

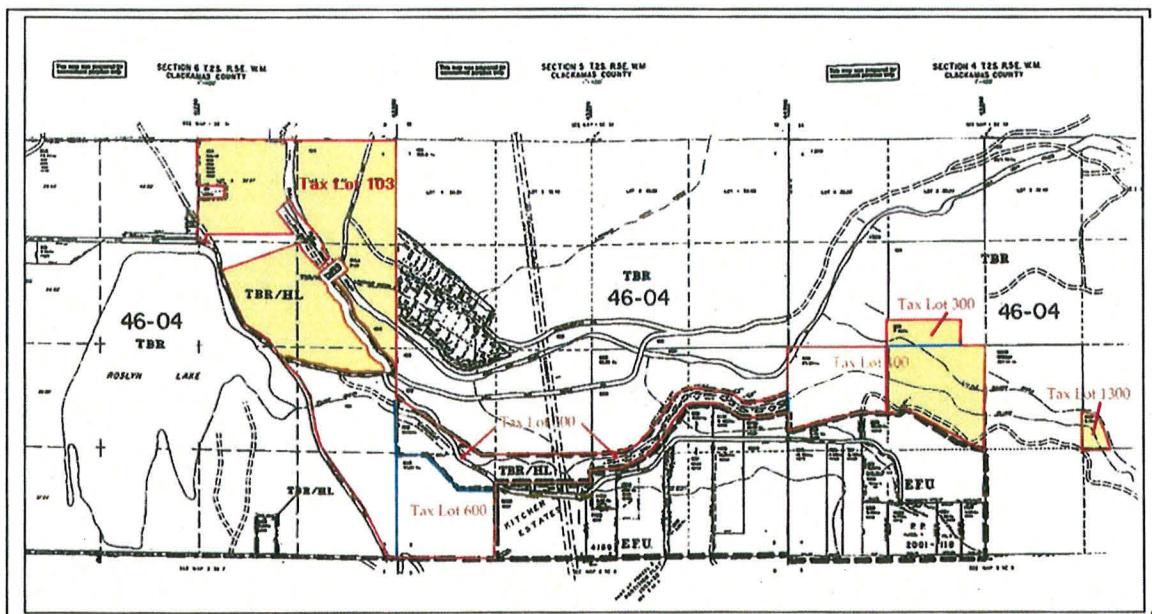
**Exhibit A****Parcels to be Acquired**

<b>Parcels to be acquired at price indicated:</b>	<b>Acreage</b>	<b>Price</b>
T.2S, R.5E, Sec. 6 Tax Lot 103	139.16	\$1,057,000.
T.2S, R.5E, Sec. 4 Tax Lot 300	7.50	\$ 127,000.
T.2S, R.5E, Sec. 4 Tax Lot 1300	3.70	\$ 15,000.
<u>T.2S, R.5E, Sec. 4 Tax Lot 400 (east half)</u>	<u>30.00</u>	<u>\$ 363,000.</u>
<b>TOTALS FOR PARCELS PURCHASED</b>	<b>180.36 Acres</b>	<b>\$1,562,000.</b>

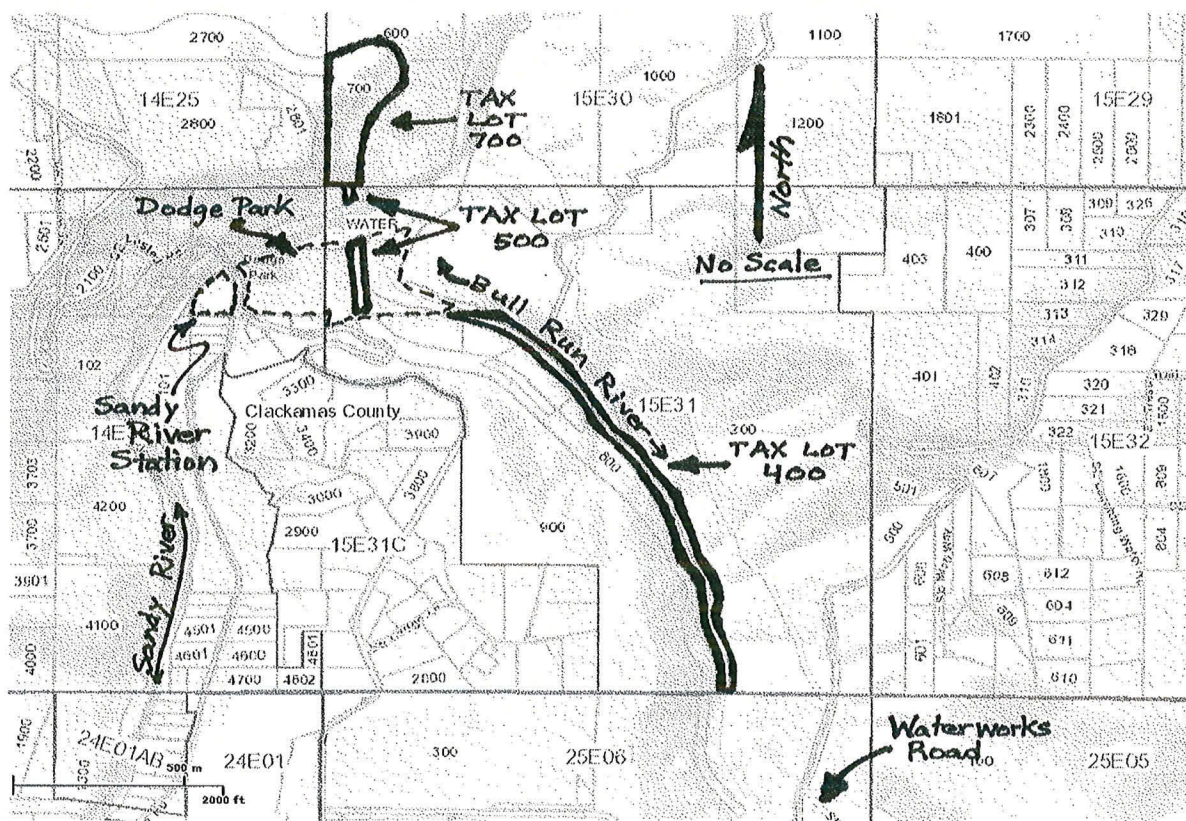
<b>Additional parcels to be acquired at no cost:</b>	<b>Acreage</b>	
T.1S, R.5E, Sec. 30, Tax Lot 700	9.34	\$ 1.
T.1S, R.5E, Sec. 31, Tax Lot 500	3.04	\$ 1.
<u>T.1S, R.5E, Sec. 31, Tax Lot 400</u>	<u>12.00</u>	<u>\$ 1.</u>
<b>TOTALS FOR PARCELS OF NO COST</b>	<b>24.38 Acres</b>	<b>\$ 3.</b>

<b>TOTALS FOR ALL PARCELS</b>	<b>204.74 Acres</b>	<b>\$1,562,003.</b>
-------------------------------	---------------------	---------------------

**Ordinance**  
**Exhibit "A" – Page 2 of 2**  
**Maps of Parcels to be Acquired**



**Clackamas County Plat Map – 2S-5E, sections 4, 5 and 6** Bull Run/Little Sandy Property (181.89ac)



**EXHIBIT B**

**Parcel Valuations and Acquisition Costs**

Clackamas County Property ID	Parcel State ID	Parcel Notes	Land Acquisition Map Parcel	Parcel Area (Acres)	Land Value at \$900 per Acre	Merchantable Timber Value	Reproductive Timber Value	Calculated Value (Land & Timber)	Final Agreed Value (Land & Timber)	Comments
C201621	25E04 00300		Parcel F	7.50	\$6,750	\$120,525	\$0	\$127,275	\$127,000	In Watershed. NE of Phelps Road, N. of Little Sandy River.
C201624	25E04 00400	(East 1/2 of tax lot)	Parcel G	30.00	\$27,000	\$343,735	\$0	\$370,735	\$363,000	Partly in Watershed. NE of Phelps Road, N & S of Little Sandy River.
C201638	25E04 01300		Parcel H	3.70	\$3,330	\$0	\$12,230	\$15,560	\$15,000	In Watershed. Mostly S. of Little Sandy River.
	25E06 00103	See Note 3	Portion of Parcel E	139.16	\$125,244	\$948,741	\$186,142	\$1,260,127	\$1,057,000	Portion of Parcel 3 of Partition Plat #2011-071.
C225781	15E30 00700		Parcel A	9.34	\$0	\$0	\$0	\$0	\$1	Adjacent to Dodge Park, N. of Sandy River. Conduits route.
C225810	15E31 00500	See Note 1	Parcel B & C	3.04	\$0	\$0	\$0	\$0	\$1	Within Dodge Park. Former trolley bridge parcel, spans Sandy River.
C225855	15E31 00400	See Note 2	Parcel D	12.00	\$0	\$0	\$0	\$0	\$1	20' linear strip adjacent & parallel to S. side Bull Run River.
TOTALS FOR ABOVE DATA				204.74	\$162,324	\$1,413,001	\$198,372	\$1,773,698	\$1,562,003	
Property Appraisal (Water's share = 50% of total fee of \$11,500):									\$5,750	
Timber Valuation (Water's share = 50% of total fee of \$9,000):									\$4,500	
Estimated Escrow fees and Closing costs (Water's share):									\$15,000	NOT YET PROVIDED BY TITLE COMPANY VIA WRC NOT ACCURATE WITHOUT ESCROW AND CLOSING COSTS
TOTAL ESTIMATED PURCHASE COSTS:									\$1,587,253	
Note 1: Parcel B (N. of river): 0.81 Acres; Parcel C (S. of river): 2.23 Acres; total of 3.04 Acres. County Assessor records disagree on the size of this parcel (15E31 00500). Some show 2.13 Acres total.										
Note 2: County Assessor records disagree on the size of this parcel (15E31 00400). Some show 9.05 Acres. Some show 7.50 Acres.										
Note 3: Timber values for this parcel are calculated as 80% of the values for the larger (139.16 acre) "parent" parcel.										

185691

## Exhibit C

**Purchase and Sale Agreement**

This is an Agreement dated October\_\_\_\_, 2012, between WESTERN RIVERS CONSERVANCY, a nonprofit Oregon public benefit corporation (hereinafter referred to as "Seller"), and the CITY OF PORTLAND through its Water Bureau, a municipal corporation of the State of Oregon (hereinafter referred to as "Buyer").

**Recitals**

A. The addresses and telephone numbers of the parties to this Agreement are as follows. Telephone numbers are included for information only.

**Buyer:**

City of Portland – Water Bureau  
1120 SW Fifth Avenue, Room 600  
Portland, OR 97204  
Attn: David Shaff, Administrator  
503/823-2222  
503/823-6133 *fax*

**Copies of any notice to Buyer should also be sent to:**

**Seller:**

Western Rivers Conservancy  
71 SW Oak Street, Suite 100  
Portland, OR 97204  
Attn: Sue Doroff  
Email: sdoroff@westernrivers.org  
503/241-0151  
503/241-0374 *fax*

**Copies of any notice to Seller should also be sent to:**

Western Rivers Conservancy  
71 SW Oak Street, Suite 100  
Portland, OR 97204  
Attn: Josh Kling  
Email: jkling@westernrivers.org  
503/241-0151  
503/241-0374 *fax*

**And**

Western Rivers Conservancy  
71 SW Oak Street, Suite 100  
Portland, OR 97204  
Attn: Rob Griffith  
Email: rgriffith@westernrivers.org  
503/241-0151  
503/241-0374 *fax*

B. Seller is the owner of 204.74 acres (more or less) of real property located in Clackamas County, State of Oregon, and more particularly described in Attachment "A", attached hereto. Said real property, together with any and all appurtenances, including but not limited to improvements, fixtures, water, timber, minerals, water rights, access rights, grazing rights, and timber rights shall be referred to in this Agreement as the "Property."

C. Buyer acknowledges that Seller is entering into this Agreement in its own right, and that Seller is not an agent of any other governmental agency or of any other entity.

**The Parties Agree As Follows:**

1. Purchase and Sale. Seller hereby agrees to sell, and Buyer (subject to final approval by the City Council of the City of Portland, Oregon) hereby agrees to buy, the Property on the terms and conditions as set forth in this Agreement.
2. Purchase Price. The purchase price for the Property shall be One Million Five Hundred Sixty-Two Thousand Three Dollars (\$1,562,003) to be paid in cash at closing, which shall occur on or before November 15, 2012. In addition to said purchase price, Seller and Buyer shall each pay additional costs, fees, assessments and charges at closing, as described in provision "8" of this Agreement. The Property consists of multiple parcels. The total purchase price shall be allocated on a per parcel basis as described in Attachment "C", attached hereto.
3. Escrow and Closing. Upon execution of this Agreement the parties shall open an escrow with Chicago Title Insurance Co., 10001 SE Sunnyside Road, Suite 110, Clackamas, OR 97015, phone (503)794-5860 (the "Escrow Holder") for the purpose of closing the purchase and sale of the Property.
4. Title. Attached hereto as Attachment "B" is a preliminary title commitment dated as of August 21, 2012, issued by Escrow Holder, which covers the Property. At closing, Seller shall deliver to Buyer its good and sufficient Warranty Deed to the Property, free and clear of all encumbrances or defects except those contained within the preliminary title commitment (as updated) which have been reviewed and accepted in writing by the Buyer prior to closing. Buyer shall have ten (10) days from receipt of the updated preliminary title commitment in which to review and accept the commitment contents or request corrections or adjustments. Seller shall have twenty (20) days to have corrections or adjustments made. If corrections or adjustments cannot be made to the satisfaction of the Buyer, the Buyer may, in Buyer's sole discretion, elect to renegotiate or cancel this Agreement and the Purchase and Sale, without obligation or liability of any kind to Seller or to Escrow Holder.
5. Sellers' Representations. Seller makes the following representations and warranties:
  - a. Seller has full power and authority to enter into this Agreement, and to sell the Property in accordance with this Agreement.
  - b. Buyer is entitled to exclusive possession of the Property at the close of escrow. Seller warrants that no third party has a lawful claim of possession, leasehold or otherwise, excepting those exceptions noted in the attached Attachment "B", as it may be updated pursuant to Section 4, above.
  - c. To Seller's actual knowledge as to the Property or any portion thereof or interest therein, there is no:

(1) Suit, action, arbitration, legal, administrative or other proceeding or inquiry pending or threatened against the Property, or against Seller, which could affect Seller's title to the Property, could affect the value of the Property, or could subject an owner of the Property to liability.

(2) Intended public improvement which will result in the creation of any lien upon the Property or any portion thereof.

(3) Uncured notice which has been served upon Seller from any governmental agency notifying Seller of any violation of law, ordinance, rule or regulation which would affect the Property or any portion thereof.

(4) Actual or impending mechanic's or materialman's lien against the Property or any portion thereof.

(5) Notice or other information giving Seller reason to believe that any conditions existing on the Property or in the ground or surface waters associated with the Property may have a material effect on the value of the Property or subject the owner of the Property to potential liabilities under environmental laws.

(6) Lease, license, permit, option, right of first refusal or other agreement, written or oral, which affects the Property or any portion thereof except as has been approved by Buyer in writing.

(7) Hazardous or toxic waste or substance or other contaminant or pollutant (as defined by applicable law) in existence nor has any been released, manufactured, stored or discharged on or below the surface of the Property which constitutes a violation of any law, ordinance, rule or regulation of any governmental entity having jurisdiction thereof, or which subjects or may subject Buyer to liability to third parties.

d. Neither the signing of this Agreement nor the sale of the Property will constitute a breach or default under any agreement by which Seller is bound and/or to which the Property is subject.

6. Remedies Upon Default. Except as otherwise provided for herein, in the event either party defaults in the performance of any of its obligations under this Agreement, the other party shall, in addition to other remedies provided in this Agreement or by law or equity, have the right of specific performance.

7. Right To Enter For Inspection. At any time during the term of this Agreement, Buyer may, through its employees and agents and by prior notice to Seller of not less than 48 hours, enter upon the Property for the purpose of making such inspections and investigations as Buyer deems appropriate relating to any aspect of the Property. All such inspections shall be at Buyer's expense.



8. Prorations and Fees. Real property taxes on the Property shall be prorated as of the close of escrow based upon the latest available tax bill and County Assessor's tax account data. Buyer shall pay for any policy of title insurance which it may elect to obtain. All other fees, assessments and charges for closing shall be shared equally by the parties. Seller and Buyer shall share equally the cost of any assessment, tax, interest and/or penalty which may be due as a consequence of removing the Property from any special assessment or deferred tax program such as Farm or Forest Deferral, if any. If the actual amount of any such cost is not known at closing, an estimated amount shall be computed on the basis of evidence then available. In either case, a cash settlement based on the actual or computed estimated amount, as applicable, shall be made between Seller and Buyer as part of closing the escrow.
9. No Removal of Trees or Minerals. Seller covenants that it will not remove nor cause nor allow the removal of trees, gravel, minerals or the like from the Property during the period that this Agreement is in effect.
10. Non-Foreign Certification. Seller represents and warrants to Buyer that Seller is not a "foreign person" as that term is defined in Section 1445 of the Internal Revenue Code, and at closing Seller will deliver to Buyer a certification of non-foreign status in form required by Internal Revenue Service regulations.
11. Notices. All notices pertaining to this Agreement shall be in writing delivered to the parties hereto by hand, courier service or Express Mail, or by certified mail, return receipt requested, postage prepaid, at the addresses set forth in Recital A. All notices shall be deemed given when deposited in the mail addressed to the party to be notified, or if delivered by hand, courier service or Express Mail, shall be deemed given when delivered.
12. Broker's Commission. Seller and Buyer each represent to the other that they have not used a real estate broker in connection with this Agreement.
13. Time of the Essence. Time is of the essence of this Agreement.
14. Binding on Successors. This Agreement shall be binding not only upon the parties, but also upon their personal representatives, assigns, and other successors in interest.
15. Additional Documents. Seller and Buyer agree to execute such additional documents, including escrow instructions, as may be reasonable and necessary to carry out the provisions of this Agreement.
16. Entire Agreement. This Agreement constitutes the entire agreement between Buyer and Seller pertaining to the subject matter contained in it, and supersedes all prior and contemporaneous agreements, representations, and understandings. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing by both parties.
17. No Merger. The obligations contained in this Agreement, except for those specifically discharged in escrow, shall not merge with transfer of title but shall remain in effect until fulfilled.

[illegible]



**SELLER:** Western Rivers Conservancy

**BUYER:** City of Portland, Oregon – Water  
Bureau

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

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

Name: \_\_\_\_\_

Name: David G. Shaff

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

Title: Administrator, Portland Water Bureau

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

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

**BUYER:** City of Portland, Oregon – Water  
Bureau

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

Name: Michael Stuhr

Title: Chief Engineer, Portland Water Bureau

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

**Attachment "A"**  
**LEGAL DESCRIPTION**

The parcels more particularly described on the following page(s) contain a total of 204.74 acres, more or less.

185691

**Attachment "B"**

(Preliminary title report dated as of August 21, 2012 follows)

Attachment "C"

185691

Allocation of Purchase Price

Property Designation	Acreage	Price
T.2S, R.5E, Sec. 6 Tax Lot 103 (north of Bull Run Rd)	139.16ac	\$1,057,000
T.2S, R.5E, Sec. 4 Tax Lot 300	7.50ac	\$ 127,000
T.2S, R.5E, Sec. 4 Tax Lot 1300	3.70ac	\$ 15,000
T.2S, R.5E, Sec. 4 Tax Lot 400 (east half)	30.00ac	\$ 363,000
T.1S, R.5E, Sec. 30, TL 700	9.34ac	\$ 1
T.1S, R.5E, Sec. 31, TL 500	3.04ac	\$ 1
T.1S, R.5E, Sec. 31, TL 400	12.00ac	\$ 1
<b>TOTAL INCLUDED IN PURCHASE PRICE =</b>	<b>204.74ac</b>	<b>\$1,562,003</b>