

BEFORE THE BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON

RESOLUTION NO. 2019-011

Approving Purchase of the Real Property Located at 810 SW Oak Street, Portland, Oregon.

The Multnomah County Board of Commissioners Finds:

- a. The Multnomah County Health Department, Division of Mental Health and Addiction Services, has been seeking appropriate opportunities to establish mental health resources in the Portland area for many years.
- b. The property presents a unique opportunity to allow for the potential development of programs by the County.
- c. County staff, together with the County's real estate broker, CBRE, Inc., have negotiated the Purchase and Sale Agreement set forth in Exhibit 1 to this Resolution ("PSA").
- d. To secure this opportunity, the County has entered into the PSA; however, under the terms of the PSA, the County's obligation to purchase the Property is contingent upon Board approval.

The Multnomah County Board of Commissioners Resolves:

1. It is in the best interests of the County to purchase the Property on terms and conditions substantially consistent with the PSA.
2. The Chair is authorized to execute all documents necessary to complete the purchase of the Property on terms and conditions substantially consistent with the PSA.

ADOPTED this 31st day of January, 2019.



BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON

Deborah Kafoury

Deborah Kafoury, Chair

REVIEWED:
JENNY M. MADKOUR, COUNTY ATTORNEY
FOR MULTNOMAH COUNTY, OREGON

By 
Jed Tomkins, Senior Assistant County Attorney

SUBMITTED BY: Bob Leek, Interim Director, Department of County Assets

EXHIBIT 1

PURCHASE AND SALE AGREEMENT

810 SW Oak

Date (for reference purposes only): _____

THIS PURCHASE AND SALE AGREEMENT, 810 SW OAK ("Agreement"), is made and entered into as of the last date of signature indicated below ("Effective Date") by and between ANCHOR PROPERTIES, INC., an Oregon corporation ("Seller"), and MULTNOMAH COUNTY, an Oregon political subdivision ("Buyer"), (each a "Party" and collectively the "Parties") who, intending to be legally bound, and in consideration of the mutual covenants and agreements herein contained, DO HEREBY AGREE AS FOLLOWS:

1. Sale and Purchase.

1.1. Generally. This Agreement is made with reference to Seller's rights, title and interest in and to the following real and personal property (collectively, "Property"):

1.1.1. Those certain parcels of land located in the City of Portland, Multnomah County, Oregon, commonly known as 810 SW Oak Street and more particularly described in Exhibit A hereto, together with all easements, rights and privileges appurtenant thereto ("Land");

1.1.2. All improvements on and to the Land (such improvements being hereinafter collectively referred to as the "Improvements," and the Land and the Improvements being hereinafter collectively referred to as the "Real Property");

1.1.3. All fixtures, equipment, furniture, furnishings, appliances, supplies and other personal property of every nature and description attached or pertaining to the Real Property that is located within and used exclusively for the Real Property ("Personal Property"); and

1.1.4. All intangible property used or useful in connection with the foregoing, including, without limitation, all assignable contract rights, guarantees, licenses, permits and warranties.

1.2. Sale and Purchase. Seller hereby agrees to sell, transfer and convey the Property to Buyer, and Buyer hereby agrees to purchase and accept the Property from Seller, in each case for the Purchase Price and subject to the other terms of this Agreement.

1.3. Purchase Price. The purchase price for the Property shall be One Million Five Hundred Thousand Dollars (\$1,500,000.00) ("Purchase Price"), which shall be paid to Seller by Buyer in immediately available federal funds and in accordance with the terms of this Agreement.

1.4. Escrow. The purchase and sale of the Property shall be accomplished through an escrow opened jointly by the Parties, or either of them, within two (2) business days after full execution of this Agreement at Chicago Title Company of Oregon, National Commercial Services, 1211 SW Fifth Avenue, Suite 2130, Portland, Oregon 97204 (ATTN.: Patricia Parsons) ("Escrow Agent") (collectively, "Escrow"). The Parties shall deliver into Escrow a fully executed copy of this Agreement at the time of opening of Escrow. Buyer and Seller hereby authorize their respective advisors to execute and deliver into Escrow any additional or supplemental instructions as may be necessary or convenient to implement the terms of this Agreement and to close this transaction. In the event of any conflict between such additional or supplemental instructions and the terms of this Agreement, the terms of this Agreement shall control.

EXHIBIT 1

1.5. Payment of Purchase Price.

1.5.1. Earnest Money Deposit. Within ten (10) days after the Effective Date, Buyer shall deposit into Escrow Fifty Thousand Dollars (\$50,000.00) in the form of cash, wire transfer of funds, certified check, or cashier's check as earnest money towards the purchase of the Property (together with any interest earned thereon, the "Earnest Money"). Escrow Agent shall hold the Earnest Money in Escrow in an interest-bearing account and deliver the Earnest Money in accordance with the terms of this Agreement. The Earnest Money shall be applied to the Purchase Price at Closing.

1.5.2. Balance of Purchase Price. On or before the Closing Date, Buyer shall deposit into Escrow the balance of the Purchase Price, after all adjustments, prorations and charges as provided herein, in the form of cash, wire transfer of funds, certified check, or cashier's check.

1.6. Section 1031 Like-Kind Exchange. Each Party acknowledges that either Party (as applicable, the "Exchanging Party") may elect to engage in and affect a like-kind exchange under Section 1031 of the Internal Revenue Code of 1986, as amended, involving the Property (or any legal lot thereof) (a "1031 Exchange"). The non-exchanging party with respect to a 1031 Exchange is referred to herein as the "Cooperating Party." Buyer and Seller each hereby agrees to reasonably cooperate with the other in completing each such 1031 Exchange; provided, however, that such cooperation shall be at the Exchanging Party's sole expense and shall not delay the Closing for the Property. Accordingly, the Exchanging Party may assign the Exchanging Party's rights with respect to the Property (or any legal lot thereof) to a person or entity for the purpose of consummating a 1031 Exchange ("Intermediary"), provided that such assignment does not delay the Closing for the Property (or applicable legal lot thereof), or otherwise reduce or diminish the Exchanging Party's liabilities or obligations hereunder. Such assignment by the Exchanging Party shall not release the Exchanging Party from the obligations of the Exchanging Party under this Agreement. The Cooperating Party shall not suffer any costs, expenses or liabilities for cooperating with the Exchanging Party and shall not be required to take title to the exchange property. The Exchanging Party agrees to indemnify, defend and hold the Cooperating Party harmless from any liability, damages and costs arising out of the 1031 Exchange and these obligations to indemnify, defend, and hold harmless shall survive the termination or expiration of this Agreement as well as the consummation of any transactions contemplated herein, including Closing. With respect to tort claims, Buyer's obligations in this paragraph to indemnify, defend, and hold harmless Seller are subject to and limited under the Oregon Constitution, including but not limited to Article XI, Section 10 therein, as well as the Oregon Tort Claims Act (ORS 30.260 to 30.300), including but not limited to being specifically subject to and within the financial limits and conditions set forth at ORS 30.272 for local public bodies and at ORS 30.273 for public bodies.

2. Condition Precedent to Sale and Purchase.

2.1. Seller's Conditions Precedent.

2.1.1. Seller's obligation to sell the Property under this Agreement is conditioned upon each of the following conditions ("Seller's Condition(s) Precedent"):

2.1.1.1. Buyer's delivery, in Buyer's sole discretion, of the Approval Notice pursuant to Section 3.2 of this Agreement; and

2.1.1.2. As of the Closing Date, Buyer's satisfaction in all material respects, or written waiver signed by Seller, of Buyer's obligations and covenants set forth in Sections 5 and 9 of this Agreement.

2.1.2. In the event of failure by Buyer to timely satisfy the obligations and covenants of Buyer specified in Section 2.1.1 of this Agreement, unless caused by a breach of this Agreement by Seller, Seller shall have the option to: (A) waive all or any part of Seller's Conditions Precedent and proceed with Closing;

EXHIBIT 1

or (B) terminate this Agreement by written notice to Buyer, whereupon Seller's obligation to sell and Buyer's obligation to purchase the Property shall be deemed, without additional notice, grace or further act of any party, to be automatically null and void and of no force or effect, in which event neither Seller nor Buyer shall have any further rights or obligations under or relating to this Agreement, except pursuant to any surviving obligations, and except that Seller shall be entitled to the rights and remedies of Seller authorized in Section 4.1. The Seller's Conditions Precedent set forth in this Section 2.1, and each of them, shall inure solely to the benefit of Seller, and no other person, including Buyer, shall have any right to waive or defer any of such conditions.

2.2. Buyer's Conditions Precedent.

2.2.1. Buyer's obligation to purchase the Property under this Agreement is conditioned upon each of the following conditions ("Buyer's Condition(s) Precedent"):

2.2.1.1. Approval of this Agreement by Buyer's Board of Commissioners;

2.2.1.2. Buyer's delivery, in its sole discretion, of the Approval Notice pursuant to Section 3.2 of this Agreement;

2.2.1.3. Prior to the Closing Date, Seller's cure in all material respects, in the manner stated in writing by Seller and accepted in writing by Buyer, of any Disapproved Matter that Seller elects to cure; and

2.2.1.4. As of the Closing Date, Seller's satisfaction in all material respects, or written waiver signed by Buyer, of Seller's obligations set forth in Sections 3.5.2, 5, and 6 of this Agreement.

2.2.2. In the event of failure by Seller to timely satisfy the obligations of Seller specified in Sections 2.2.1.3 and 2.2.1.4 of this Agreement, unless caused by a breach of this Agreement by Buyer, Buyer shall have the option to: (A) waive all or any part of Buyer's Conditions Precedent and proceed with Closing; or (B) terminate this Agreement by written notice to Seller, whereupon Seller's obligation to sell and Buyer's obligation to purchase the Property shall be deemed, without additional notice, grace or further act of any party, to be automatically null and void and of no force or effect, in which event neither Seller nor Buyer shall have any further rights or obligations under or relating to this Agreement, except pursuant to any surviving obligations, and except that Buyer shall be entitled to the rights and remedies of Buyer authorized in Section 4.2. The Buyer's Conditions Precedent set forth in this Section 2.2, and each of them, shall inure solely to the benefit of Buyer, and no other person, including Seller, shall have any right to waive or defer any of such conditions.

3. Due Diligence.

3.1. Inspection Period. Buyer shall have the right to conduct, in Buyer's sole discretion and at Buyer's sole cost and expense, any and all inspection of the Property reasonably related to Buyer's intended use of the Property or otherwise reasonably related to Buyer's purchase of the Property ("Inspection") for the period of time commencing on the Effective Date and ending at 5:00 p.m. Pacific Standard Time on the date that is sixty (60) days after the Effective Date ("Inspection Period"). Without limitation, Inspection may include review of: zoning, land use approvals, architectural and engineering plans, drawings, specifications, permits, surveys, leases, operating expenses, vendor contracts, preliminary title report, environmental review, engineering studies, and any other inspections, tests, surveys or other reviews reasonably within the scope of Due Diligence.

3.2. Approval Notice. The transaction contemplated in this Agreement shall not proceed to Closing unless Buyer delivers to Seller written notice on or before the expiration of the Inspection Period of Buyer's election to proceed to Closing under this Agreement, provided that Buyer may condition this election upon the cure, in

EXHIBIT 1

the manner stated in writing by Seller and accepted in writing by Buyer, of any Disapproved Matter that Seller elects to cure ("Approval Notice"). Delivery or nondelivery of the Approval Notice shall occur in Buyer's sole and absolute discretion, for any reason or no reason. If Buyer timely issues the Approval Notice, then this Agreement will remain in full force and effect and the Parties shall proceed to Closing in accordance with the terms of this Agreement. Further, if Buyer timely issues the Approval Notice, Buyer shall have the right, in its sole discretion and at its sole election, to lease the Property from Seller upon forty-five (45) days written notice to Seller of such election at a base rent rate of Forty-Five Hundred dollars (\$4,500.00) per month, on a triple-net (NNN) basis, and from the commencement date specified in the notice through the Closing Date ("Lease"); the Parties agree to use Buyer's lease form and each Party agrees to negotiate a mutually agreeable Lease based on such form in good faith with the intent of not unreasonably withholding execution of a commercially reasonable lease agreement. Alternatively, Buyer may terminate this Agreement in its sole discretion by giving written notice of such election to Seller on any day prior to and including the final day of the Inspection Period. If Buyer fails to deliver the Approval Notice prior to the expiration of the Inspection Period, Buyer will be deemed to have elected to terminate this Agreement as provided herein. In the event Buyer so terminates, the Earnest Money actually held by Escrow Agent shall be returned forthwith to Buyer, Buyer shall deliver to Seller one copy of each study performed by Buyer (including but not limited to engineering studies, proposed plat, and environmental assessments), if any, and neither Seller nor Buyer shall have any further rights or obligations under or relating to this Agreement, except pursuant to any surviving obligations.

- 3.3. Property Inspection. During the Inspection Period, Buyer may, at its sole cost and expense and risk, enter the Property for the purpose of conducting any and all Inspections, subject to Seller's prior reasonable written approval and any reasonable conditions imposed by Seller. Seller's prior written approval, which shall not be unreasonably withheld, shall be required prior to any testing or sampling of surface or subsurface soils, surface water, groundwater or any materials in or about the Improvements or any testing that may damage or materially disturb any part of the Property. Buyer shall restore the Property to its condition existing immediately prior to Buyer's inspection thereof. Buyer shall indemnify, defend, and hold harmless Seller and its officers, directors, agents and employees from and against any and all liens, claims, actions, damages, judgments, liabilities, costs, and expenses (including reasonable attorneys' fees and experts' fees) (collectively, "Claims") caused by, arising out of, relating to, or in connection with Buyer's entry on and inspection of the Property, including without limitation Claims caused by, arising out of, relating to, or in connection with Buyer's handling, storage, discharge, transportation or disposal of any "hazardous material" as defined at ORS 466.605 (7) (2011). Notwithstanding anything herein to the contrary, Buyer shall have no obligation to indemnify, defend, and hold harmless Seller or its officers, directors, agents or employees under this Section 3.3 for: (y) a pre-existing condition at the Property, except to the extent exacerbated by the acts or omissions of Buyer or its officers, directors, agents or employees, or (z) conditions, matters or circumstances caused by the misconduct of Seller or its officers, directors, agents or employees. With respect to tort claims, Buyer's obligations in this paragraph to indemnify, defend, and hold harmless Seller are subject to and limited under the Oregon Constitution, including but not limited to Article XI, Section 10 therein, as well as the Oregon Tort Claims Act (ORS 30.260 to 30.300), including but not limited to being specifically subject to and within the financial limits and conditions set forth at ORS 30.272 for local public bodies and at ORS 30.273 for public bodies. Buyer's obligations in this paragraph to indemnify, defend, and hold harmless Seller, as well as Buyer's obligation in this paragraph to restore the Property, shall survive the termination or expiration of this Agreement as well as the consummation of any transactions contemplated herein, including Closing.
- 3.4. Document Review. Within ten (10) days after the Effective Date, to the extent Seller has not already delivered the same to Buyer, Seller shall deliver to Buyer true and complete copies of all studies, reports, surveys, inspections, analyses and other documentation in Seller's possession relating to the ownership, use, operation, condition, development, and entitlements of the Property; as well as a list of any Personal Property proposed by Seller for acquisition by Buyer.

EXHIBIT 1

3.5. Title Review.

3.5.1. Immediately upon the opening of Escrow, Seller shall order a preliminary title report from Escrow Agent showing Escrow Agent's willingness to issue a standard ALTA owner's form of title insurance policy on the Property in the amount of the Purchase Price, and showing all exceptions to such policy ("Title Report"); at the time of ordering the Title Report, Seller shall instruct Escrow Agent to promptly furnish a copy thereof to Buyer. Buyer shall have thirty (30) days after receipt of the Title Report within which to notify Seller in writing ("Notice of Disapproved Title Matters") of Buyer's disapproval of (also referred to herein as "objection to") any matter disclosed by the Title Report ("Disapproved Title Matter"), with such notice indicating in reasonable detail the nature of the disapproved matter. Within seven (7) days after delivery of the Notice of Disapproved Title Matters, Seller shall notify Buyer in writing ("Seller's Response to Notice of Disapproved Title Matters") whether Seller will or will not cure any Disapproved Title Matter prior to the Closing Date, with such notice indicating in reasonable detail the manner in which Seller will cure any Disapproved Title Matter that Seller elects to cure. If Seller does not deliver Seller's Response to Notice of Disapproved Title Matters within the time period authorized for such notice, or delivers such notice but does not address each Disapproved Title Matter or part thereof, Seller shall be deemed to have elected not to cure the Disapproved Title Matters or the unaddressed part thereof. If Buyer delivers the Approval Notice authorized in this Agreement, Buyer shall be deemed to have waived objection to each and every Disapproved Title Matter and shall be deemed to have agreed to accept title subject thereto without reduction in the Purchase Price; provided that Buyer shall not be deemed to have waived objection to, and shall not be deemed to have agreed to accept title subject to, any Disapproved Title Matter that Seller has elected to cure in the manner stated in writing by Seller and accepted in writing by Buyer.

3.5.2. Without the need for disapproval by Buyer, Seller shall, with respect to liens and encumbrances that can be satisfied and released by the payment of money, eliminate such exceptions to title prior to the Closing Date.

3.5.3. With respect to any matter first-disclosed in an update to the Title Report issued after delivery of the Approval Notice, if any, Buyer may, within five (5) days after receipt of such update, terminate this Agreement by written notice to Seller given within such 5-day period, in which event the Earnest Money actually held by Escrow Agent shall be returned to Buyer and neither Seller nor Buyer shall have any further rights or obligations under or relating to this Agreement, except pursuant to any surviving obligations and except that, in the event that such matter was first-disclosed after delivery of the Approval Notice due to fraud on the part of Seller, Buyer shall be entitled to recover its expenses in the manner provided in Section 4.2; provided that if Buyer does not so terminate this Agreement, Buyer shall be deemed to have waived objection to any such matter and shall be deemed to have agreed to accept title subject thereto without reduction in the Purchase Price.

3.5.4. As used in this Agreement, the term "Permitted Exceptions" shall mean: (i) the matters in the Title Report or any update thereof that Buyer has not disapproved pursuant to this Section 3.5; (ii) the matters in the Title Report that Buyer has disapproved, but subsequently waived objection to, pursuant to this Section 3.5; (iii) matters created by, through, or under Buyer; (iv) matters in the Survey that Buyer has not disapproved pursuant to Section 3.6; (v) matters in the Survey that Buyer has disapproved, but subsequently waived objection to, pursuant to Section 3.6; and (vi) real estate taxes not yet due and payable.

3.6. Survey. Among the surveys Buyer may obtain under its rights of Inspection, Buyer may, at Buyer's sole cost and expense, obtain an ALTA/NSPS survey of the Land or an update to any existing ALTA/NSPS survey ("Survey"). Buyer shall have a period of time from the Effective Date until the date that is ten (10) days prior to the expiration of the Inspection Period ("Survey Review Period") within which to notify Seller in writing

EXHIBIT 1

("Notice of Disapproved Survey Matters") of Buyer's disapproval of (also referred to herein as "objection to") any matter disclosed by the Survey ("Disapproved Survey Matter"), with such notice indicating in reasonable detail the nature of the disapproved matter. Within seven (7) days after delivery of the Notice of Disapproved Survey Matters, Seller shall notify Buyer in writing ("Seller's Response to Notice of Disapproved Survey Matters") whether Seller will or will not cure any Disapproved Survey Matter prior to the Closing Date, with such notice indicating in reasonable detail the manner in which Seller will cure any Disapproved Survey Matter that Seller elects to cure. If Seller does not deliver Seller's Response to Notice of Disapproved Survey Matters within the time period authorized for such notice, or delivers such notice but does not address each Disapproved Survey Matter or part thereof, Seller shall be deemed to have elected not to cure the Disapproved Survey Matters or the unaddressed part thereof. If Buyer delivers the Approval Notice authorized in this Agreement, Buyer shall be deemed to have waived objection to each and every Disapproved Survey Matter and shall be deemed to have agreed to accept title subject thereto without reduction in the Purchase Price; provided that Buyer shall not be deemed to have waived objection to, and shall not be deemed to have agreed to accept title subject to, any Disapproved Survey Matter that Seller has elected to cure in the manner stated in writing by Seller and accepted in writing by Buyer.

4. Remedies.

4.1. Seller's Remedies.

4.1.1. Notwithstanding anything to the contrary contained in this Agreement, in the event Buyer fails to deposit the Earnest Money in Escrow strictly as and when contemplated under Section 1.5.1 of this Agreement, Seller shall have the right at any time thereafter, but prior to Buyer's deposit of the Earnest Money to Escrow, to terminate this Agreement by written notice to Buyer and upon delivery of such notice neither Seller nor Buyer shall have any further rights or obligations under or relating to this Agreement, except pursuant to any surviving obligations.

4.1.2. If Buyer delivers the Approval Notice but fails, through no fault of Seller, to Close on the purchase of the Property, then Seller shall, as its sole remedy therefore, be entitled to receive the Earnest Money as liquidated damages (and not as a penalty) in lieu of, and as full compensation for, all other rights or claims of Seller against Buyer by reason of such default, except as otherwise expressly provided in this Agreement. Upon such breach or failure by Buyer, this Agreement shall terminate and neither Seller nor Buyer shall have any further rights or obligations under or relating to this Agreement, except pursuant to any surviving obligations. Buyer and Seller acknowledge that the damages to Seller resulting from Buyer's breach would be difficult, if not impossible, to ascertain with any accuracy, and that the liquidated damages amount set forth in this paragraph represents both Parties' best efforts to approximate such potential damages. Notwithstanding the foregoing, nothing contained in this Agreement shall limit Seller's right to recover actual damages resulting from a breach of any of Buyer's indemnifications and surviving obligations outlined in this Agreement. In no event shall Seller be entitled to punitive or consequential damages, if any, resulting from Buyer's breach or failure to complete the purchase of the Property as provided herein or to perform its obligations under this Agreement prior to Closing.

4.2. Buyer's Remedies.

4.2.1. If Seller breaches or fails, without legal excuse, to complete the sale of the Property or to perform its obligations under this Agreement prior to Closing (including, without limitation, any breach of Seller's Representations), Buyer may, as its sole and exclusive remedies therefor, either (i) enforce specific performance of this Agreement against Seller, provided that such action is commenced within sixty (60) days of the expiration of any cure period provided to Seller hereunder for such default; or (ii) terminate this Agreement and receive, as liquidated damages, a return of the Earnest Money actually held by Escrow Agent, together with recovery from Seller of all actual and reasonable out-of-pocket expenses

EXHIBIT 1

incurred by Buyer in connection with this transaction (up to a maximum of \$100,000.00), in lieu of, and as full compensation for, all other rights or claims of Buyer against Seller by reason of such default. Buyer and Seller acknowledge that the damages to Buyer resulting from Seller's breach would be difficult, if not impossible, to ascertain with any accuracy, and that the liquidated damages amount set forth in this paragraph represents both Parties' best efforts to approximate such potential damages. Notwithstanding the foregoing, nothing contained in this Agreement shall limit Buyer's right to recover actual damages resulting from a breach of any of Seller's indemnifications and surviving obligations outlined in this Agreement. In no event shall Buyer be entitled to punitive or consequential damages, if any, resulting from Seller's breach or failure to complete the purchase of the Property as provided herein or to perform its obligations under this Agreement prior to Closing.

5. Closing.

5.1. Process. The purchase and sale of the Property shall be consummated in Escrow ("Closing") on the earlier of (a) the date that is thirty (30) days after the effective date of Seller's written notice to Buyer of Seller's intent to Close, which notice shall not be delivered prior to Buyer's delivery of the Approval Notice, if any; or (b) the date that is nine (9) months after the effective date of Buyer's Approval Notice, if any ("Closing Date"). The purchase and sale of the Property shall be deemed closed when the document(s) conveying title to the Property is/are delivered and recorded and the Purchase Price is disbursed to Seller ("Closed").

5.2. Closing Obligations. At Closing:

5.2.1. Buyer and Seller shall deposit with Escrow Agent all documents and funds required to Close the transaction in accordance with the terms of this Agreement, including without limitation a fully-executed copy of the Bill of Sale and Blanket Assignment and Assumption, substantially in the form of Exhibit C.

5.2.2. Seller shall deliver a certification in a form provided by Escrow Agent confirming whether Seller is or is not a "foreign person" as such term is defined by applicable law and regulations.

5.2.3. Seller shall convey fee simple title to the Property to Buyer by Statutory Special Warranty Deed, duly executed and acknowledged by Seller, substantially in the form of the instrument set forth in Exhibit B, and conveying the Property to Buyer free and clear of all liens and encumbrances except for the Permitted Exceptions.

5.2.4. Seller shall cause the Title Company to deliver to Buyer a standard ALTA form owner's policy of title insurance ("Title Policy") in the amount of the Purchase Price insuring fee simple title to the Property to in Buyer subject only to the Permitted Exceptions. Seller shall reasonably cooperate in the issuance to Buyer of an ALTA extended form policy of title insurance and any endorsements to the Title Policy required by Buyer; provided that Buyer shall pay any additional expense resulting from such ALTA extended coverage and any endorsements required by Buyer.

5.3. Closing Costs; Prorations. Seller shall pay the Brokerage Commission and the premium for the Title Policy, provided that if Buyer elects to obtain an ALTA extended form policy of title insurance and/or any endorsements, Buyer shall pay the difference in the premium relating to such election. Seller and Buyer shall each pay one-half (1/2) of the Escrow fees charged by the Escrow Holder. Any excise tax and/or transfer tax shall be paid in accordance with the local custom determined by the Title Company and applicable law. Real property taxes for the tax year of the Closing, assessments (if a Permitted Exception), personal property taxes, interest on assumed obligations, and utilities shall be prorated as of the Closing Date. Buyer shall be responsible for payment of all taxes, interest, and penalties, if any, upon removal of the Property from any special assessment or program.

5.4. Possession. Seller shall deliver exclusive possession of the Property to Buyer at Closing.

EXHIBIT 1

6. Seller's Representations. Seller represents and warrants to Buyer as follows ("Seller's Representations"):
 - 6.1. Seller knows of no written notice of any liens or assessments to be levied against the Property.
 - 6.2. Seller knows of no written notice from any governmental agency of any violation of any statute, law, ordinance, or of any deed restriction, rule, or regulation with respect to the Property.
 - 6.3. Seller is not a "foreign person" as that term is defined in IRC § 1445. At Closing, Seller will execute and deliver to Purchaser a certification of non-foreign status on a form required by the IRS.
 - 6.4. Seller has full and complete authority to enter into this Agreement and convey the Property in accordance with the terms hereof.
 - 6.5. To Seller's knowledge, there is no condemnation, environmental, zoning, or similar proceeding existing or planned which could detrimentally affect the use, development, operation, or value of the Property that is undisclosed to Purchaser.
 - 6.6. Seller has no knowledge of any actual or threatened claims under any insurance policy covering the Property or of any other actual or threatened third party claim against the Property.
 - 6.7. Seller shall maintain the Property prior to Closing consistent with Seller's current operating practices, and shall have done nothing to damage the reputation or suitability of the Property. Seller shall cause any existing or future leasehold interest in the Property and any service contracts or other agreements affecting the Property to terminate and vacate prior to Closing.
 - 6.8. Seller agrees to notify Buyer promptly if Seller receives actual notice, prior to Closing, of any event or condition that would result in making any previously disclosed material information relating to the Property substantially misleading or incorrect. Upon receipt of such notice, Buyer, in its absolute discretion, may terminate this Agreement by written notice to Seller, in which event the Earnest Money actually held by Escrow Agent shall be returned to Buyer neither Seller nor Buyer shall have any further rights or obligations under or relating to this Agreement, except pursuant to any surviving obligations.
 - 6.9. Seller's Representations are materially true and correct as of the Effective Date and shall be continue to be materially true and correct thereafter and through the Closing Date, except as necessarily revised by any further disclosure or notification Seller is obligated to make under this Agreement after the Effective Date and on or prior to Closing.
7. AS-IS Purchase and Sale. In consummating the transaction contemplated in this Agreement, Seller shall be deemed to sell, transfer, and convey, and Buyer shall be deemed to purchase and accept, the Property in its current condition as of the Closing Date (subject to the Seller's representations in Section 6.7 of this Agreement), "AS IS" and "WHERE IS" and "WITH ALL FAULTS" without any representations, warranties, or covenants of any kind or nature whatsoever by Seller other than Seller's representations, warranties, and surviving covenants contained in this Agreement and those contained in any instrument delivered to Buyer at Closing.
8. Risk of Loss. Unless caused by Buyer, Seller shall bear all risk of loss and damage to the Property until the Closing Date, and Buyer shall bear such risk on and after the Closing Date. If any casualty or condemnation occurs with respect to the Property prior to Closing, Seller shall promptly notify Buyer and Buyer shall have ten (10) days after receipt of such notice to elect to terminate this Agreement or proceed to Closing and if Buyer terminates this Agreement, the Earnest Money actually held by Escrow Agent shall be returned to Buyer and neither Seller nor Buyer shall have any further rights or obligations under or relating to this Agreement, except pursuant to any surviving obligations. If Buyer elects to proceed to Closing, the Purchase Price shall not be reduced but: (i) with respect to a casualty: (a) all insurance proceeds shall be assigned to Buyer, net of collection costs and costs of

EXHIBIT 1

repair reasonably incurred by Seller, and (b) Buyer shall receive a credit against the Purchase Price in the amount of any deductible and in the amount of any uninsured damage; and (ii) with respect to a condemnation, all condemnation proceeds shall be assigned to Buyer, net of collection costs and costs of repair reasonably incurred by Seller.

9. Buyer's Representations. Buyer represents and warrants to Seller as follows ("Buyer's Representations"):
 - 9.1. Buyer has the legal power, right, and authority to enter into this Agreement and the instruments referred to herein and to consummate the transactions contemplated herein.
 - 9.2. The person(s) executing this Agreement and the instruments referred to herein on behalf of Buyer have the legal power, right, and actual authority to bind Buyer to the terms and conditions of this Agreement.
 - 9.3. This Agreement and all documents required by it to be executed by Buyer are and shall be valid, legally binding obligations of and enforceable against Buyer in accordance with their terms.
 - 9.4. This Agreement does not breach or violate any term or provision of any other agreement or contract to which Buyer is a party.
 - 9.5. The Federal Government, Executive Order 13224, requires that business persons of the United States not do business with any individual or entity on a list of "Specially Designated nationals and Blocked Persons" - that is, individuals and entities identified as terrorists or other types of criminals. Buyer hereinafter certifies that:
 - 9.5.1. It is not acting, directly or indirectly, for or on behalf of any person, group, entity, or nation named by any Executive Order or the United States Treasury Department as a terrorist, specially designated national and/or blocked person, entity, nation, or transaction pursuant to any law, order, rule, or regulation that is enforced or administered by the Office of Foreign Assets Control; and
 - 9.5.2. It has not executed this Agreement, directly or indirectly on behalf of, or instigating or facilitating this Agreement, directly or indirectly on behalf of, any such person, group, entity, or nation.
 - 9.5.3. Buyer hereby agrees to defend, indemnify, and hold harmless Seller from and against any and all claims, damages, losses, risks, liabilities, and expenses (including attorney's fees and costs) arising from or related to any breach of the certification set forth in this Section 9.5. This certification by Buyer and agreement to indemnify, hold harmless, and defend Seller shall survive Closing or any termination of this Agreement
 - 9.6. Buyer's Representations are materially true and correct as of the Effective Date and shall be continue to be materially true and correct thereafter and through the Closing Date, except as necessarily revised by any material change therein, which Buyer hereby agrees to promptly communicate to Seller, after the Effective Date and on or prior to Closing.
10. Assignment. Buyer shall not assign its interest under this Agreement without first obtaining Seller's consent in writing, which shall not be unreasonably withheld.
11. Successors. This Agreement shall be binding on the heirs, successors, assigns and personal representatives of the Parties hereto.
12. Broker Fees.
 - 12.1. Commission Agreement. Seller represents and warrants to Buyer that Seller is represented in this transaction by Charles Safley, broker, CBRE, Inc., 1300 SW Fifth Avenue, Suite 3000, Portland, OR 97201

EXHIBIT 1

("Selling Broker"). Buyer represents and warrants to Seller that Buyer is represented in this transaction by Graham Taylor, Broker, CBRE, Inc., 1300 SW Fifth Avenue, Suite 3000, Portland, OR 97201 ("Buying Broker"). Seller further represents and warrants to Buyer that Seller will instruct Escrow Agent to deduct, at Closing, a brokers' commission in the amount of six percent (6.0%) of the Purchase Price ("Brokerage Commission") and to disburse the same to the Selling Broker and the Buying Broker in accordance with a separate commission agreement.

12.2. Indemnity. Each Party agrees to indemnify, defend and hold harmless the other Party and its officers, directors, agents and employees from and against any and all liens, claims, actions, damages, judgments, liabilities, costs, and expenses (including reasonable attorneys' fees and experts' fees) caused by, arising out of, relating to, or in connection with any claims or demands of any broker, agent, or finder, other than those identified in this Section 12, with whom the indemnifying Party has dealt for any commission or fee alleged to be due in connection with its participation in the purchase or sale of the Property.

13. Litigation; Waiver of Jury Trial; Costs and Expenses

13.1. Each and every claim, demand, action or other form of proceeding of any kind (including but not limited to any appeal, petition for review, or bankruptcy proceeding) instituted in connection with any controversy arising out of this Agreement ("Claim") shall be brought and conducted SOLELY AND EXCLUSIVELY BY BENCH TRIAL within the Circuit Court of Multnomah County for the State of Oregon; provided, however, if a Claim must be brought in a federal forum, then it shall be brought and conducted solely and exclusively by bench trial within the United States District Court for the District of Oregon. In no event shall this Section 13 be construed as a waiver by either Party of any form of defense or immunity, whether sovereign immunity, governmental immunity, immunity based on the Eleventh Amendment to the Constitution of the United States or otherwise, from any Claim or from the jurisdiction of any court.

13.2. BY EXECUTION OF THIS AGREEMENT, TO THE MAXIMUM EXTENT PERMITTED BY LAW:

13.2.1. SELLER AND BUYER EACH CONSENT TO THE IN PERSONAM JURISDICTION OF THE COURTS REFERENCED IN THIS SECTION 13; AND

13.2.2. SELLER AND BUYER EACH WAIVE RIGHT TO TRIAL BY JURY.

13.3. In any litigation, arbitration, or other proceeding arising out of this Lease, including any bankruptcy proceeding, the prevailing party shall be entitled to recover attorney fees at trial, in arbitration, and on any appeal or petition for review for any such proceedings.

14. Confidentiality and Non-Disclosure. Seller and Buyer agree that they shall not disclose the existence, substance, terms or provisions of their continuing discussions concerning the Property, including, but not limited to, the contents of this Agreement (collectively, the "Negotiations"), to any other person or entity without the other Party's prior, written consent, except: (a) as may be required by law; or (b) to those persons or entities acting in a fiduciary capacity (e.g., legal representatives, financial institutions, authorized agents, and management employees), who shall be entitled to the knowledge of the Negotiations for the mutual benefit of Seller and Purchaser. Any such fiduciary who is informed of or otherwise gains knowledge of the Negotiations shall be obligated to comply with its principal's (Seller's or Buyer's, as the case may be) duty of confidentiality under this confidentiality provision of the Agreement. Each Party shall inform its fiduciaries of their obligation to maintain the Negotiations in strict confidence. Notwithstanding any provision to the contrary in this paragraph, Seller acknowledges that Buyer is a public entity required to conduct its business at public hearing and, accordingly, hereby consents to public disclosure of this Agreement for purposes of Buyer's Board's review and consideration of approval of this Agreement.

EXHIBIT 1

15. Notices. All notices and communications in connection with this Agreement shall be given in writing and shall be transmitted by certified or registered mail, return receipt requested, to the appropriate Party at the address set forth in this Section 15. Any notice so transmitted shall be deemed effective on the day following the date such notice is placed in the United States mail, postage prepaid. Either Party, by written notice, may designate a different address for purposes of this Agreement. If Buyer and Seller both agree, notices and communications in connection with this Agreement may be given via email or facsimile transmission or by commercial courier, in which case such notice shall be deemed effective on the day following the date of sending such email or facsimile transmission or of deposit with the commercial carrier, or by personal delivery in which case such notice shall be deemed effective at the date and time of receipt by the non-delivering Party.
 - 15.1. Seller's Address. Anchor Properties, Inc., ATTN: Dario Storm, 1206 NE 153rd Ave., Portland, OR 97230-5302; with copy to Scarborough, McNeese, Oelke & Kilkenny, P.C., ATTN: Russell R. Kilkenny, 5 Centerpointe Drive, Suite 240, Lake Oswego, OR 97035-8682.
 - 15.2. Buyer's Address. Multnomah County, Facilities & Property Management, ATTN: Scott Churchill, 501 N. Dixon St., Portland, OR 97227; with copy to Office of the Multnomah County Attorney, ATTN: Jed Tomkins, 501 SE Hawthorne Blvd., Portland, OR 97214.
16. Entire Agreement; Modification. This Agreement sets forth the entire understanding of the Parties with respect to the purchase and sale of the Property. This Agreement supersedes any and all prior negotiations, discussions, agreements, and understandings between the Parties with respect to the subject matter hereof. This Agreement may not be modified or amended except by written agreement executed by both Parties.
17. Governing Law. This Agreement shall be construed, applied, and enforced in accordance with the laws of the State of Oregon, without reference to the choice-of-law provisions of Oregon law. Regarding matters of law concerning the internal corporate affairs of any corporate entity which is a Party to or the subject of this Agreement, and as to those matters, the law of the jurisdiction under which such entity derives its powers shall govern.
18. Captions. The titles to the Sections and Subsections of this Agreement are descriptive only and are not intended to change or influence the meaning of any Section or Subsection or to be part of this Agreement.
19. Nonwaiver. Failure by either Party to enforce strictly or promptly any provision under this Agreement shall not constitute a waiver of the same and such provision may be asserted at any time after said Party becomes entitled to the benefit thereof notwithstanding delay in enforcement.
20. Timing. "Days" shall mean calendar days unless expressly stated as business days, which shall mean any day Monday – Friday. If the deadline under this Agreement for delivery of a notice or performance of any obligation is a Saturday, Sunday, or federal or Oregon State legal holiday, such deadline will be deemed extended to the next following business day.
21. Time of Essence. Time is strictly of the essence of each and every provision of this Agreement.
22. Severability. If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of that term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.
23. Neutral Construction. This Lease will be construed with equal weight for the rights of both Parties, the terms and conditions of this Lease having been determined by fair negotiation with due consideration of the rights and requirements of both Parties, and any ambiguities in any provision of this Agreement shall not be construed for or against either party on the basis that such party did or did not author same.

EXHIBIT 1

- 24. Counterparts; Facsimile Signatures. This Agreement may be executed in a number of counterparts, each of which shall be deemed an original and all of which shall constitute one and the same Agreement. This Agreement may be executed by electronic, digital, or facsimile signature and any such signature shall be considered to have the same binding legal effect as a hand-written or wet-ink signature.

- 25. Cautionary Notice About Liens. UNDER CERTAIN CIRCUMSTANCES, A PERSON WHO PERFORMS CONSTRUCTION-RELATED ACTIVITIES MAY CLAIM A LIEN UPON REAL PROPERTY AFTER A SALE TO THE PURCHASER FOR A TRANSACTION OR ACTIVITY THAT OCCURRED BEFORE THE SALE. A VALID CLAIM MAY BE ASSERTED AGAINST THE PROPERTY THAT YOU ARE PURCHASING EVEN IF THE CIRCUMSTANCES THAT GIVE RISE TO THAT CLAIM HAPPENED BEFORE YOUR PURCHASE OF THE PROPERTY. THIS INCLUDES, BUT IS NOT LIMITED TO, CIRCUMSTANCES WHERE THE OWNER OF THE PROPERTY CONTRACTED WITH A PERSON OR BUSINESS TO PROVIDE LABOR, MATERIAL, EQUIPMENT OR SERVICES TO THE PROPERTY AND HAS NOT PAID THE PERSONS OR BUSINESS IN FULL.

- 26. 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 caused this Agreement to be executed as of the last date of signature indicated below.

BUYER:

SELLER:

**MULTNOMAH COUNTY,
an Oregon political subdivision**

**ANCHOR PROPERTIES, INC.,
an Oregon corporation**

By: _____
Deborah Kafoury, Chair

By: _____
Eric E. Storm, Secretary/Treasurer, Director

Date: _____

Date: _____

REVIEWED:
JENNY M. MADKOUR, COUNTY ATTORNEY
FOR MULTNOMAH COUNTY, OREGON

By: _____
Jed Tomkins, Asst. County Attorney

EXHIBIT 1

EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY

To be determined by amendment of this Agreement by the Parties.

EXHIBIT 1

EXHIBIT B

STATUTORY SPECIAL WARRANTY DEED

AFTER RECORDING, RETURN TO:

UNTIL A CHANGE OF ADDRESS IS
REQUESTED, SEND ALL TAX
STATEMENTS TO:

STATUTORY SPECIAL WARRANTY DEED

ANCHOR PROPERTIES, INC., an Oregon corporation ("*Grantor*"), conveys and Specially warrants to **MULTNOMAH COUNTY**, an Oregon political subdivision ("*Grantee*"), that certain real property described on **Exhibit A** attached hereto (collectively, the "*Property*"), free of encumbrances created or suffered by the Grantor except as set forth on **Exhibit B** attached hereto.

BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010. THIS INSTRUMENT DOES NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010.

. The true consideration for this conveyance is _____ Dollars (\$ _____).

Dated this ____ day of December, 2018.

ANCHOR PROPERTIES, INC.,
an Oregon corporation

By: _____

EXHIBIT 1

Name: _____

Its: _____

STATE OF OREGON)
) ss.
County of Multnomah)

The foregoing instrument was acknowledged before me on _____, 2019, by
_____, as Director of ANCHOR PROPERTIES, INC., an Oregon corporation.

Notary Public for Oregon
My commission expires: _____

Exhibits

Exhibit A --- Legal Description

Exhibit B – Permitted Exceptions

EXHIBIT 1

EXHIBIT C

BILL OF SALE AND BLANKET ASSIGNMENT AND ASSUMPTION

THIS BILL OF SALE AND BLANKET ASSIGNMENT AND ASSUMPTION is made effective as of _____, 2018 by and between [_____], an Oregon corporation ("*Grantor*") and _____, a _____ ("*Grantee*").

IN CONSIDERATION of Ten Dollars (\$10.00) and other good and valuable consideration paid by Grantee to Grantor, the receipt and sufficiency of which are hereby acknowledged, Grantor does hereby sell, assign, transfer, deliver and set over to Grantee and Grantee assumes all duties, obligations, responsibilities and other Claims in connection with the following from and after the date hereof: (a) all tangible personal property listed on the attached Exhibit A ("*Personal Property*"); and (b) all of Grantor's right, title and interest (if any, and none being so warranted hereby or otherwise) as of the date hereof in and to all furniture, equipment, machinery, and other tangible property owned by Grantor, used exclusively in connection with, and installed in, located at, or situated on the land described on Exhibit B attached hereto and all intangible assets of any nature owned by Grantor and relating solely to the Property for the period from and after the date hereof, to the extent assignable, including (i) all guaranties and warranties applicable to the Property, (ii) all plans, specifications, engineering drawings and prints relating to the construction of the improvements, (iii) all operating manuals and books, data and records regarding the physical component systems of the improvements at the Property, (iv) all goodwill associated with the Property, (v) all licenses, permits, certificates of occupancy and other approvals issued to Grantor by any Governmental Authority relating to the use, maintenance or operation of the Property, (vi) all logos, designs, trademarks and trade names related to the Property, and (vii) all other intangible property used by Grantor solely in connection with the Property; but specifically excluding, whether tangible or intangible, the following property: (A) any cash-on-hand, petty cash, bank accounts or other funds of Grantor in whatsoever form the same are held; (B) all rights to refunds, accounts receivable, accrued and unpaid claims, causes of action and rights of reimbursement from third parties, bonds (including payment and performance), and any other claims for payment Grantor may have, to the extent arising or relating to the period prior to Closing; (C) all of Grantor's financial and corporate books and records, in whatsoever form or nature, relating to the management, business, financing and operation of the Grantor or the Property, including tax returns and reporting information, organizational documents, minutes, resolutions, and related corporate materials, appraisals or valuations or other reports and studies (of whatsoever form or nature and whether or not prepared by the Seller Parties or any other person) of the Property, materials relating to the marketing of or market information regarding the Property or sale of the Property, internal analyses and communications (of whatsoever form or nature) of the Seller Parties relating to the Property or any other matter (including inspections, evaluations, approvals, work summaries and work product), communications or other Property Information prepared by or exchanged with legal counsel (whether internal or external) of the Seller Parties (including any work product and any Property Information prepared in anticipation of litigation), financial statements and related confidential information of the Seller Parties, communications or other Property Information prepared by or exchanged with any current or former lender of Grantor (whether internal or external), and financial analyses, budgets and projections (by whomsoever prepared) relating to the Property or otherwise; and (D) all software of any kind or nature whatsoever, including applications software and computer software, databases, programs, archive media, backup media, electronic data, documentation, manuals and codes used by any of Seller Parties in connection with the management, operation and maintenance of the Property.

Grantor and Grantee hereby agree that all capitalized terms used herein and not otherwise defined shall have the meanings for such terms set forth in that certain Purchase and Sale Agreement dated as of _____, 2018 between Grantor and Grantee (the "*Purchase Agreement*").

Grantor covenants to warrant specially and defend the title to the Personal Property unto the Grantee and its successors and assigns forever against the lawful claims and demands of all persons claiming by, under or through Grantor, but not otherwise.

EXCEPT AS EXPRESSLY SPECIFIED HEREIN, GRANTEE ACCEPTS THE PERSONAL PROPERTY AND OTHER PROPERTY CONVEYED HEREIN "AS-IS," "WHERE IS" AND "WITH ALL FAULTS," AND GRANTOR HEREBY EXPRESSLY DISCLAIMS ANY AND ALL WARRANTIES OF ANY KIND, INCLUDING, ANY WARRANTIES OF QUALITY, FITNESS AND/OR MERCHANTABILITY RELATING TO ANY OF THE FOREGOING PROPERTY CONVEYED HEREBY.

EXHIBIT 1

EXECUTED as of the date written above.

GRANTOR:

[_____], an Oregon corporation

By: _____

Name: _____

Its: _____

Acknowledgment of Grantee

Grantee hereby accepts the Personal Property and Property subject to all conditions and limitations stated above.

GRANTEE:

,
a _____

By: _____

Name: _____

Its: _____

Exhibits:

Exhibit A - List of Personal Property

Exhibit B - Land Description