



CITY OF OREGON CITY

URBAN RENEWAL COMMISSION

AGENDA

Commission Chambers, Libke Public Safety Facility, 1234 Linn Ave, Oregon City
Wednesday, November 03, 2021 at 6:00 PM

Ways to participate in this public meeting:

- *Attend in person, location listed above, and masks are required.*
- *Register to provide electronic testimony (email recorderteam@orc.org or call 503-496-1505 by 3 p.m. on the day of the meeting to register).*
- *Email recorderteam@orc.org (deadline to submit written testimony via email is 3 p.m. on the day of the meeting).*
- *Mail to City of Oregon City, Attn: City Recorder, P.O. Box 3040, Oregon City, OR 97045.*

CALL TO ORDER

ROLL CALL

CITIZEN COMMENTS

DISCUSSION ITEM

1. New Purchase and Sale Agreement - Final Draft for 922 Main Street Property

COMMUNICATIONS

ADJOURNMENT

PUBLIC COMMENT GUIDELINES

Complete a Comment Card prior to the meeting and submit it to the City Recorder. When the Mayor/Chair calls your name, proceed to the speaker table, and state your name and city of residence into the microphone. Each speaker is given three (3) minutes to speak. To assist in tracking your speaking time, refer to the timer on the table.

As a general practice, the City Commission does not engage in discussion with those making comments.

Electronic presentations are permitted but shall be delivered to the City Recorder 48 hours in advance of the meeting.

ADA NOTICE

The location is ADA accessible. Hearing devices may be requested from the City Recorder prior to the meeting. Individuals requiring other assistance must make their request known 48 hours preceding the meeting by contacting the City Recorder's Office at 503-657-0891.

Agenda Posted at City Hall, Pioneer Community Center, Library, City Website.

Video Streaming & Broadcasts: The meeting is streamed live on the Oregon City's website at www.orcity.org and available on demand following the meeting. The meeting can be viewed on Willamette Falls Television channel 28 for Oregon City area residents as a rebroadcast. Please contact WFMC at 503-650-0275 for a programming schedule.



CITY OF OREGON CITY

Staff Report

625 Center Street
Oregon City, OR 97045
503-657-0891

To: Urban Renewal Commission
From: Executive Director, Tony Konkol

Agenda Date: 11/3/2021

SUBJECT:

New Purchase and Sale Agreement - Final Draft for 922 Main Street Property

STAFF RECOMMENDATION:

Approve the New Purchase and Sale Agreement Final Draft (Clean Version)

EXECUTIVE SUMMARY:

During its October 6, 2021, meeting, the Urban Renewal Commission decided to establish a "clean version" of the Purchase and Sale Agreement ("PSA") that would include all negotiated contingencies/terms/conditions in one document. In addition, the Urban Renewal Commission wanted to ensure that specific language be included in the PSA that states that the project being presented during its October 6, 2021, meeting be developed regardless of whomever the tenant ends up being.

BACKGROUND:

On May 31, 2017, Willamette Stone, LLC proposed a Purchase and Sale Agreement ("PSA") with the Urban Renewal Commission. The Commission agreed to sell 922 Main Street for a purchase price of \$110,000. The developer provided \$5,000 in earnest money.

During the Urban Renewal Commission Meeting held on September 16, 2020, the developer proposed to remove the residential component in favor of constructing a building that only contained retail and office space due to the lack of a quiet zone.

After much deliberation regarding the changing market relative to commercial, retail and office space as well as the pending discussion about Urban Renewal and other market transitions, the Urban Renewal Commission voted unanimously to extend the existing PSA dated June 21, 2017. It was agreed that the First Amendment to the existing PSA would expire on July 30, 2021, with no modifications to the existing PSA.

In another proposal presented on June 16, 2021, the developer proposed having residential only on the third floor of the building. The rest of the building would be reserved for office and/or retail space.

On October 6, 2021, during the Urban Renewal Commission meeting, the developer advised that an interested tenant had approached them. The developer proposed to construct a build-to-suite project belonging to a single tenant. The first floor would be constructed to accommodate a brewery operation with a tasting room and retail sales area. The second floor would consist of a restaurant belonging to the same potential tenant. The third floor would consist of a roof top deck with a roof top garden belonging to the same proposed tenant.

The Urban Renewal Commission directed staff to have a new PSA created that includes all negotiated contingencies/terms/conditions including language that states that the project being presented during the October 6, 2021, meeting would be developed regardless of whomever the tenant ends up being.

To allow the developer's legal counsel, legal counsel for the Urban Renewal Commission, and staff sufficient time to develop a new and clean version of the PSA and to ensure that the existing PSA does not expire in the meantime, the developer is asking for a 30-day extension up to November 30, 2021.

For its meeting held on November 3, 2021, the Urban Renewal Commission will be presented with a new Purchase and Sale Agreement (final draft) that contains the following major points:

1. The selling price of the property is \$110,000
2. The total balance of earnest funds will be \$15,000 (\$5,000 was initially provided another \$10,000 will be deposited into escrow by the developer)
3. The developer will construct a building that will have a bar or brewery on the first floor; a restaurant on the second floor; and restaurant associated seating on the third floor or roof of the building.
4. Prior to the closing date and as a condition of closing, the developer will present a fully executed lease agreement from a tenant willing to lease the property in the floor configurations depicted in the new PSA.
5. The Urban Renewal Commission, if it so desires, has the "Right of First Offer" within three years of the closing date to repurchase the property.

OPTIONS:

1. Approve the New Purchase and Sale Agreement Final Draft (Clean Version)
2. Do not approve the New Purchase and Sale Agreement Final Draft

BUDGET IMPACT:

Amount: \$15,000

FY(s): FY 2022

Funding Source(s): Willamette Stone, LLC

COMMERCIAL ASSOCIATION OF REALTORS® OREGON/SW WASHINGTON
PURCHASE AND SALE AGREEMENT AND RECEIPT FOR EARNEST MONEY
(Oregon Commercial Form)

AMENDED AND RESTATED

AGENCY ACKNOWLEDGMENT

This Amended and Restated Purchase and Sale Agreement, dated October __, 2021, is made by OREGON CITY URBAN RENEWAL AGENCY, the duly designated Urban Renewal Agency of the City of Oregon City ("**Seller**"), and WILLAMETTE STONE, LLC ("**Buyer**") (collectively "**Parties**") with reference to the following:

WHEREAS, on June 21, 2017, the parties entered into a Purchase and Sale Agreement ("2017 PSA") to purchase the property located at 922 Main Street to develop it to include ground-floor retail and residential units within two stories above. Subject to four subsequent amendments, the expiration date for this 2017 PSA was extended to November 30, 2021.

WHEREAS, Buyer has approached the Seller seeking reformation of the 2017 PSA allowing for the construction of a "build-to-suit" project where the entire structure would be put to brewery, tasting room, retail and restaurant uses.

WHEREAS, after due consideration, the Seller has agreed to enter into this Amended and Restated Purchase and Sale Agreement which shall fully replace the 2017 PSA and its amendments and which shall hereinafter be deemed void.

Buyer shall execute this Acknowledgment concurrent with the execution of the Agreement below and prior to delivery of that Agreement to Seller. Seller shall execute this Acknowledgment upon receipt of the Agreement by Seller, even if Seller intends to reject the Agreement or make a counteroffer. In no event shall Seller's execution of this Acknowledgment constitute acceptance of the Agreement, or any terms contained therein.

Pursuant to the requirements of Oregon Administrative Rules (OAR 863-015-0215), both Buyer and Seller acknowledge having received the Oregon Real Estate Agency Disclosure Pamphlet, and by execution below acknowledge and consent to the agency relationships in the following real estate purchase and sale transaction as follows:

(a) Seller Agent: Skip Rotticci of Colliers International firm (the "Selling Firm") is the agent of (check one):

☐ Buyer exclusively; ☐ Seller exclusively; ☒ both Seller and Buyer ("Disclosed Limited Agency").

(b) Buyer Agent: _____ of _____ firm (the "Buying Firm") is the agent of (check one):

☐ Buyer exclusively; ☐ Seller exclusively; ☐ both Seller and Buyer ("Disclosed Limited Agency").

If the name of the same real estate firm appears in both Paragraphs (a) and (b) above, Buyer and Seller acknowledge that a principal broker of that real estate firm shall become the Disclosed Limited Agent for both Buyer and Seller, as more fully set forth in the Disclosed Limited Agency Agreements that have been reviewed and signed by Buyer, Seller and the named real estate agent(s).

ACKNOWLEDGED

Buyer: Willamette Stone, LLC

(sign) _____ Date:

Seller: Oregon City Urban Renewal District

(sign) _____ Date:

[No further text appears on this page.]

PURCHASE AND SALE AGREEMENT AND RECEIPT FOR EARNEST MONEY

This AMENDED AND RESTATED PURCHASE AND SALE AGREEMENT AND RECEIPT FOR EARNEST MONEY (this "Agreement") is accepted, made and entered into on the later of the two dates shown beneath the parties' signatures on the signature page attached hereto (the "Execution Date"):

BETWEEN: Urban Renewal District ("Seller")
 Address: 625 Center Street Oregon City, OR 97045
 Home Phone: _____
 Office Phone: 503.657.0891
 Fax No.: _____
 E-Mail: jgraham@orc.org

AND: Willamette Stone, LLC or assigns ("Buyer")
 Address: c/o Stolle Berne
Attn: Ben Leedy
209 SW Oak St. Ste 500
Portland, OR 97204
 Home Phone: _____
 Office Phone: 503.756.1407
 Fax No.: _____
 E-Mail: kerry@willametestone.com

1. Purchase and Sale.

1.1 Generally. In accordance with this Agreement, Buyer agrees to buy and acquire from Seller, and Seller agrees to sell to Buyer the following, all of which are collectively referred to in this Agreement as the "Property:" (a) the real property and all improvements thereon generally described or located at **922 Main Street** in the City of **Oregon City**, County of **Clackamas** Oregon legally described on Exhibit A, attached hereto (the "Real Estate") (if no legal description is attached, the legal description shall be based on the legal description provided in the Preliminary Report (described in Section 5), subject to the review and approval of both parties hereto), including all of Seller's right, title and interest in and to all fixtures, appurtenances, and easements thereon or related thereto; (b) all of Seller's right, title and interest, if any, in and to any and all lease(s) to which the Real Estate is subject (each, a "Lease"); and (c) any and all personal property located on and used in connection with the operation of the Real Estate and owned by Seller (the "Personal Property"). If there are any Leases, see Section 21.1, below. The occupancies of the Property pursuant to any Leases are referred to as the "Tenancies" and the occupants thereunder are referred to as "Tenants." If there is any Personal Property, see Section 21.2, below.

1.2 Purchase Price. The purchase price for the Property shall be **One Hundred Ten Thousand dollars (\$110,000)** (the "Purchase Price"). The Purchase Price shall be adjusted, as applicable, by the net amount of credits and debits to Seller's account at Closing (defined below) made by Escrow Holder pursuant to the terms of this Agreement. The Purchase Price shall be payable as follows:

1.2.1 Earnest Money Deposit.

(a) The parties acknowledge that Buyer previously deposited with Escrow Holder the amount of **\$5,000** as earnest money (the "Initial Deposit"). Within five (5) days of the Execution Date, Buyer shall

{SSBLS Main Documents/8809/001/00647568-2 }

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PURCHASE AND SALE AGREEMENT AND RECEIPT FOR EARNEST MONEY (OREGON)

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46 deliver into Escrow (as defined herein), for the account of Buyer, the additional amount of **\$10,000.00** as earnest
 47 money (together with the Initial Deposit, the "Earnest Money") in the form of:

48 ☐ Promissory note (the "Note"); ☒ Check; or ☐ Cash or other immediately available funds.

49
 50 If the Earnest Money is being held by the ☐ Selling Firm ☐ Buying Firm, then the firm holding such Earnest Money
 51 shall deposit the Earnest Money in the ☒ Escrow (as hereinafter defined) ☐ Selling Firm's Client Trust Account ☐
 52 Buying Firm's Clients' Trust Account, no later than 5:00 PM Pacific Time three (3) business days after such firm's
 53 receipt, but in no event later than the date set forth in the first sentence of this Section 1.2.1(a).
 54

55 (b) If the Earnest Money is in the form of a Note, it shall be due and payable ☐ no later
 56 than 5:00 PM Pacific Time three (3) days after the Execution Date; ☐ after satisfaction or waiver by Buyer of the
 57 conditions to Buyer's obligation to purchase the Property set forth in this Agreement; or ☐ Other: _____. If the terms
 58 of the Note and this Agreement conflict, the terms of this Agreement shall govern. If the Note is not redeemed and
 59 paid in full when due, then: (i) the Note shall be delivered and endorsed to Seller (if not already in Seller's
 60 possession); (ii) Seller may collect the Earnest Money from Buyer, either pursuant to an action on the Note or an
 61 action on this Agreement; and (iii) Seller shall have no further obligations under this Agreement.
 62

63 (c) The purchase and sale of the Property shall be accomplished through an escrow (the
 64 "Escrow") that Seller has established or will establish with Lawyers Title Company Portland, Oregon (the "Escrow
 65 Holder") within 3 days after the Execution Date. Except as otherwise provided in this Agreement: (i) any interest
 66 earned on the Earnest Money shall be considered to be part of the Earnest Money; (ii) the Earnest Money shall be
 67 non-refundable upon satisfaction or waiver of all Conditions as defined in Section 2.1; and (iii) the Earnest Money
 68 shall be applied to the Purchase Price at Closing.
 69

70 1.2.2 Balance of Purchase Price. Buyer shall pay the balance of the Purchase Price at Closing
 71 by ☒ cash or other immediately available funds; or ☐ Other: _____.
 72

73 1.3 Section 1031 Like-Kind Exchange. Each party acknowledges that either party (as applicable, the
 74 "Exchanging Party") may elect to engage in and affect a like-kind exchange under Section 1031 of the Internal
 75 Revenue Code of 1986, as amended, involving the Property (or any legal lot thereof) (a "1031 Exchange"). The non-
 76 exchanging party with respect to a 1031 Exchange is referred to herein as the "Cooperating Party." Buyer and Seller
 77 each hereby agrees to reasonably cooperate with the other in completing each such 1031 Exchange; provided,
 78 however, that such cooperation shall be at the Exchanging Party's sole expense and shall not delay the Closing for
 79 the Property. Accordingly, the Exchanging Party may assign the Exchanging Party's rights with respect to the
 80 Property (or any legal lot thereof) to a person or entity for the purpose of consummating a 1031 Exchange
 81 ("Intermediary"), provided that such assignment does not delay the Closing for the Property (or applicable legal lot
 82 thereof), or otherwise reduce or diminish the Exchanging Party's liabilities or obligations hereunder. Such
 83 assignment by the Exchanging Party shall not release the Exchanging Party from the obligations of the Exchanging
 84 Party under this Agreement. The Cooperating Party shall not suffer any costs, expenses or liabilities for cooperating
 85 with the Exchanging Party and shall not be required to take title to the exchange property. The Exchanging Party
 86 agrees to indemnify, defend and hold the Cooperating Party harmless from any liability, damages and costs arising
 87 out of the 1031 Exchange.
 88

89 2. Conditions to Purchase.

90
 91 2.1 Buyer's obligation to purchase the Property is conditioned on the following:
 92

☒ Within 120 days of the Execution Date, Buyer's approval of the results of (collectively, the "General Conditions"): (a) the Property inspection described in Section 3 below; (b) the document review described in Section 4 below; and (c) (describe any other condition) Feasibility Analysis;

☐ Within 5 days of the Execution Date, Buyer's receipt of confirmation of satisfactory financing (the "Financing Condition"); and

The General Conditions, Financing Conditions or any other Conditions noted shall be defined as "Conditions."

2.2 If, for any reason in Buyer's sole discretion, Buyer has not timely given written waiver of the Conditions set forth in Section 2.1, or stated in writing that such Conditions have been satisfied, by notice given to Seller within the time periods for such conditions set forth above, this Agreement shall be deemed automatically terminated, the Earnest Money shall be promptly returned to Buyer, and thereafter, except as specifically provided to the contrary herein, neither party shall have any further right or remedy hereunder.

2.3 Seller's obligations to sell the Property is conditioned on the following:

☒ The provision of all required site development permits, proof of construction loan issuance and a legally binding lease agreement whereby the Buyer agrees to construct and tenant agrees to occupy a building containing the following uses: a bar or brewery on the first floor, a restaurant on the second floor, and bar / restaurant-associated seating on the third floor or roof as specified in Section 7.1.

☒ The memorandum of right of first offer suitable for recording providing Seller with the first right to purchase the property if listed for sale within three years after closing as set forth in Section 21.

2.4 If Buyer fails to produce the documentation as required by this condition and as specified in Paragraph 7.1 on or before May 31, 2023 (the "Seller Closing Condition Deadline"), the Earnest Money shall be promptly delivered to Seller and this Agreement shall be deemed automatically terminated. To the extent any failure to satisfy the closing conditions set forth in Section 2.3 by the Seller Closing Condition Deadline is due solely to the acts or omissions of Seller, Seller agrees to cooperate in good faith with Buyer to negotiate an extension of Seller Closing Condition Deadline and the Closing Date.

3. Property Inspection. Seller shall permit Buyer and its agents, at Buyer's sole expense and risk, to enter the Property at reasonable times after reasonable prior notice to Seller and after prior notice by Seller to the Tenants as required by the applicable Leases, if any, to conduct any and all inspections, tests, and surveys concerning the structural condition of the improvements, all mechanical, electrical and plumbing systems, hazardous materials, pest infestation, soils conditions, wetlands, Americans with Disabilities Act compliance, zoning, and all other matters affecting the suitability of the Property for Buyer's intended use and/or otherwise reasonably related to the purchase of the Property including the economic feasibility of such purchase. If the transaction contemplated in this Agreement fails to close for any reason (or no reason) as a result of the act or omission of Buyer or its agents, Buyer shall promptly restore the Property to substantially the condition the Property was in prior to Buyer's performance of any inspections or work. Buyer shall indemnify, hold harmless, and defend Seller from all liens, costs, and expenses, including reasonable attorneys' fees and experts' fees, arising from or relating to Buyer's entry on and inspection of the Property. This agreement to indemnify, hold harmless, and defend Seller shall survive Closing or any termination of this Agreement.

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4. Seller's Documents. Within 5 days after the Execution Date, Seller shall deliver to Buyer or Buyer's designee, legible and complete copies of the following documents, including without limitation, a list of the Personal Property, and other items relating to the ownership, operation, and maintenance of the Property to the extent now in existence and to the extent such items are or come within Seller's possession or control: Environmental Reports, Surveys, Soils Reports, Plans, Permits, Approvals, Studies, Assessments, and Appraisals.

5. Title Insurance. Within 5 days after the Execution Date, Seller shall cause to be delivered to Buyer a preliminary title report from the title company (the "Title Company") selected by Seller (the "Preliminary Report"), showing the status of Seller's title to the Property, together with complete and legible copies of all documents shown therein as exceptions to title ("Exceptions"). Buyer shall have 5 days after receipt of a copy of the Preliminary Report and Exceptions within which to give notice in writing to Seller of any objection to such title or to any liens or encumbrances affecting the Property. Within 5 days after receipt of such notice from Buyer, Seller shall give Buyer written notice of whether it is willing and able to remove the objected-to Exceptions. Without the need for objection 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 on or before Closing. Within 5 days after receipt of such notice from Seller (the "Title Contingency Date"), Buyer shall elect whether to: (i) purchase the Property subject to those objected-to Exceptions which Seller is not willing or able to remove; or (ii) terminate this Agreement. If Buyer fails to give Seller notice of Buyer's election, then such inaction shall be deemed to be Buyer's election to terminate this Agreement. On or before the Closing Date (defined below), Seller shall remove all Exceptions to which Buyer objects and which Seller agrees, or is deemed to have agreed, Seller is willing and able to remove. All remaining Exceptions set forth in the Preliminary Report and those Exceptions caused by or agreed to by Buyer shall be deemed "Permitted Exceptions."

6. Default; Remedies. 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 1.2.1 above, 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 and all further rights and obligations hereunder by giving written notice thereof to Buyer. If the conditions, if any, to Buyer's obligation to consummate this transaction are satisfied or waived by Buyer and Buyer fails, through no fault of Seller, to close on the purchase of the Property, Seller's sole remedy shall be to retain the Earnest Money paid by Buyer. In the event Seller fails, through no fault of Buyer, to close the sale of the Property, Buyer shall be entitled to pursue any remedies available at law or in equity, including without limitation, the return of the Earnest Money paid by Buyer or the remedy of specific performance. In no event shall either party be entitled to punitive or consequential damages, if any, resulting from the other party's failure to close the sale of the Property.

7. Closing of Sale.

7.1 Buyer and Seller agree the sale of the Property shall be consummated, in Escrow, ☒ on or before **30 days following issuance of site development permits by the City of Oregon City, issuance of construction loan, a legally binding lease agreement (the "Lease Agreement") whereby the buyer agrees to construct and tenant agrees to occupy a building containing the following uses: a bar or brewery on the first floor, a restaurant on the second floor, and bar / restaurant-associated seating on the third floor or roof, and a memorandum of right of first offer suitable for recording no later than May 31, 2023** or ☐) days after the conditions set forth in Sections 2.1, 3, 4 and 5 have been satisfied or waived in writing by Buyer (the "Closing" or the "Closing Date"). The 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. Seller agrees to keep the Lease Agreement and the terms and conditions thereof strictly confidential.

7.2 At Closing, Buyer and Seller shall deposit with the Escrow Holder all documents and funds required to close the transaction in accordance with the terms of this Agreement. At Closing, Seller shall deliver a certification in a form provided by the Escrow Holder confirming whether Seller is or is not a "foreign person" as such term is defined by applicable law and regulations.

7.3 At Closing, Seller shall convey fee simple title to the Property to Buyer by ☐ statutory warranty deed or ☒ Special Warranty Deed (the "Deed"). At Closing, Seller shall cause the Title Company to deliver to Buyer a standard ALTA form owner's policy of title insurance (the "Title Policy") in the amount of the Purchase Price insuring fee simple title to the Property in Buyer subject only to the Permitted Exceptions and the standard preprinted exceptions contained in the Title Policy. Seller shall reasonably cooperate in the issuance to Buyer of an ALTA extended form policy of title insurance. Buyer shall pay any additional expense resulting from the ALTA extended coverage and any endorsements required by Buyer.

8. Closing Costs; Prorations. Seller shall pay the premium for the Title Policy, provided, however, 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, rents and other charges arising from existing Tenancies paid for the month of Closing, interest on assumed obligations, and utilities shall be prorated as of the Closing Date. If applicable, prepaid rents, security deposits, and other unearned refundable deposits relating to Tenancies shall be assigned and delivered to Buyer at Closing. ☒ Seller ☐ Buyer ☐ N/A shall be responsible for payment of all taxes, interest, and penalties, if any, upon removal of the Property from any special assessment or program.

9. Possession. Seller shall deliver exclusive possession of the Property, subject to the Tenancies (if any) existing as of the Closing Date, to Buyer ☒ on the Closing Date or ☐ ____.

10. Condition of Property. Seller represents that Seller has received no written notices of violation of any laws, codes, rules, or regulations applicable to the Property ("Laws"). Seller represents that, to the best of Seller's knowledge without specific inquiry, Seller is not aware of any such violations or any concealed material defects in the Property. Unless caused by Buyer, Seller shall bear all risk of loss and damage to the Property until Closing, and Buyer shall bear such risk at and after Closing. Except for Seller's representations set forth in this Section 10 and the attached Exhibit E, Buyer shall acquire the Property "AS IS" with all faults and Buyer shall rely on the results of its own inspection and investigation in Buyer's acquisition of the Property. It shall be a condition of Buyer's Closing obligation that all of Seller's representations and warranties stated in this Agreement are materially true and correct on the Closing Date. Seller's representations and warranties stated in this Agreement shall survive Closing for one (1) year.

11. Operation of Property. Between the Execution Date and the Closing Date, Seller shall continue to operate, maintain and insure the Property consistent with Seller's current operating practices. After Buyer has satisfied or waived the conditions to Buyer's obligation to purchase the Property, and the Earnest Money is non-refundable, Seller may not, without Buyer's prior written consent, which consent shall not be unreasonably withheld, conditioned, or delayed, enter into: (a) any new leases or occupancy agreements for the Property; (b) any material

amendments or modification agreements for any existing leases or occupancy agreements for the Property; or (c) any service contracts or other agreements affecting the Property that are not terminable at the Closing.

12. Assignment. Assignment of this Agreement: ☒ is PROHIBITED; ☐ is PERMITTED, without consent of Seller; ☐ is PERMITTED ONLY UPON Seller's written consent; ☐ is PERMITTED ONLY IF the assignee is an entity owned and controlled by Buyer. **Assignment is PROHIBITED, if no box is checked.** If Seller's written consent is required for assignment, such consent may be withheld in Seller's reasonable discretion. In the event of a permitted assignment, Buyer shall remain liable for all Buyer's obligations under this Agreement.

13. Arbitration. IF AND ONLY IF THIS SECTION IS INITIALED BY EACH OF BUYER AND SELLER, THE FOLLOWING SHALL APPLY TO THIS AGREEMENT:

ANY DISPUTE BETWEEN BUYER AND SELLER RELATED TO THIS AGREEMENT, THE PROPERTY, OR THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT WILL BE RESOLVED BY ARBITRATION GOVERNED BY THE OREGON UNIFORM ARBITRATION ACT (ORS 36.600 et seq.) AND, TO THE EXTENT NOT INCONSISTENT WITH THAT STATUTE, CONDUCTED IN ACCORDANCE WITH THE RULES OF PRACTICE AND PROCEDURE FOR THE ARBITRATION OF COMMERCIAL DISPUTES OF ARBITRATION SERVICES OF PORTLAND ("ASP"). THE ARBITRATION SHALL BE CONDUCTED IN PORTLAND, OREGON AND ADMINISTERED BY ASP, WHICH WILL APPOINT A SINGLE ARBITRATOR HAVING AT LEAST FIVE (5) YEARS EXPERIENCE IN THE COMMERCIAL REAL ESTATE FIELD IN THE Portland MSA GEOGRAPHIC AREA (IF **BLANK IS NOT COMPLETED, PORTLAND METROPOLITAN AREA**). ALL ARBITRATION HEARINGS WILL BE COMMENCED WITHIN THIRTY (30) DAYS OF THE DEMAND FOR ARBITRATION UNLESS THE ARBITRATOR, FOR SHOWING OF GOOD CAUSE, EXTENDS THE COMMENCEMENT OF SUCH HEARING. THE DECISION OF THE ARBITRATOR WILL BE BINDING ON BUYER AND SELLER, AND JUDGMENT UPON ANY ARBITRATION AWARD MAY BE ENTERED IN ANY COURT HAVING JURISDICTION. THE PARTIES ACKNOWLEDGE THAT, BY AGREEING TO ARBITRATE DISPUTES, EACH OF THEM IS WAIVING CERTAIN RIGHTS, INCLUDING ITS RIGHTS TO SEEK REMEDIES IN COURT (INCLUDING A RIGHT TO A TRIAL BY JURY), TO DISCOVERY PROCESSES THAT WOULD BE ATTENDANT TO A COURT PROCEEDING, AND TO PARTICIPATE IN A CLASS ACTION.

Initials of Buyer

Initials of Seller

14. Attorneys' Fees. In the event a suit, action, arbitration, or other proceeding of any nature whatsoever, including without limitation any proceeding under the U.S. Bankruptcy Code, is instituted, or the services of an attorney are retained, to interpret or enforce any provision of this Agreement or with respect to any dispute relating to this Agreement, the prevailing or non-defaulting party shall be entitled to recover from the losing or defaulting party its attorneys', paralegals', accountants', and other experts' fees and all other fees, costs, and expenses actually incurred in connection therewith (the "Fees"). In the event of suit, action, arbitration, or other proceeding, the amount of Fees shall be determined by the judge or arbitrator, shall include all costs and expenses incurred on any appeal or review, and shall be in addition to all other amounts provided by law.

15. Statutory Notice. 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.

16. 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.

17. Brokerage Agreement. For purposes of Sections 14 and 17 of this Agreement, the Agency Acknowledgement on page 1 this Agreement is incorporated into this Agreement as if fully set forth herein. Seller agrees to pay a commission to Selling Firm in the amount of either: ☒ Five percent (5%) of the Purchase Price or ☐ \$_____. Such commission shall be divided between Selling Firm and Buying Firm such that Selling Firm receives five percent (5%) and Buying Firm receives percent (0%). Seller shall cause the Escrow Holder to deliver to Selling Firm and Buying Firm the real estate commission on the Closing Date or upon Seller's breach of this Agreement, whichever occurs first. If the Earnest Money is forfeited by Buyer and retained by Seller in accordance with this Agreement, in addition to any other rights the Selling Firm and Buying Firm may have, the Selling Firm and the Buying Firm, together, shall be entitled to the commission agreed to above, and Seller hereby assigns such amount to the Selling Firm and the Buying Firm.

18. Notices. Unless otherwise specified, any notice required or permitted in, or related to this Agreement must be in writing and signed by the party to be bound. Any notice will be deemed delivered: (a) when personally delivered; (b) when delivered by facsimile or electronic mail transmission (in either case, with confirmation of delivery); (c) on the day following delivery of the notice by reputable overnight courier; or (d) on the day following delivery of the notice by mailing by certified or registered U.S. mail, postage prepaid, return receipt requested; and in any case shall be sent by the applicable party to the address of the other party shown at the beginning of this Agreement, unless that day is a Saturday, Sunday, or federal or Oregon State legal holiday, in which event such notice will be deemed delivered on the next following business day.

19. Miscellaneous. Time is of the essence of this Agreement. 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. The facsimile and/or electronic mail transmission of any signed document including this Agreement in accordance with Section 18 shall be the same as delivery of an original. At the request of either party, the party delivering a document by facsimile and/or electronic mail will confirm such transmission by signing and delivering to the other party a duplicate original document. This Agreement may be executed in counterparts, each of which shall constitute an original and all of which together shall

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constitute one and the same Agreement. This Agreement contains the entire agreement and understanding of the parties with respect to the subject matter of this Agreement and supersedes all prior and contemporaneous agreements between them. Without limiting the provisions of Section 12 of this Agreement, this Agreement shall be binding upon and shall inure to the benefit of Buyer and Seller and their respective successors and assigns. Solely with respect to Sections 14 and 17, Selling Firm and Buying Firm are third party beneficiaries of this Agreement. The person signing this Agreement on behalf of Buyer and the person signing this Agreement on behalf of Seller each represents, covenants and warrants that such person has full right and authority to enter into this Agreement and to bind the party for whom such person signs this Agreement to its terms and provisions. Neither this Agreement nor a memorandum hereof shall be recorded unless the parties otherwise agree in writing.

20. Governing Law. This Agreement is made and executed under, and in all respects shall be governed and construed by, the laws of the State of Oregon.

21. Right of First Offer. In the event that after Closing Buyer elects to commence marketing the Real Estate for sale to unaffiliated third-party purchasers, Seller shall have and is hereby granted the one-time right (the "Right of First Offer") to purchase the Real Estate in accordance with the terms and provisions of this Section 21. Subject to the foregoing, at such time as Buyer is prepared to commence marketing the Real Estate for sale to unaffiliated third-party purchasers, Buyer shall notify Seller in writing thereof, including the date on which Buyer anticipates commencing the marketing of the Real Estate for sale to unaffiliated third party purchasers and Buyer's determination of the purchase price ("Purchase Price") Buyer is willing to accept therefor (the "ROFO Notice"). Seller shall thereafter have seven (7) days following such ROFO Notice from Buyer within which to notify Buyer in writing of Seller's desire to purchase the Real Estate, either at the Purchase Price outlined in the ROFO Notice or at such other Purchase Price as shall be proposed by Seller ("Seller's ROFO Exercise Notice"). In the event that Seller's ROFO Exercise Notice proposes a Purchase Price other than that set forth in the ROFO Notice, Buyer and Seller shall thereafter negotiate the Purchase Price in good faith for a period of up to five (5) days following Seller's ROFO Exercise Notice (the "Purchase Price Negotiation Period"). In the event that (i) Seller fails to deliver Seller's ROFO Exercise Notice within the aforementioned 7-day period, (ii) Buyer and Seller are unable for any reason to agree on the Purchase Price applicable to the Real Estate prior to expiration of the Purchase Price Negotiation Period, or (iii) Buyer and Seller fail to thereafter enter into a PSA (as hereinafter defined) on the terms provided herein prior to expiration of the PSA Negotiation Period (as hereinafter defined), then in any such event Seller shall be deemed to have irrevocably waived its Right of First Offer hereunder, and Buyer may thereafter sell the Real Estate to any other third-party on such terms and conditions as Buyer shall deem appropriate in Buyer's sole and absolute discretion, time being of the essence in the giving of Seller's ROFO Exercise Notice hereunder. If and when Buyer and Seller shall have agreed upon Purchase Price as aforesaid, Buyer shall deliver to Seller a draft purchase and sale agreement providing for a forty-five (45) day due diligence period and containing customary terms and provisions substantially similar to those of this Agreement. Buyer and Seller agree to use good faith efforts to diligently negotiate to reach agreement on a definitive purchase and sale agreement (any such agreement so approved and executed by the parties being referred to herein as the "PSA") within thirty (30) days after the parties have agreed upon the Purchase Price (the "PSA Negotiation Period"). The PSA shall be in form and substance acceptable to Buyer and Seller, each in their respective sole and absolute discretion. Notwithstanding anything herein to the contrary, Seller's Right of First Offer under this Section 21 shall expire and be of no further force or effect on the third (3rd) anniversary of the Closing Date.

22. Lease(s) and Personal Property.

22.1 Leases.

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22.1.1 If required by Buyer or Buyer's lender and provided for in such Tenant's Lease, Seller shall use commercially reasonable efforts to deliver to Buyer, at least 5 days (**three (3) if not filled in**) before the Closing Date, a Tenant estoppel certificate, reasonably acceptable to Buyer, pertaining to each Lease at the Property in effect as of the Closing Date (each, a "Tenant Estoppel"). Such Tenant Estoppels shall be dated no more than 15 days (**fifteen (15) if not filled in**) prior to the Closing Date and shall certify, among other things: (a) that the Lease is unmodified and in full force and effect, or is in full force and effect as modified, and stating the modifications; (b) the amount of the rent and the date to which rent has been paid; (c) the amount of any security deposit held by Seller; and (d) that neither party is in default under the Lease or if a default by either party is claimed, stating the nature of any such claimed default. If Seller has not obtained Tenant Estoppels from all Tenants of the Property, then Seller shall execute and deliver to Buyer a Tenant Estoppel with respect to any such Lease setting forth the information required by this Section 21.1 and confirming the accuracy thereof.

22.1.2 If applicable, the assignment of the Lease(s) by Seller, and assumption of the Lease(s) by Buyer shall be accomplished by executing and delivering to each other through Escrow an Assignment of Lessor's Interest under Lease substantially in the form of Exhibit B attached hereto (the "Assignment").

22.2 Personal Property. If applicable, Seller shall convey all Personal Property to Buyer by executing and delivering to Buyer at Closing through Escrow (as defined below), a Bill of Sale substantially in the form of Exhibit C attached hereto (the "Bill of Sale"). A list of such Personal Property shall be attached to the Bill of Sale.

23. Residential Lead-Based Paint Disclosure. IF THE PROPERTY CONSISTS OF RESIDENTIAL HOUSING BUILT PRIOR TO 1978, BUYER AND SELLER MUST COMPLETE THE LEAD-BASED PAINT DISCLOSURE ADDENDUM ATTACHED HERETO AS EXHIBIT D.

24. Addenda; Exhibits. The following named addenda and exhibits are attached to this Agreement and incorporated within this Agreement:

- ☒ Exhibit A – Legal Description of Property [**REQUIRED**]
- ☒ Exhibit B – Additional Terms to Purchase and Sale Agreement
- ☒ Exhibit C – Form of Quit Claim Deed and Escrow Instructions
- ☐ Exhibit D – Lead Paint Disclosure Addendum (if applicable)
- ☐ Exhibit E – AS IS Exceptions (if applicable)

25. Time for Acceptance. If Seller does not return to Buyer a signed and dated version of this Agreement on or before 5:00 PM Pacific Time on November 30, 2021, then the Earnest Money shall be promptly refunded to Buyer and thereafter, neither party shall have any further right or obligation hereunder.

26. OFAC Certification. 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:

26.1 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

26.2 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.

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 foregoing certification. This certification by Buyer and agreement to indemnify, hold harmless, and defend Seller shall survive Closing or any termination of this Agreement.

Buyer Signature: _____ **Date:** _____

CONSULT YOUR ATTORNEY. THIS DOCUMENT HAS BEEN PREPARED FOR SUBMISSION TO YOUR ATTORNEY FOR REVIEW AND APPROVAL PRIOR TO SIGNING. NO REPRESENTATION OR RECOMMENDATION IS MADE BY THE COMMERCIAL ASSOCIATION OF REALTORS® OREGON/SW WASHINGTON OR BY THE REAL ESTATE AGENTS INVOLVED WITH THIS DOCUMENT AS TO THE LEGAL SUFFICIENCY OR TAX CONSEQUENCES OF THIS DOCUMENT.

THIS FORM SHOULD NOT BE MODIFIED WITHOUT SHOWING SUCH MODIFICATIONS BY REDLINING, INSERTION MARKS, OR ADDENDA.

Buyer Willamette Stone, LLC
By Kerry Hughes
Title Manager
Date _____

Seller Acceptance. By execution of this Agreement, Seller agrees to sell the Property on the terms and conditions in this Agreement.

Seller Oregon City Urban Renewal District
By Anthony J. Konkol, III
Title Executive Director
Date _____

CRITICAL DATE LIST:

The last party to execute this Agreement shall complete the information below (the "Critical Date List"), initial where indicated, and return a copy of the same to the other party for such party's review. This Critical Date List is for reference purposes only and, in the event of a conflict between this Critical Date List and the Agreement, the terms of the Agreement shall prevail.

	DATE:
• Execution Date (Introductory paragraph):	
• Earnest Money due date (Section 1.2.1(a)):	<u>Five days after execution</u>
• Seller shall open Escrow with the Escrow Holder (Section 1.2.1(a)):	Before <u>5 days after the Execution Date</u>
• Seller shall deliver Seller's documents to Buyer (Section 4):	Within <u>7</u> days after the Execution Date
• Seller shall deliver Preliminary Report to Buyer (Section 5):	Within <u>7</u> days after the Execution Date
• Buyer's title objection notice due to Seller (Section 5):	Within <u>5</u> days after receipt of the Preliminary Report
• Seller's title response due to Buyer (Section 5):	Within <u>5</u> days after receipt of Buyer's title objection notice
• Title Contingency Date (Section 5):	Within <u>5</u> days after receipt of Seller's title response
• Expiration date for satisfaction of General Conditions (Section 2.1):	Within <u>120</u> days of the Execution Date
• Expiration date for satisfaction of Financing Condition (Section 2.1):	Within <u>5</u> days of the Execution Date
• By this date, Buyer must deliver the notice to proceed contemplated in Section 2.2.	Within <u>120</u> days of the Execution Date
• Closing Date (Section 7.1):	<u>Within 30 days of issuance of building permits, issuance of construction loan, fully executed lease of tenant, and recordable memorandum of right of first offer</u>

Initials of Buyer: _____

Initials of Seller: _____

Initials of Buyer: _____

Initials of Seller: _____

EXHIBIT A
LEGAL DESCRIPTION OF PROPERTY

As provided by Lawyers Title Company

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COMMERCIAL ASSOCIATION OF REALTORS® OREGON/SW WASHINGTON
PURCHASE AND SALE AGREEMENT AND RECEIPT FOR EARNEST MONEY
(Oregon Commercial Form)

AMENDED AND RESTATED

AGENCY ACKNOWLEDGMENT

This Amended and Restated Purchase and Sale Agreement, dated October __, 2021, is made by OREGON CITY URBAN RENEWAL AGENCY, the duly designated Urban Renewal Agency of the City of Oregon City ("Seller"), and WILLAMETTE STONE, LLC ("Buyer") (collectively "Parties") with reference to the following:

WHEREAS, on June 21, 2017, the parties entered into a Purchase and Sale Agreement ("2017 PSA") to purchase the property located at 922 Main Street to develop it to include ground-floor retail and residential units within two stories above. Subject to four subsequent amendments, the expiration date for this 2017 PSA was extended to November 30, 2021.

WHEREAS, Buyer has approached the Seller seeking reformation of the 2017 PSA allowing for the construction of a "build-to-suit" project where the entire structure would be put to brewery, tasting room, retail and restaurant uses.

WHEREAS, after due consideration, the Seller has agreed to enter into this Amended and Restated Purchase and Sale Agreement which shall fully replace the 2017 PSA and its amendments and which shall hereinafter be deemed void.

Buyer shall execute this Acknowledgment concurrent with the execution of the Agreement below and prior to delivery of that Agreement to Seller. Seller shall execute this Acknowledgment upon receipt of the Agreement by Seller, even if Seller intends to reject the Agreement or make a counter-offer. In no event shall Seller's execution of this Acknowledgment constitute acceptance of the Agreement, or any terms contained therein.

Pursuant to the requirements of Oregon Administrative Rules (OAR 863-015-0215), both Buyer and Seller acknowledge having received the Oregon Real Estate Agency Disclosure Pamphlet, and by execution below acknowledge and consent to the agency relationships in the following real estate purchase and sale transaction as follows:

~~(a)~~ (a) Seller Agent: Skip Rotticci of Colliers International firm (the "Selling Firm") is the agent of (check one):

☐ Buyer exclusively; ☐ Seller exclusively; ☒ both Seller and Buyer ("Disclosed Limited Agency").

~~(b)~~ (b) Buyer Agent: ____ of ____ firm (the "Buying Firm") is the agent of (check one):

☐ Buyer exclusively; ☐ Seller exclusively; ☒ both Seller and Buyer ("Disclosed Limited Agency").

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If the name of the same real estate firm appears in both Paragraphs (a) and (b) above, Buyer and Seller acknowledge that a principal broker of that real estate firm shall become the Disclosed Limited Agent for both Buyer and Seller, as more fully set forth in the Disclosed Limited Agency Agreements that have been reviewed and signed by Buyer, Seller and the named real estate agent(s).

ACKNOWLEDGED

Buyer: Willamette Stone ~~Partners~~, LLC or assigns

(sign) _____ Date: _____

~~Buyer~~ Seller: City of Oregon City Urban Renewal District

(sign) _____ Date: _____

[No further text appears on this page.]

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PURCHASE AND SALE AGREEMENT AND RECEIPT FOR EARNEST MONEY

This AMENDED AND RESTATED PURCHASE AND SALE AGREEMENT AND RECEIPT FOR EARNEST MONEY (this "Agreement") is accepted, made and entered into on the later of the two dates shown beneath the parties' signatures on the signature page attached hereto (the "Execution Date"):

BETWEEN: City of Oregon City Urban Renewal District ("Seller")

Address: 625 Center Street, Oregon City, OR 97045

Home Phone: _____

Office Phone: 503.657.0891 503.657.0891

Fax No.: _____

E-Mail: eunderwood@orc.org igraham@orc.org

AND: Willamette Stone Partners, LLC or assigns ("Buyer")

Address: 0240 SW Seymour Court, Portland, OR 97205

Home Phone: _____

Office Phone: 503.756.1407

Fax No.: _____

E-Mail: adrian.kerry@willametestone.com

1.1 Purchase and Sale.

1.1 ~~1.1~~ Generally. In accordance with this Agreement, Buyer agrees to buy and acquire from Seller, and Seller agrees to sell to Buyer the following, all of which are collectively referred to in this Agreement as the "Property": (a) the real property and all improvements thereon generally described or located at 922 Main Street ~~in~~ in the City of Oregon City, County of Clackamas Oregon legally described on Exhibit A, attached hereto (the "Real Estate") (if no legal description is attached, the legal description shall be based on the legal description provided ~~in~~ in the Preliminary Report (described in Section 5), subject to the review and approval of both parties hereto), including all of Seller's right, title and interest in and to all fixtures, appurtenances, and easements thereon or related thereto; (b) all of Seller's right, title and interest, if any, in and to any and all lease(s) to which the Real Estate is subject (each, a "Lease"); and (c) any and all personal property located on and used in connection with the operation of the Real Estate and owned by Seller (the "Personal Property"). If there are any Leases, see Section 21.1, below. The occupancies of the Property pursuant to any Leases are referred to as the "Tenancies" and the occupants thereunder are referred to as "Tenants." If there ~~is~~ is any Personal Property, see Section 21.2, below.

~~1.2~~

1.2 Purchase Price. The purchase price for the Property shall be One Hundred Ten Thousand dollars (\$110,000) (the "Purchase Price"). The Purchase Price shall be adjusted, as applicable, by the net amount of credits and debits to Seller's account at Closing (defined below) made by Escrow Holder pursuant to the terms of this Agreement. The Purchase Price shall be payable as follows:

1.2.1 ~~1.2.1~~ Earnest Money Deposit.

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(a) ~~(a)~~ Within five ~~(55)~~ days of the Execution Date, Buyer shall deliver into Escrow (as defined herein), for the account of Buyer, ~~\$5,000.00~~ 15,000.00 as earnest money (the "Earnest Money") in the form of:

☐ Promissory note (the "Note"); ☒ Check; or ☐ Cash or other immediately available funds.

If the Earnest Money is being held by the ☐ Selling Firm ☐ Buying Firm, then the firm holding such Earnest Money shall deposit the Earnest Money in the ☒ Escrow (as hereinafter defined) ☐ Selling Firm's Client Trust Account ☐ Buying Firm's Clients' Trust Account, no later than 5:00 PM Pacific Time three (3) business days after such firm's receipt, but in no event later than the date set forth in the first sentence of this Section 1.2.1(a).

(b) ~~(b)~~ If the Earnest Money is in the form of a Note, it shall be due and payable ☐ no later than 5:00 PM Pacific Time three (3) days after the Execution Date; ☐ after satisfaction or waiver by Buyer of the conditions to Buyer's obligation to purchase the Property set forth in this Agreement; or ☐ Other: _____. If the terms of the Note and this Agreement conflict, the terms of this Agreement shall govern. If the Note is not redeemed and paid in full when due, then: (i) the Note shall be delivered and endorsed to Seller (if not already in Seller's possession); (ii) Seller may collect the Earnest Money from Buyer, either pursuant to an action on the Note or an action on this Agreement; and (iii) Seller shall have no further obligations under this Agreement.

(c) ~~(c)~~ The purchase and sale of the Property shall be accomplished through an escrow (the "Escrow") that Seller has established or will establish with Lawyers Title Company Portland, Oregon (the "Escrow Holder") within 3 days after the Execution Date. Except as otherwise provided in this Agreement: (i) any interest earned on the Earnest Money shall be considered to be part of the Earnest Money; (ii) the Earnest Money shall be non-refundable upon satisfaction or waiver of all Conditions as defined in Section 2.1; and (iii) the Earnest Money shall be applied to the Purchase Price at Closing.

1.2.2 ~~1.2.2~~ Balance of Purchase Price. Buyer shall pay the balance of the Purchase Price at Closing by ☒ cash or other immediately available funds; or ☐ Other: _____.

1.3 ~~4.3~~ 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.

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2. ~~2.~~ Conditions to Purchase.

2.1 ~~2.1~~ Buyer's obligation to purchase the Property is conditioned on the following:

☐ ~~None;~~

☒

☒ Within 120 days of the Execution Date, ~~Buyers~~Buyer's approval of the results of (collectively, the "~~General Conditions~~"): (a) the Property inspection described in Section 3 below; (b) the document review described in Section 4 below; and (c) (describe any other condition) Feasibility Analysis;

☒ Within 95 days of the Execution Date, ~~Buyers~~Buyer's receipt of confirmation of satisfactory financing (the "~~Financing Condition~~"); and ~~for~~

☐ ~~Other.~~

The General Conditions, Financing Conditions or any other Conditions noted shall be defined as "~~Conditions.~~"

2.2 ~~2.2~~ If, for any reason in ~~Buyers~~Buyer's sole discretion, Buyer has not timely given written waiver of the Conditions set forth in Section 2.1, or stated in writing that such Conditions have been satisfied, by notice given to Seller within the time periods for such conditions set forth above, this Agreement shall be deemed automatically terminated, the Earnest Money shall be promptly returned to Buyer, and thereafter, except as specifically provided to the contrary herein, neither party shall have any further right or remedy hereunder.

2.3 Seller's obligations to sell the Property is conditioned on the following:

☒ The provision of all required site development permits, proof of construction loan issuance and a legally binding lease agreement whereby the buyer agrees to construct and tenant agrees to occupy a building containing the following uses: a bar or brewery on the first floor, a restaurant on the second floor, and bar / restaurant-associated seating on the third floor or roof as specified in Section 7.1.

☒ The memorandum of right of first offer suitable for recording providing Seller with the first right to purchase the property if listed for sale within three years after closing as set forth in Section 21.

2.4 If Buyer fails to produce the documentation as required by this condition and as specified in Paragraph 7.1 on or before May 30, 2023, the Earnest Money shall be promptly delivered to Seller and this Agreement shall be deemed automatically terminated.

3. ~~3.~~ Property Inspection. Seller shall permit Buyer and its agents, at ~~Buyers~~Buyer's sole expense and risk, to enter the Property at reasonable times after reasonable prior notice to Seller and after prior notice by Seller to the Tenants as required by the applicable Leases, if any, to conduct any and all ~~Inspections~~inspections, tests, and surveys concerning the structural condition of the improvements, all mechanical, electrical and plumbing

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systems, hazardous materials, pest infestation, soils conditions, wetlands, Americans with Disabilities Act compliance, zoning, and all other matters affecting the suitability of the Property for ~~Buyers~~Buyer's intended use and/or otherwise reasonably related to the purchase of the Property including the economic feasibility of such purchase. If the transaction contemplated in this Agreement fails to close for any reason (or no reason) as a result of the act or omission of Buyer or ~~Its~~its agents, Buyer shall promptly restore the Property to substantially the condition the Property was in prior to ~~Buyers~~Buyer's performance of any inspections or work. Buyer shall indemnify, hold harmless, and defend Seller from all liens, costs, and expenses, including reasonable attorneys' fees and experts' fees, arising from or relating to ~~Buyers~~Buyer's entry on and inspection of the Property. This agreement to indemnify, hold harmless, and defend Seller shall survive Closing or any termination of this Agreement.

~~4. 4.~~ ~~Sellers~~Seller's Documents. Within ~~75~~ days after the Execution Date, Seller shall deliver to Buyer or Buyer's designee, legible and complete copies of the following documents, including without ~~limitation~~limitation, a list of the Personal Property, and other items relating to the ownership, operation, and maintenance of the Property to the extent now in existence and to the extent such items are or come within ~~Sellers~~Seller's possession or control: ~~Environmental Reports, Surveys, Soils Reports, Plans, Permits, Approvals, Studies, Assessments, and Appraisals.~~

~~5. 5.~~ Title Insurance. Within ~~75~~ days after the Execution Date, Seller shall cause to be delivered to Buyer a preliminary title report from the title company (the "~~Title Company~~") selected by Seller (the "~~Preliminary Report~~"), showing the status of ~~Sellers~~Seller's title to the Property, together with complete and legible copies of all documents shown therein as exceptions to ~~time~~title ("~~Exceptions~~"). Buyer shall have ~~5~~ days after receipt of a copy of the Preliminary Report and Exceptions within which to give notice in writing to Seller of any objection to such title or to any liens or encumbrances affecting the Property. Within ~~5~~ days after receipt of such notice from Buyer, Seller shall give Buyer written notice of whether it is willing and able to remove the objected-to Exceptions. Without the need for objection 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 on or before Closing. Within ~~5~~ days after receipt of such notice from Seller (the "~~Title Contingency Date~~"), Buyer shall elect whether to: (i) purchase the Property subject to those objected-to Exceptions which Seller is not willing or able to remove; or (ii) terminate this Agreement. If Buyer fails to give Seller notice of Buyer's election, then such inaction shall be deemed to be Buyer's election to terminate this Agreement. On or before the Closing Date (defined below), Seller shall remove all Exceptions to which Buyer objects and which Seller agrees, or is deemed to have agreed, Seller is willing and able to remove. All remaining Exceptions set forth in the Preliminary Report and those Exceptions caused by or agreed to by Buyer shall be deemed "~~Permitted Exceptions.~~"

~~6. 6.~~ Default; Remedies. 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 1.2.1 above, 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 and all further rights and obligations hereunder by giving written notice thereof to Buyer. If the conditions, if any, to Buyer's obligation to consummate this transaction are satisfied or waived by Buyer and Buyer fails, through no fault of Seller, to close on the purchase of the Property, Seller's sole remedy shall be to retain the Earnest Money paid by Buyer. In the event Seller fails, through no fault of Buyer, to close the sale of the Property, Buyer shall be entitled to pursue any remedies available at law or in equity, including without limitation, the return of the Earnest Money paid by Buyer or the remedy of specific performance. In no event shall either party

be entitled to punitive or consequential damages, if any, resulting from the other party's failure to close the sale of the Property.

7. Closing of Sale.

7.1 ~~7.1~~ Buyer and Seller agree the sale of the Property shall be consummated, in Escrow, ☒ ~~on~~ on or before 30 days following issuance of site development permits by the City of Oregon City, and issuance of construction loan whichever is sooner, a legally binding lease agreement whereby the buyer agrees to construct and tenant agrees to occupy a building containing the following uses: a bar or brewery on the first floor, a restaurant on the second floor, and bar / restaurant-associated seating on the third floor or roof, and a memorandum of right of first offer suitable for recording no later than May 30, 2023 or ☐ ~~30~~ days after the conditions set forth in Sections 2.1, 3, 4 and 5 have been satisfied or waived in writing by Buyer (the "Closing" or the "Closing Date"). The 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.

7.2 ~~7.2~~ At Closing, Buyer and Seller shall deposit with the Escrow Holder all documents and funds required to close the transaction in accordance with the terms of this Agreement. At Closing, Seller shall deliver a certification in a form provided by the Escrow Holder confirming whether Seller is or is not a "foreign person" as such term is defined by applicable law and regulations.

7.3 ~~7.3~~ At Closing, Seller shall convey fee simple title to the Property to Buyer by ☐ statutory warranty deed or ☒ Special Warranty Deed (the "Deed"). At Closing, Seller shall cause the Title Company to deliver to Buyer a standard ALTA form owner's policy of title insurance (the "Title Policy") in the amount of the Purchase Price insuring fee simple title to the Property in Buyer subject only to the Permitted Exceptions and the standard preprinted exceptions contained in the Title Policy. Seller shall reasonably cooperate in the issuance to Buyer of an ALTA extended form policy of title insurance. Buyer shall pay any additional expense resulting from the ALTA extended coverage and any endorsements required by Buyer.

8. Closing Costs; Prorations. Seller shall pay the premium for the Title Policy, provided, however, 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, rents and other charges arising from existing Tenancies paid for the month of Closing, interest on assumed obligations, and utilities shall be prorated as of the Closing Date. If applicable, prepaid rents, security deposits, and other unearned refundable deposits relating to Tenancies shall be assigned and delivered to Buyer at Closing. ☒ ~~Seller~~ ☐ ~~Buyer~~ ☐ ~~N/A~~ N/A shall be responsible for payment of all taxes, interest, and penalties, if any, upon removal of the Property from any special assessment or program.

9. Possession. Seller shall deliver exclusive possession of the Property, subject to the Tenancies (if any) existing as of the Closing Date, to Buyer ☒ ~~on~~ on the Closing Date or ☐ ~~_____~~ _____.

10. Condition of Property. Seller represents that Seller has received no written notices of violation of any laws, codes, rules, or regulations applicable to the Property ("Laws"). Seller represents that, to the best of

~~Sellers~~Seller's knowledge without specific inquiry, Seller is not aware of any such violations or any concealed material defects in the Property. Unless caused by Buyer, Seller shall bear all risk of loss and damage to the Property until Closing, and Buyer shall bear such risk at and after Closing. Except for ~~Sellers~~Seller's representations set forth in this Section 10 and the attached Exhibit E, Buyer shall acquire the Property "AS IS" with all faults and Buyer shall rely on the results of its own inspection and investigation in ~~Buyers~~Buyer's acquisition of the Property. It shall be a condition of ~~Buyers~~Buyer's Closing obligation that all of ~~Sellers~~Seller's representations and warranties stated in this Agreement are materially true and correct on the Closing Date. ~~Sellers~~Seller's representations and warranties stated in this Agreement shall survive Closing ~~for one (1) year.~~

11. 11. Operation of Property. Between the Execution Date and the Closing Date, Seller shall continue to operate, maintain and insure the Property consistent with ~~Sellers~~Seller's current operating practices. After Buyer has satisfied or waived the conditions to ~~Buyers~~Buyer's obligation to purchase the Property, and the Earnest Money is non-refundable, Seller may not, without ~~Buyers~~Buyer's prior written consent, which consent shall not be unreasonably withheld, conditioned, or delayed, enter into: (a) any new leases or occupancy agreements for the Property; (b) any material amendments or modification agreements for any existing leases or occupancy agreements for the Property; or (c) any service contracts or other agreements affecting the Property that are not terminable at the Closing.

12. 12. Assignment. Assignment of this Agreement: ☒ ~~is~~ is PROHIBITED; ☐ ~~is~~ is PERMITTED, without consent of Seller; ☐ is PERMITTED ONLY UPON ~~Sellers~~Seller's written consent; ☐ is PERMITTED ONLY IF the assignee is an entity owned and controlled by Buyer. Assignment is PROHIBITED. If, if no box is checked. If ~~Sellers~~Seller's written consent is required for assignment, such consent may be withheld in ~~Sellers~~Seller's reasonable discretion. In the event of a permitted assignment, Buyer shall remain liable for all ~~Buyers~~Buyer's obligations under this Agreement.

13. 13. Arbitration. IF AND ONLY IF THIS SECTION IS INITIALED BY EACH OF BUYER AND SELLER, THE 218 FOLLOWING SHALL APPLY TO THIS AGREEMENT:

ANY DISPUTE BETWEEN BUYER AND SELLER RELATED TO THIS AGREEMENT, THE PROPERTY, OR THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT WILL BE RESOLVED BY ARBITRATION GOVERNED BY THE OREGON UNIFORM ARBITRATION ACT (ORS 36.600 et seq.) AND, TO THE EXTENT NOT INCONSISTENT WITH THAT STATUTE, CONDUCTED IN ACCORDANCE WITH THE RULES OF PRACTICE AND PROCEDURE FOR THE ARBITRATION OF COMMERCIAL DISPUTES OF ARBITRATION SERVICES OF PORTLAND ("ASP"). THE ARBITRATION SHALL BE CONDUCTED IN PORTLAND, OREGON AND ADMINISTERED BY ASP, WHICH WILL APPOINT A SINGLE ARBITRATOR HAVING AT LEAST FIVE (5) YEARS EXPERIENCE IN THE COMMERCIAL REAL ESTATE FIELD IN THE Portland MSA GEOGRAPHIC AREA (IF **BLANK IS NOT COMPLETED, PORTLAND METROPOLITAN AREA**). ALL ARBITRATION HEARINGS WILL BE COMMENCED WITHIN THIRTY (30) DAYS OF THE DEMAND FOR ARBITRATION UNLESS THE ARBITRATOR, FOR SHOWING OF GOOD CAUSE, EXTENDS THE COMMENCEMENT OF SUCH HEARING. THE DECISION OF THE ARBITRATOR WILL BE BINDING ON BUYER AND SELLER, AND JUDGMENT UPON ANY ARBITRATION AWARD MAY BE ENTERED IN ANY COURT HAVING JURISDICTION. THE PARTIES ACKNOWLEDGE THAT, BY AGREEING TO ARBITRATE DISPUTES, EACH OF THEM IS WAIVING CERTAIN RIGHTS, INCLUDING ITS RIGHTS TO SEEK REMEDIES IN COURT (INCLUDING A RIGHT TO A TRIAL BY JURY), TO DISCOVERY PROCESSES THAT WOULD BE ATTENDANT TO A COURT PROCEEDING, AND TO PARTICIPATE IN A CLASS ACTION.

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 Initials of Buyer

 Initials of Seller

14. 14. Attorneys' Fees. In the event a suit, action, arbitration, or other proceeding of any nature whatsoever, including without limitation any proceeding under the U.S. Bankruptcy Code, is instituted, or the services of an attorney are retained, to interpret or enforce any provision of this Agreement or with respect to any dispute relating to this Agreement, the prevailing or non-defaulting party shall be entitled to recover from the losing or defaulting party its attorneys', paralegals', accountants', and other experts' fees and all other fees, costs, and expenses actually incurred in connection therewith (the "Fees"). In the event of suit, action, arbitration, or other proceeding, the amount of Fees shall be determined by the judge or arbitrator, shall include all costs and expenses incurred on any appeal or review, and shall be in addition to all other amounts provided by law.

15. 15. Statutory Notice. 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.

16. 16. 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.

17. 17. Brokerage Agreement. For purposes of Sections 14 and 17 of this Agreement, the Agency Acknowledgement on page 1 this Agreement is incorporated into this Agreement as if fully set forth herein. Seller agrees to pay a commission to Selling Firm in the amount of either: ☒ Five percent (5%) of the Purchase Price or ☐ \$. Such commission shall be divided between Selling Firm and Buying Firm such that

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Selling Firm receives five percent (5%) and Buying Firm receives 0-percent (0%). Seller shall cause the Escrow Holder to deliver to Selling Firm and Buying Firm the real estate commission on the Closing Date or upon Seller's breach of this Agreement, whichever occurs first. If the Earnest Money is forfeited by Buyer and retained by Seller in accordance with this Agreement, in addition to any other rights the Selling Firm and Buying Firm may have, the Selling Firm and the Buying Firm, together, shall be entitled to ~~the lesser of: (i) fifty percent (50%) of the Earnest Money; or (ii)~~ the commission agreed to above, and Seller hereby assigns such amount to the Selling Firm and the Buying Firm.

18. 18. Notices. Unless otherwise specified, any notice required or permitted in, or related to this Agreement must be in writing and signed by the party to be bound. Any notice will be deemed delivered: (a) when personally delivered; (b) when delivered by facsimile or electronic mail transmission (in either case, with confirmation of delivery); (c) on the day following delivery of the notice by reputable overnight courier; or (d) on the day following delivery of the notice by mailing by certified or registered U.S. mail, postage prepaid, return receipt requested; and in any case shall be sent by the applicable party to the address of the other party shown at the beginning of this Agreement, unless that day is a Saturday, Sunday, or federal or Oregon State legal holiday, in which event such notice will be deemed delivered on the next following business day.

19. 19. Miscellaneous. Time is of the essence of this Agreement. 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. The facsimile and/or electronic mail transmission of any signed document including this Agreement in accordance with Section 18 shall be the same as delivery of an original. At the request of either party, the party delivering a document by facsimile and/or electronic mail will confirm such transmission by signing and delivering to the other party a duplicate original document. This Agreement may be executed in counterparts, each of which shall constitute an original and all of which together shall constitute one and the same Agreement. This Agreement contains the entire agreement and understanding of the parties with respect to the subject matter of this Agreement and supersedes all prior and contemporaneous agreements between them. Without limiting the provisions of Section 12 of this Agreement, this Agreement shall be binding upon and shall inure to the benefit of Buyer and Seller and their respective successors and assigns. Solely with respect to Sections 14 and 17, Selling Firm and Buying Firm are third party beneficiaries of this Agreement. The person signing this Agreement on behalf of Buyer and the person signing this Agreement on behalf of Seller each represents, covenants and warrants that such person has full right and authority to enter into this Agreement and ~~to~~ bind the party for whom such person signs this Agreement to its terms and provisions. Neither this Agreement nor a memorandum hereof shall be recorded unless the parties otherwise agree in writing.

20. 20. Governing Law. This Agreement is made and executed under, and in all respects shall be governed and construed by, the laws of the State of Oregon.

21. Right of First Offer. Upon closing and for a three year period thereafter, Buyer shall not negotiate or enter into any agreement with any other party with respect to the sale of the Real Estate, whether directly, indirectly, by operation of law or otherwise, before first offering to Seller the right to purchase the Real Estate upon the following terms:

21.1 Buyer, a subsequent owner-in-interest, or its assigns shall give Seller written notice of their desire to sell the Real Estate and of the intended offering price. In the event that Seller desires to purchase the Real

Estate, either at the offering price indicated by the buyer or at the then-current market value. Seller shall give written notice of this intent within seven (7) days after receipt of the notice of the intent to sell.

21.2 If Seller does not give notice of its interest in purchasing the Real Estate within the timeline set forth above, Buyer shall have no further rights in the Real Estate.

21.3 If Seller provides notice of its intent to purchase the property consistent with the terms above, the parties will negotiate and execute a purchase and sale agreement providing for a 90-day due diligence period and that Buyer shall not negotiate or enter into any agreement with any other party with respect to the sale of the Real Estate.

22. ~~21.~~ Lease(s) and Personal Property.

22.1 ~~21.1~~ Leases.

22.1.1 ~~21.1.1~~ If required by Buyer or Buyer's lender and provided for in such Tenant's Lease, Seller shall use commercially reasonable efforts to deliver to Buyer, at least ~~55~~ days (~~three (3) if not filled in~~) before the Closing Date, a Tenant estoppel certificate, reasonably acceptable to Buyer, pertaining to each Lease at the Property in effect as of the Closing Date (each, a "~~Tenant Estoppel~~"). Such Tenant Estoppels shall be dated no more than ~~15~~ days (~~fifteen (15) if not filled in~~) prior to the Closing Date and shall certify, among other things: (a) that the Lease is unmodified and in full force and effect, or is in full force and effect as modified, and stating the modifications; (b) the amount of the rent and the date to which rent has been paid; (c) the amount of any security deposit held by Seller; and (d) that neither party is in default under the Lease or if a default by either party is claimed, stating the nature of any such claimed default. If Seller has not obtained Tenant Estoppels from all Tenants of the Property, then Seller shall execute and deliver to Buyer a Tenant Estoppel with respect to any such Lease setting forth the information required by this Section 21.1 and confirming the accuracy thereof.

22.1.2 ~~21.1.2~~ If applicable, the assignment of the Lease(s) by Seller, and assumption of the Lease(s) by Buyer shall be accomplished by executing and delivering to each other through Escrow an Assignment of Lessor's Interest under Lease substantially in the form of Exhibit B attached hereto (the "~~Assignment~~").

22.2 ~~21.2~~ Personal Property. If applicable, Seller shall convey all Personal Property to Buyer by executing and delivering to Buyer at Closing through Escrow (as defined below), a Bill of Sale substantially in the form of Exhibit C attached hereto (the "~~Bill of Sale~~"). A list of such Personal Property shall be attached to the Bill of Sale.

23. ~~22.~~ Residential Lead-Based Paint Disclosure. IF THE PROPERTY CONSISTS OF RESIDENTIAL HOUSING BUILT PRIOR TO 1978, BUYER AND SELLER MUST COMPLETE THE LEAD-BASED PAINT DISCLOSURE ADDENDUM ATTACHED HERETO AS EXHIBIT D.

24. ~~23.~~ Addenda; Exhibits. The following named addenda and exhibits are attached to this Agreement and incorporated within this Agreement:

- ☒ Exhibit A ~~Legal Description of Property~~ **[REQUIRED]**
- ☒ Exhibit B ~~Additional Terms to Purchase and Sale Agreement~~
- ☒ Exhibit C ~~Form of Quit Claim Deed and Escrow Instructions~~

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Exhibit D ~~AS~~ Lead Paint Disclosure Addendum (if applicable)Exhibit E ~~AS~~ IS Exceptions (if applicable)

~~25. 24.~~ Time for Acceptance. If Seller does not return to Buyer a signed and dated version of this Agreement on or before 5:00 PM Pacific Time on ~~June~~November 30, 2017, 2021, then the Earnest Money shall be promptly refunded to Buyer and thereafter, neither party shall have any further right or obligation hereunder.

~~26. 25.~~ OFAC Certification. 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:

~~26.1 25.1~~ 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

~~26.2 25.2~~ 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.

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 foregoing certification. This certification by Buyer and agreement to indemnify, hold harmless, and defend Seller shall survive Closing or any termination of this Agreement.

Buyer Signature: _____ Date: _____

CONSULT YOUR ATTORNEY. THIS DOCUMENT HAS BEEN PREPARED FOR SUBMISSION TO YOUR ATTORNEY FOR REVIEW AND APPROVAL PRIOR TO SIGNING. NO REPRESENTATION OR RECOMMENDATION IS MADE BY THE COMMERCIAL ASSOCIATION OF REALTORS® OREGON/SW WASHINGTON OR BY THE REAL ESTATE AGENTS INVOLVED WITH THIS DOCUMENT AS TO THE LEGAL SUFFICIENCY OR TAX CONSEQUENCES OF THIS DOCUMENT.

THIS FORM SHOULD NOT BE MODIFIED WITHOUT SHOWING SUCH MODIFICATIONS BY REDLINING, INSERTION MARKS, OR ADDENDA.

Buyer Willamette Stone Partners, LLC or assigns
 By _____ Kerry Hughes
 Title _____ Manager
 Date _____

Seller Acceptance. By execution of this Agreement, Seller agrees to sell the Property on the terms and conditions in ~~his~~this Agreement.

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~~Buyer~~ ~~City of~~ Seller Oregon City Urban Renewal District
By _____ Anthony J. Konkol, III
Title _____ Executive Director
Date _____

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CRITICAL DATE LIST:

The last party to execute this Agreement shall complete the information below (the "Critical Date List"), initial where indicated, and return a copy of the same to the other party for such party's review. This Critical Date List is for reference purposes only and, in the event of a conflict between this Critical Date List and the Agreement, the terms of the Agreement shall prevail.

	DATE:
• Execution Date (introductory <u>Introductory</u> paragraph):	7/21/2017
• Earnest Money due date (Section 1.2.1(a)):	Five days after execution <u>Five days after execution</u>
• Seller shall open Escrow with the Escrow Holder (Section 1.2.1(a)):	Before <u>5</u> days after the Execution Date
• Seller shall deliver Seller's documents to Buyer (Section 4):	Within <u>7</u> days after the Execution Date
• Seller shall deliver Preliminary Report to Buyer (Section 5):	Within <u>7</u> days after the Execution Date
• Buyer's title objection notice due to Seller (Section 5):	Within <u>5</u> days after receipt of the Preliminary Report
• Seller's title response due to Buyer (Section 5):	Within <u>5</u> days after receipt of Buyer's title objection notice
• Title Contingency Date (Section 5):	Within <u>5</u> days after receipt of Seller's title response
• Expiration date for satisfaction of General Conditions (Section 2.1):	Within <u>120</u> days of the Execution Date
• Expiration date for satisfaction of Financing Condition (Section 2.1):	Within 95 <u>5</u> days of the Execution Date
• By this date, Buyer must deliver the notice to proceed contemplated in Section 2.2.	Within <u>120</u> days of the Execution Date
• Closing Date (Section 7.1):	Within 30 days of issuance of building permits or, issuance of construction loan- whichever is sooner, <u>fully executed lease of tenant, and recordable memorandum of right of first offer</u>

Initials of Buyer: _____ Initials of Seller: _____ Initials of Buyer: _____ Initials of Seller: _____
 Initials of Buyer: _____ Initials of Seller: _____

**FOURTH AMENDMENT
TO
PURCHASE AND SALE AGREEMENT**

THIS FOURTH AMENDMENT TO PURCHASE AND SALE AGREEMENT (the "**Fourth Amendment**"), dated as of October 30, 2021, is made by and OREGON CITY URBAN RENEWAL AGENCY, the duly designated Urban Renewal Agency of the City of Oregon City ("**Seller**"), and WILLAMETTE STONE, LLC ("**Purchaser**"), with reference to the following:

WHEREAS, Purchaser (as successor-in-interest to Willamette Stone Partners, LLC) and Seller are parties to that certain Purchase and Sale Agreement dated as of June 21, 2017, as amended prior to the date hereof (as amended the "**PSA**");

WHEREAS, Seller, and Seller's Urban Renewal Commission (URC) met October 6, 2021 to review and vote on a proposal presented by Purchaser to redesign and develop the Project as a mixed-use commercial building with restaurant/food and beverage space; and

WHEREAS, Seller and Purchaser have agreed to enter into this Fourth Amendment to allow sufficient time for the parties to negotiate and execute a revised and restated purchase and sale agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Purchaser and Seller hereby agree to the following:

1. Terms. All initially capitalized terms which are used in this Fourth Amendment, but not otherwise defined herein, shall have the same meanings as ascribed thereto in the PSA.
2. Site Approval Period. The Site Approval Period is hereby extended to expire on November 30, 2021.
3. Purchase and Sale Agreement Ratified. In all other respects, except as otherwise provided by this Fourth Amendment, the undersigned hereby ratify and confirm the PSA which remains in full force and effect.
4. Counterparts. This Fourth Amendment may be executed in counterparts, each of which shall be deemed an original and all of said counterparts shall constitute but one and the same instrument. Signatures delivered via facsimile or other electronic means shall be accepted as if original.

[Signature page follows.]

IN WITNESS WHEREOF, the undersigned hereby execute this Third Amendment to be effective as of October 20, 2021.

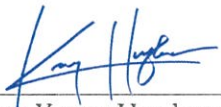
SELLER:

OREGON CITY URBAN RENEWAL AGENCY,
the duly designated Urban Renewal Agency of the City of Oregon City

By: 
Name: Anthony J. Konkol, III
Title: Executive Director
Date: 10/20/21

PURCHASER:

WILLAMETTE STONE, LLC

By: 
Name: Kerry Hughes
Title: Manager
Date: 10/20/21