

BEFORE THE BOARD OF COUNTY COMMISSIONERS  
FOR MULTNOMAH COUNTY, OREGON

**RESOLUTION NO. 05-191**

Approving the Sale of the Peninsula Building Located at 7220 North Lombard, Portland, Oregon and Authorizing County Chair to Execute Appropriate Documents to Complete the Sale

**The Multnomah County Board of Commissioners Finds:**

- a. By Resolution 03-114, dated July 31, 2003, the Multnomah County Board of Commissioners declared the Peninsula Building ("Property"), located at 7220 North Lombard, Portland, Oregon, to be surplus.
- b. By Resolution 05-088, dated May 26, 2005, the Multnomah County Board of Commissioners approved the sale of the Property after public comment pursuant to the County's Surplus Property Policy (Resolution 04-185).
- c. By Resolution 05-123, dated June 30, 2005, the Multnomah County Board of Commissioners amended Resolution 05-088, to change the sales method for the Property to a market sales approach.
- d. An appraisal commissioned by Multnomah County, dated May 5, 2005, valued the Peninsula Building at \$800,000. The appraiser subsequently noted that any market sale would assume a broker listing and would be subject to a six percent (6%) commission, effectively netting Multnomah County \$752,000 on a broker sale.
- e. Facilities and Property Management exposed the Property to the market through best practices commercial real estate methods including internet advertising, sales brochures, and building signage. Two parties have submitted Letters of Intent:
  - i. MEI-Charlton/Professor Ashutosh Sharma has submitted a letter of intent for \$800,000, \$776,000 net of buyer's broker commission.
  - ii. United Cerebral Palsy has submitted a letter of intent for \$795,000, or \$763,200, net of buyer's broker commission.
- f. Facilities has reviewed both proposals, including net purchase price and use. Facilities recommends the sale of the Property to MEI-Charlton/Professor Ashutosh Sharma.

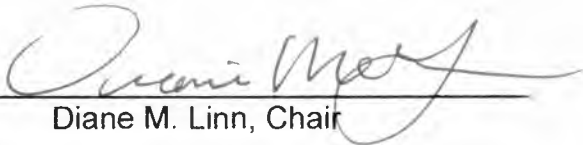
**The Multnomah County Board of Commissioners Resolves:**

1. It is in the best interests of the County to sell the Peninsula Building to MEI-Charlton/Professor Ashutosh Sharma or related assignees for \$800,000.
2. The Chair is authorized to approve terms of the sale substantively consistent with the attached Letter of Intent and to execute all appropriate documents necessary to complete the transactions.

ADOPTED this 10th day of November, 2005.

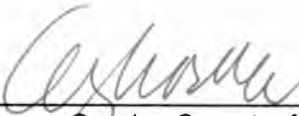


BOARD OF COUNTY COMMISSIONERS  
FOR MULTNOMAH COUNTY, OREGON

  
Diane M. Linn, Chair

REVIEWED:

AGNES SOWLE, COUNTY ATTORNEY  
FOR MULTNOMAH COUNTY, OREGON

By   
Agnes Sowle, County Attorney

**NORTHWEST COMMERCIAL REALESTATE LLC  
710 SE GRAND AVE  
PORTLAND, OR 97214  
PHONE 503-230-2311 \* FAX 503-230-2315**

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November, 1<sup>st</sup>, 2005

Mike Suhlett  
Multnomah County Facilities and Property Management  
401 North Dixon St  
Portland, OR 97227-1865

Re: The Peninsula Building, an office/flex building (approximately 7,500 SF) and property (approximately 0.46 acres) located at 7220 North Lombard, Portland, OR 97203.

Dear Mike,

Following a visit by MEI-Charlton, Inc's (owner occupied business that will occupy the property in subject) Vice President (Operations) and General Manager Mr Bob Hodel this Letter of Intent outlines the revised terms and conditions under which my client Professor Ashutosh Sharma and/or Assigns (Purchaser) are prepared to enter into negotiations to purchase the above-described real property from Multnomah County (Seller):

1. **Purchaser:** Professor Ashutosh Sharma and /or Assigns.
2. **Purchase Price:** Eight Hundred thousand and no/100 dollars (\$800,000.00) payable as follows. All cash at closing conditioned on Lessee/Purchaser approving all contingencies to purchase.
3. **Agreement:** The proposed transaction will be subject to the execution by the parties of a definitive Purchase and Sales Agreement ("Agreement") consistent with the terms herewith. Seller agrees to negotiate with Purchaser exclusively for a period of 10 days in an attempt to reach agreement on a Purchase and Sale Agreement and not accept any unsolicited offers or negotiate with any other parties during such time. Should Purchaser and Seller fail to enter into a Purchase and Sale Agreement by the end of such period, then there will be no further obligations under this Letter of Intent.
4. **Terms & Conditions of Purchase:** In addition to terms normally contained in Purchase and Sale Agreements for such transaction, the Agreement to be negotiated will include the following terms and conditions:
  - a. On execution of Purchase and Sales Agreement the Purchaser to execute a note in a mutually agreed amount with seller as earnest money to be held by the County/Broker and redeemed on removal of contingencies by Purchaser.
  - b. Purchaser obtaining documentation (Level 1) that the property is free of any and all environmental hazards.
  - c. Purchaser's contingencies to close would be approval of any construction and engineering feasibility studies and property inspections contracted by Purchaser during a 30 day due diligence period. Seller to provide Purchaser with access to the property and shall make available to Purchaser copies of all documents within Seller's possession such as: appraisals, site & plot plans, building plans, land surveys, environmental reports, zoning & planning information and estimates within 7 days of full execution of the Agreement.

Page 2- Letter of Intent

- d. Seller to provide Purchaser preliminary title report within 7 days of full execution of the Agreement. Purchaser to have 7 days from the receipt of preliminary title to object to any title exceptions and to notify Seller in writing. Seller to provide title insurance policy acceptable to Purchaser at closing
  - e. Closing to be mutually agreed to after removal of Purchaser contingencies. Seller to convey fee simple title in the Property to Purchaser by statutory warranty deed.
  - f. Seller to pay the premium for title insurance policy. Seller and Purchaser will each pay one half of the escrow fees, excise and any transfer tax, Real estate taxes to be prorated as of the closing date.
  - g. Seller to give possession of premises to Purchaser on closing date.
5. **Condition of Premises:** Seller to leave premises in broom clean condition and warrants that all electrical, heating and plumbing systems are in good operating condition on possession of Purchaser.
  6. **Commission & Agency Representation:** Purchaser has not dealt with any other broker or finder except Jeff Lee of Northwest Commercial Real Estate LLC. Upon closing of this transaction, Seller shall pay a commission of three percent (3%) of the purchase price payable 100% to Northwest Commercial Real Estate LLC. Purchaser and Seller acknowledge that Northwest Commercial Real Estate LLC represents the Purchaser exclusively, and Mr Mike Sublett represents the Seller exclusively.
  7. **Nonbinding:** Neither this letter nor any past or future conduct by the parties, their agents, employees or representatives shall constitute a binding agreement of understanding or an offer that could become binding if accepted. Each party agrees not to institute any action seeking to establish such agreement unless and until the Agreement is fully executed.
  8. **Time for Acceptance:** This Letter of Intent to negotiate shall remain in effect until 5:00 PM, November 2, 2005. This letter of intent to negotiate will terminate if the parties have not executed the Agreement within 10 days of mutual acceptance of this Letter of Intent to negotiate subject to such extensions of time to which the parties may agree to in writing.

If the terms and the conditions set forth are acceptable to the Seller, please so indicate by having Seller sign below and return a copy to me. For convenience, we may exchange executed copies of this letter by facsimile.

Yours truly,



Jeff Lee  
Member/Broker  
Northwest Commercial Real Estate LLC

**AGREED AND ACCEPTED**

**Buyer: Professor Ashutosh Sharma**

**Seller: Multnomah County**

By:  Self 11/01/05

By: \_\_\_\_\_

Title: \_\_\_\_\_ Buyer \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_