The law of the State of Oregon shall govern the interpretation and enforcement of this Agreement without giving effect to the conflicts of law provision thereof.

Section 8.2: Attorney Fees.

The parties shall bear their own costs and attorney fees in the event an action is brought to enforce, modify or interpret the provisions of this Agreement.

Section 8.3: Acceptance of Service of Process.

In the event that any legal or equitable action is commenced by Crystal Greens against the Agency, service of process on the Agency shall be made by personal service on the Program Supervisor of the Agency, or in such other manner as may be provided by law. In the event that any legal or equitable action is commenced by the Agency against Crystal Greens, service of process on Crystal Greens shall be made in such manner as may be provided by law.

Section 8.4: Notice, Demands and Communications Between the Parties.

All notices given pursuant to this Agreement shall be in writing sent to the addresses shown in <u>Section 1.3</u> and <u>Section 1.4</u> of this Agreement and to the attention of the person indicated, and shall be either: (i) mailed by first class mail, postage prepaid, certified or registered with return receipt requested, (ii) delivered in person or by local or national courier, or sent by electronic mail.

Any notice (i) sent by mail in the manner specified in this section shall be deemed served or given three (3) business days after deposit in the United States Postal Service, (ii) delivered in person or by local or national courier shall be deemed served or given upon receipt or refusal of delivery, and (iii) sent by electronic mail shall be deemed served or given upon transmission subject to confirmation of receipt. Notice given to a party in any manner not specified above shall be effective only if and when received by the addressee as demonstrated by objective evidence in the possession of the sender. Each party may change its address for notice by giving not less than ten (10) days' prior notice of such change to the other party in the manner set forth above.

Section 8.5: Nonliability of Officials and Employees.

No member, shareholder, director, officer, elected official, employee, affiliate, agent or representative of any of the parties shall be personally liable to the other party or any successor-in-interest thereto, in the event of any default or breach by either party or for any amount that may become due to either party or its successor, or any obligations under the terms of this Agreement.

Section 8.6: Merger.

None of the provisions of this Agreement are intended to or shall be merged by reason of any deed referred to herein and any such deed shall not be deemed to affect or impair the provisions and covenants of this Agreement, but shall be deemed made pursuant to this Agreement.

Section 8.7: Headings.

Any title of the several parts and sections of this Agreement are inserted for convenience or reference only and shall be disregarded in construing or interpreting any of its provisions.

Section 8.8: Time of Essence.

Time is of the essence of this Agreement. All obligations of the Agency and Crystal Greens to each other shall be due at the time specified by the Agreement, or as the same may be extended by mutual agreement of the parties in writing.

Section 8.9: Severability.

If any clause, sentence or any other portion of the terms and conditions of this Agreement become illegal, null or void for any reason, or held by any court of competent jurisdiction to be so, the remaining portion will remain in full force and effect.

Section 8.10: No Partnership.

Neither anything in this Agreement or the documents delivered in connection herewith nor any acts of the parties hereto shall be deemed or construed by the parties hereto, or any of them, or by any third person, to create the relationship of principal and agent, or of partnership, or of joint venture, or of any association between any of the parties to this Agreement.

Section 8.11: Nonwaiver of Government Rights.

Subject to the terms and conditions of this Agreement, by making this Agreement, the Agency is specifically not obligating itself, the County, or any other agency with respect to any discretionary governmental action relating to the acquisition of either Swap Parcel A or Swap Parcel B, including, but not limited to, condemnation, comprehensive planning, rezoning, variances, environmental clearances or any other governmental agency approvals that are or may be required.

Section 8.12: Entire Agreement; Waivers.

This Agreement integrates all of the terms and conditions mentioned herein or incidental hereto and supersedes all prior negotiations or previous agreements between the Parties or the predecessors in interest with respect to all or any part of the subject matter hereof. All waivers of the provisions of this Agreement must be in a writing signed by the appropriate authorities of the Agency and Crystal Greens, and all amendments thereto must be in a writing signed by the appropriate authorities by the Agency and Crystal Greens.

Section 8.13: Counterparts.

This Agreement may be executed in counterparts, each of which shall be deemed an

original, but all of which together shall constitute one and the same Agreement.

Section 8.14: Non-Foreign Persons.

The parties agree to comply with the terms of Internal Revenue Code Section 1445 and at Closing, Agency shall execute and deliver to Crystal Greens and Title Company a non-foreign person affidavit in a form mutually acceptable to the parties.

Section 8.15: Waiver.

Failure of either party at any time to require performance of any provision of this Agreement shall not limit the party's right to enforce the provision. Waiver of any breach of any provision shall not be a waiver of any succeeding breach of the provision or a waiver of the provision itself or any other provision.

Section 8.16: Weekends and Holidays.

If the time for performance of any of the terms, conditions and provisions of this Agreement shall fall on a Saturday, Sunday or legal holiday, then the time of such performance shall be extended to the next business day thereafter.

Section 8.17: Neutral Construction.

This Agreement has been negotiated with each party having the opportunity to consult with legal counsel and shall not be construed against either party by virtue of which party drafted all or any part of this Agreement.

Section 8.18: Exhibits.

All exhibits listed on the signature page below and attached hereto are incorporated into and constitute a part of this Agreement.

ARTICLE 9: SUCCESSOR INTEREST

This Agreement shall be binding upon and inure to the benefit of the parties, and their permitted successors and assigns. Pursuant to ORS 457.075, in the event the Agency is terminated, Clackamas County shall be substituted for the Agency and, for the purpose of this Agreement, shall be considered a continuation of the Agency and not a new entity.

ARTICLE 10: 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.

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

"AGENCY"	CLACKAMAS COUNTY DEVELOPMENT AGENCY, a corporate body politic	
	By: Chair	_
	Date:, 2018	
"CRYSTAL GREENS"	PATRICK L. MURPHY	
	Date:, 2018	
	DYAN M. MURPHY	
	Date: , 2018	

LIST OF EXHIBITS

EXHIBIT A Crystal Greens Property Description

EXHIBIT B Agency Property Description

EXHIBIT C Property Swap Map (Identification of Swap Parcel A and Swap

Parcel B)

EXHIBIT A

Crystal Greens Property Description

EXHIBIT A

LEGAL DESCRIPTION: Real property in the County of Clackamas, State of Oregon, described as follows:

PARCEL I:

A TRACT OF LAND IN SECTION 15, TOWNSHIP 2 SOUTH, RANGE 2 EAST OF THE WILLAMETTE MERIDIAN, IN THE COUNTY OF CLACKAMAS AND STATE OF OREGON, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT AN IRON PIPE WHICH IS 793.5 FEET EAST AND 1318.63 FEET SOUTH OF THE QUARTER SECTION CORNER ON THE NORTH LINE OF SECTION 15 TOWNSHIP 2 SOUTH, RANGE 2 EAST OF THE WILLAMETTE MERIDIAN; THENCE EAST 400.15 FEET; THENCE NORTH 338.27 FEET; THENCE SOUTH 79° 13' WEST 182.4 FEET; THENCE NORTH 84° 11' WEST 126.86 FEET; THENCE NORTH 82° 25' WEST 95.6 FEET TO A POINT WHICH IS NORTH 329.63 FEET FROM THE POINT OF BEGINNING; THENCE SOUTH 329.63 FEET TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM THE EAST 136 FEET THEREOF AS CUT OFF BY A LINE DRAWN PARALLEL WITH THE EAST LINE OF SAID PROPERTY.

TOGETHER WITH AN EASEMENT FOR INGRESS AND EGRESS OVER AND ACROSS THE SOUTH 40 FEET OF SAID EAST 136 FEET.

TOGETHER WITH AN EASEMENT FOR ROAD PURPOSES AND UTILITY POLES ALONG ONE SIDE OF PROPERTY BEING DESCRIBED AS FOLLOWS:

PART OF SECTION 15, TOWNSHIP 2 SOUTH, RANGE 2 EAST OF THE WILLAMETTE MERIDIAN, IN THE COUNTY OF CLACKAMAS AND STATE OF OREGON, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE WEST LINE OF THE HACKETT AND CAPPS ROAD NO. 88 WITH THE SOUTH LINE OF THE PRESLEY WELCH DONATION LAND CLAIM; THENCE WESTERLY TRACING THE SOUTH LINE OF SAID DONATION LAND CLAIM TO A POINT 20 FEET NORTH OF THE MOST NORTHERLY NORTHWEST CORNER OF THAT TRACT CONVEYED TO CHARLES EDWARD GRANT, ET UX, BY DEED RECORDED IN BOOK 570, PAGE 90, DEED RECORDS; THENCE CONTINUING WESTERLY ON SAID SOUTH BOUNDARY OF THE WELCH DONATION LAND CLAIM, A DISTANCE OF 125 FEET; THENCE SOUTH A DISTANCE OF 20 FEET; THENCE EASTERLY PARALLEL WITH THE SOUTH BOUNDARY OF SAID WELCH DONATION LAND CLAIM TO A POINT THAT IS 20 FEET SOUTH OF THE PLACE OF BEGINNING; THENCE NORTH A DISTANCE OF 20 FEET TO THE POINT OF BEGINNING.

PARCEL II:

THE EAST 136 FEET OF THE FOLLOWING DESCRIBED TRACT OF LAND.

A TRACT OF LAND IN SECTION 15, TOWNSHIP 2 SOUTH, RANGE 2 EAST OF THE WILLAMETTE MERIDIAN IN THE COUNTY OF CLACKAMAS AND STATE OF OREGON, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT AN IRON PIPE WHICH IS 793.5 FEET EAST AND 1318.63 FEET SOUTH OF THE QUARTER SECTION CORNER OF THE NORTH LINE OF SECTION 15, TOWNSHIP 2 SOUTH, RANGE 2 EAST OF THE WILLAMETTE MERIDIAN; THENCE EAST 400.15 FEET; THENCE NORTH 338.27 FEET; THENCE SOUTH 79° 13' WEST 182.4 FEET; THENCE NORTH 84° 11' WEST 126.86 FEET; THENCE NORTH 82° 25' WEST 95.6 FEET TO A POINT WHICH IS NORTH 329.63 FEET FROM THE POINT OF BEGINNING; THENCE SOUTH 329.63 FEET TO THE POINT OF BEGINNING.

SUBJECT TO AN EASEMENT FOR INGRESS AND EGRESS OVER AND ACROSS THE SOUTH 40 FEET OF SAID EAST 136 FEET.

TOGETHER WITH AN EASEMENT FOR ROAD PURPOSES AND UTILITY POLES ALONG ONE SIDE OF PROPERTY BEING DESCRIBED AS FOLLOWS:

PART OF SECTION 15, TOWNSHIP 2 SOUTH, RANGE 2 EAST OF THE WILLAMETTE MERIDIAN, IN THE COUNTY OF CLACKAMAS AND STATE OF OREGON, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE WEST LINE OF THE HACKETT AND CAPPS ROAD NO. 88 WITH THE SOUTH LINE OF THE PRESLEY WELCH DONATION LAND CLAIM; THENCE WESTERLY TRACING THE SOUTH LINE OF SAID DONATION LAND CLAIM TO A POINT 20 FEET NORTH OF THE MOST NORTHERLY NORTHWEST CORNER OF THAT TRACT CONVEYED TO CHARLES EDWARD GRANT ET UX, BY DEED RECORDED IN BOOK 570 PAGE 90, DEED RECORDS; THENCE CONTINUING WESTERLY ON SAID SOUTH BOUNDARY OF THE WELCH DONATION LAND CLAIM, A DISTANCE OF 125 FEET; THENCE SOUTH A DISTANCE OF 20 FEET; THENCE EASTERLY PARALLEL WITH THE SOUTH BOUNDARY OF SAID WELCH DONATION LAND CLAIM TO A POINT THAT IS 20 FEET SOUTH OF THE PLACE OF BEGINNING; THENCE-NORTH A DISTANCE OF 20 FEET TO THE POINT OF BEGINNING.

NOTE: THIS LEGAL DESCRIPTION WAS CREATED PRIOR TO JANUARY 1, 2008.

EXHIBIT ".B," Legal Description

PARCEL I:

A tract of land being a portion of that property described as Tract 1 in a property line adjustment Deed recorded May 23, 2017 as Document Number 2017-034564, Clackamas County Deed Records, and a portion of that property described as Parcel VIII in a Deed to Clackamas County Development Agency recorded on October 8,2009 as Document No. 2009-071163, Clackamas County Deed Records, located in the Northeast one-quarter of Section 15, Township 2 South, Range 2 East of the Willamette Meridian, in the County of Clackamas and State of Oregon, and more particularly described as follows:

Commencing at the North one-quarter corner of said Section 15, said point being marked by a 3-1/4 inch bronze disk; Thence along the North line of the Northeast one-quarter of said Section 15, North 89°50'46" East 662.95 feet to the Northerly extension of the East line of that property conveyed to 1PT Clackamas DC LLC by a deed recorded on December 19,2014 as Document No. 2014-065094, Clackamas County Deed Records; Thence along said Northerly extension and the East line of said IPT Clackamas DC LLC property, South 00°01' 11" West 620.00 feet to the Southeast comer thereof, said point also being the most Northerly Northeast comer of said Tract 1 and being marked by a 5/8 inch iron rod with a yellow plastic cap stamped "Clackamas Co. DTD"; Thence along the most Northerly line of said Tract 1, South 89°49'50" West 233.59 feet to the most Northerly Northwest corner thereof, said point being marked by 5/8 inch iron rod with a yellow plastic cap stamped "Clackamas Co. DTD"; Thence along the most Northerly West line of said Tract 1, South 00°05'09" West 363.74 feet to a 5/8 inch iron rod with a yellow plastic cap stamped "Northwest Surveying Inc" and the Point of Beginning;

Thence leaving said most Northerly West line, South 89°54'51" East 367.03 feet to a 3/4 inch iron pipe located on the East line of said Parcel VIII; Thence along the East line of said Parcel VIII, South 00°08'50" West 331.80 feet to the Southeast corner thereof, said point being marked by 5/8 inch iron rod and being on the Northerly boundary of said Tract 1; Thence along the Northerly boundary of said Tract 1, North 89°58'02" East 400.25 feet to a 5/8 inch iron rod on the Westerly terminus line for the right-of-way of S.E. Capps Road; Thence along said Westerly terminus line, South 00°10'06" West 20.06 feet to a 5/8 inch iron rod with a yellow plastic cap stamped "Clackamas Co. DTD" located on the Southerly right-of-way line of S.E. Capps Road (30:00 feet Southerly from the centerline thereof, when measured at right angles); Thence along said Southerly right-of-way line, North 89°57'49" East 40.04 feet to the most Easterly Northeast comer of said Tract 1, said point being marked by a 5/8 inch iron rod with a yellow plastic cap stamped "Clackamas Co. DTD"; Thence along the most Southerly East line of said Tract 1, South 00°27'26" West 758,60 feet to a 3/4 inch iron pipe at the Southeast corner of said Tract 1; Thence along the Southwesterly boundary of said Tract 1, North 59°00'04" West 393.43 feet to an angle point thereon, said point being marked by a 5/8 inch iron rod with a yellow plastic cap stamped "Clackamas Co. DTD"; Thence continuing along the Southwesterly boundary of said Tract 1, North 45°37'07" West 822.82 feet to the most Westerly Northwest corner thereof, said point being marked by a 5/8 inch iron rod; Thence along the most Westerly North line of said Tract 1, South 89°57'56" East 124.46 feel to and angle point on the Westerly boundary of said Tract 1, said point being marked by a 1 /2 inch iron pipe; Thence along the most Northerly West line of said Tract 1, North 00"05"09" East 332.68 feet to the Point of Beginning.

PARCEL II:

A tract of land being a portion of that property described as Tract 1 in a property line adjustment Deed recorded May 23,2017 as Document No. 2017-034564, Clackamas County Deed Records, and a portion of that property described as Parcel VIII in a Deed to Clackamas County Development Agency recorded on October 8, 2009 as Document No. 2009-071163, Clackamas County Deed Records, located in the Northeast one-quarter of Section 15, Township 2 South, Range 2 East of the Willamette Meridian, in the County of Clackamas and State of Oregon, and more particularly described as follows:

Preliminary Report

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EXHIBIT "%" Legal Description

Commencing at the North one-quarter corner of said Section 15, said point being marked by a 3-1/4 inch bronze disk; Thence along the North line of the Northeast one-quarter of said Section 15, North 89°50'46" East 662.95 feet to the Northerly extension of the East line of that property conveyed to IPT Clackamas DC LLC by a Deed recorded on December 19, 2014 as Document No. 2014-065094, Clackamas County Deed Records; Thence along said Northerly extension and the East line of said IPT Clackamas DC LLC property, South 00°01 '11" West 620.00 feet to the Southeast corner thereof and the Point of Beginning, said point also being the most Northerly Northeast corner of said Tract 1 and being marked by a 5/8 inch iron rod with a yellow plastic cap stamped "Clackamas Co. DTD": Thence along the most Northerly line of said Tract 1, South 89°49'50" West 233.59 feet to the most Northerly Northwest corner thereof, said point being marked by 5/8 inch iron rod with a yellow plastic cap stamped "Clackamas Co. DTD"; Thence along the most Northerly West line of said Tract 1, South 00°05'09" West 363.74 feet to a 5/8 inch iron rod with a yellow plastic cap stamped "Northwest Surveying Inc"; Thence leaving said most Northerly West line. South 89°54'51" East 367.03 feet to a 3/4 inch iron pipe located on the East line of said Parcel VIII; Thence along the East line of said Parcel VIII, North 00°03'13" East 383.38 feet to the Northeast corner thereof; Thence along the North line of said Parcel VIII, South 89°39'36" West 133.25 feet to a 5/8 inch iron rod located at the Northwest comer of said Parcel VIII; Thence along the West line of said Parcel VIII, South 00°01'11" West 17.60 feet to the Point of Beginning.