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TRANSPORTATION**LOCAL IMPROVEMENT DISTRICT PROGRAM
PETITION, AGREEMENT AND WAIVER FORM**

PROLOGIS

TO THE COUNCIL OF THE CITY OF PORTLAND:

The undersigned hereby petition the Council of the City of Portland to form a local improvement district in the manner and for the purposes described in Attachment A. The undersigned make this petition as the legal owner(s) or contract purchaser(s) of real property, described in Attachment A

A. Recitals.

1. ProLogis, a Maryland real estate investment trust, has contracted to purchase the following properties, which are collectively bounded by NE Marine Drive on the north, NE 148th Avenue on the east, the north arm of the Columbia Slough on the south, and the cross-dike on the west:
 - a) Property with State ID #1N2E13C 500; tax account #R942130140; legal description SECTION 13 1N 2E; TL 500 2.59 ACRES in its entirety; currently owned by the Trapold family; 112,953 square feet; transaction expected to close in February 2005
 - b) Property with State ID #1N2E13C 600; tax account #R942130110; legal description SECTION 13 1 N 2 E; TL 600 2.00 ACRES in its entirety; currently owned by the Trapold family; 86,864 square feet; transaction expected to close in February 2005
 - c) Property with State ID #1N2E13C 700; tax account #R942130130; legal description SECTION 13 1N 2E; TL 700 1.82 ACRES in its entirety; currently owned by the Trapold family; 87,214 square feet; transaction expected to close in February 2005
 - d) Property with State ID #1N2E13C 701; tax account #R942130180; legal description SECTION 13 1N 2E; TL 701 2.36 ACRES in its entirety; currently owned by the Trapold family; 98,111 square feet; transaction expected to close in February 2005
 - e) Property with State ID #1N2E24B 1900; tax account #R942240420; legal description SECTION 24 1 N 2 E; TL 1900 18.52 ACRES in its entirety; currently owned by the Trapold family; 806,739 square feet; transaction expected to close in February 2005
 - f) Property with State ID #1N2E24B 600; tax account #R942240380; legal description SECTION 24 1 N 2 E; TL 600 2.87 ACRES in its entirety; currently owned by Bryant LLC; 124,197 square feet; transaction expected to close in April 2004

- g) Property with State ID #1N2E24B 700; tax account #R942240310; legal description SECTION 24 1 N 2 E; TL 700 7.64 ACRES; currently owned by the Trapold family; currently 344,496 square feet; transaction expected to close in February 2005
1. The new southern boundary of the property will run from the current northwest corner of the property with State ID #1N2E24B 500; tax account R942240160; legal description SECTION 24 1 N 2 E; TL 500 0.96 ACRES to the current southeast corner of the property with State ID #1N2E24B 1900; tax account #R942240420; legal description SECTION 24 1 N 2 E; TL 1900 18.52 ACRES; this property will be bifurcated by the ProLogis site development boundary
 2. ProLogis will acquire the portion of this property north of the new southern boundary, which will cause its size to decrease by 72,868 square feet to 271,628 square feet
 3. Trapold will retain ownership of the portion of this property south of the new southern boundary, which will be included in property with State ID #1N2E24B 500; tax account #R942240160; legal description SECTION 24 1 N 2 E; TL 500 0.96 ACRES
2. The following properties are also included in the proposed NE 148th Avenue Local Improvement District, but will not be acquired by ProLogis:
- a) Property with State ID #1N2E24 1500; tax account #R942240630; legal description SECTION 24 1 N 2 E; TL 1500 11.98 ACRES owned by JPI Partnership
 - b) Property with State ID #1N2E24B 100; tax account #R942240450; legal description SECTION 24 1N 2E; TL 100 13.05 ACRES, owned by Portland Habilitation Center
 - c) Property with State ID #1N2E24B 400; tax account #R942240760; legal description SECTION 24 1 N 2 E; TL 400 1.17 ACRES; owned by L&W Investments
 - d) Property with State ID #1N2E24B 500; tax account #R942240160; legal description SECTION 24 1 N 2 E; TL 500 0.96 ACRES; ownership of which will be retained by the Trapold family in its entirety; 41,724 square feet; the lot line adjustment cited in Section A.1.g above will cause its size to increase by 72,868 square feet to 114,592 square feet
 - e) Property with State ID #1N2E13C 800; tax account #R942130120; legal description SECTION 13 1N 2E; TL 800 1.07 ACRES; owned by the Portland Water Bureau
3. Upon Council approval, the LID assessment would be split into two zones:
- a) Zone A would be assessed on an abutting linear footage basis, and would include the following properties:
 1. Property with State ID #1N2E24 1500; tax account #R942240630; legal description SECTION 24 1 N 2 E; TL 1500 11.98 ACRES owned by JPI Partnership
 2. Property with State ID #1N2E24B 400; tax account #R942240760; legal description SECTION 24 1 N 2 E; TL 400 1.17 ACRES; owned by L&W Investments
 3. Property with State ID #1N2E24B 500; tax account #R942240160; legal description SECTION 24 1 N 2 E; TL 500 0.96 ACRES; owned by the Trapold family
 - b) Zone B would include all other properties in the LID, and would be assessed on a square footage basis

4. In consideration for expediting formation of the LID, ProLogis wishes to voluntarily assume all of the following properties' assessments, with the amount of the final assessment being contingent upon the final cost of improving NE 148th Avenue south of the north line of the Trapold property with State ID #1N2E24B 500; tax account #R942240160; legal description SECTION 24 1 N 2 E; TL 500 0.96 ACRES; as determined by the Local Improvement District Administrator:
 - a) Property with State ID #1N2E24 1500; tax account #R942240630; legal description SECTION 24 1 N 2 E; TL 1500 11.98 ACRES owned by JPI Partnership; the assessment of which is estimated at \$22,919
 - b) Property with State ID #1N2E24B 400; tax account #R942240760; legal description SECTION 24 1 N 2 E; TL 400 1.17 ACRES; owned by L&W Investments; the assessment of which is estimated at \$6,634
 - c) Total assessments for these two properties is estimated at \$29,553
5. The assessments for costs of improvements in Zone A voluntarily assumed by ProLogis in Section 4 above will be apportioned among the following properties in Zone B on a square footage basis:
 - a) Property with State ID #1N2E24B 1900; tax account #R942240420; legal description SECTION 24 1 N 2 E; TL 1900 18.52 ACRES; additional estimated assessment \$20,003 beyond allocated Zone B project costs (67.7% of costs voluntarily assumed by ProLogis from Zone A). This property is specially benefited in the amount of the additional assessment.
 - b) Property with State ID #1N2E13C 500; tax account #R942130140; legal description SECTION 13 1N 2E; TL 500 2.59 ACRES; estimated assessment \$2,801 beyond allocated Zone B project costs (9.5% of costs voluntarily assumed by ProLogis from Zone A). This property is specially benefited in the amount of the additional assessment.
 - c) Property with State ID #1N2E13C 600; tax account #R942130110; legal description SECTION 13 1 N 2 E; TL 600 2.00 ACRES; estimated assessment \$2,154 beyond allocated Zone B project costs (7.3% of costs voluntarily assumed by ProLogis from Zone A). This property is specially benefited in the amount of the additional assessment.
 - d) Property with State ID #1N2E13C 700; tax account #R942130130; legal description SECTION 13 1N 2E; TL 700 1.82 ACRES; estimated assessment \$2,162 beyond allocated Zone B project costs (7.3% of costs voluntarily assumed by ProLogis from Zone A). This property is specially benefited in the amount of the additional assessment.
 - e) Property with State ID #1N2E13C 701; tax account #R942130180; legal description SECTION 13 1N 2E; TL 701 2.36 ACRES; estimated assessment \$2,432 beyond allocated Zone B project costs (8.2% of costs voluntarily assumed by ProLogis from Zone A). This property is specially benefited in the amount of the additional assessment.
 - f) Property with State ID #1N2E24B 600; tax account #R942240380; legal description SECTION 24 1 N 2 E; TL 600 2.87 ACRES will be assessed allocated Zone B project costs, but no portion of Zone A costs.
 - g) Property with State ID #1N2E24B 700; tax account #R942240310; legal description SECTION 24 1 N 2 E; TL 700 7.64 ACRES will be assessed allocated Zone B project costs, but no portion of Zone A costs.

B. Waivers. In making this petition, the undersigned agree to the following waivers:

1. All rights to a public hearing on the formation of the NE 148th Avenue Local Improvement District (hereafter "Local Improvement District"), on the scope of the improvements to be made, on the method for apportioning final improvement costs, and on the amount of the final assessment.
2. All rights to remonstrate against the formation of the Local Improvement District and the final assessment of the Local Improvement District.
3. All irregularities or defects, jurisdictional or otherwise, in the process by which the local improvements are made to the property subject to this agreement, or in the process by which the Local Improvement District was formed or administered, or by which final assessment was made.

C. Terms and Conditions. The undersigned agree to the following terms and conditions:

1. ProLogis shall provide to the City a copy of the undersigned's most current financial statements by May 15, 2004.
2. ProLogis shall provide bonding to the City of Portland in the amount of \$1,370,837 which shall remain in force until the anticipated development is complete. However, once development is complete for an individual property and the Bureau of Development Services has issued a certificate of occupancy, the overall amount of bonding may be reduced by the amount of estimated assessment of this property. The LID Formation Ordinance will not be filed with City Council until this bonding is in place.
3. The City shall assess benefited property based on the apportionment method identified in Section A above consistent with the City's assessment policies and practices.
4. The LID boundary runs from the southeast corner of the intersection of NE 148th Avenue & Marine Drive east and south along the perimeter of the property with State ID #1N2E24B 100 to its southeast corner; then east, south and west along the perimeter of the parcel with State ID #1N2E24 1500 to the intersection of NE 148th Avenue and Airport Way; then west and north along the perimeter of the parcel with State ID #1N2E24B 400 to its northwest corner; then west and north along the perimeter of the parcel with State ID #1N2E24B 700 (prior to the lot line adjustment occurring) to the southeast corner of the parcel with State ID #1N2E24B 1900; then west and north along the perimeter of the parcel with State ID #1N2E24B 1900 to its northwest corner; then north and east along the perimeter of the parcel with State ID #1N2E13C 500 to its northwest corner; then east along NE Marine Drive to the intersection of NE 148th Avenue & Marine Drive.
5. In consideration for expediting the formation of the LID, all of the assessments for the properties identified in Section A.4 above will be proportionately spread among the properties identified in Sections A.5 above.
6. Upon the signature of the owners of all properties to which this waiver is binding, the properties identified in Section A.4 above will not be assessed for any portion of the project costs, except for the costs of any work on private property.

D. Obligation and Lien on Real Property

This Petition, Agreement and Waiver is for the benefit of the City of Portland, is intended as an obligation of the benefited property identified in Attachment A, and binds all subsequent purchasers. Special assessments, which result from construction of local improvements, are a lien on real property, enforceable through foreclosure and property sale. ProLogis agrees that the City of Portland will remove a lien on any single property identified in Section A.5 above only when the combined obligations of all properties have been satisfied in full. Therefore ProLogis also agrees that the City retains the right of foreclosure and property sale on all properties identified in Section A.5 above should the payment on any single property be in arrears, and/or if ProLogis fails to maintain bonding per the terms identified in Section C.2 above.

E. Petitioner's Signatures

<u>Alvin A Trapold</u>	Date: <u>5/5/04</u>
<u>Debra M Trapold</u>	Date: <u>5/5/04</u>
<u>Thomas A Trapold</u>	Date: <u>5-5-04</u>
<u>Sheila S Trapold</u>	Date: <u>5/5/04</u>
<u>Attorney - ProLogis</u>	Date: <u>5/10/04</u>

F. Notary's Declaration for ProLogis

STATE OF OREGON)
County of MULTNOMAH)

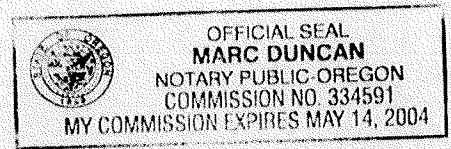
BE IT REMEMBERED, THAT on this 5th day of May, 2004, before me, the undersigned, a Notary Public in and for said county and state, personally ~~appeared, the within named~~ known to me to be the identical individual described in and who executed the within instrument and acknowledged to me that executed the same freely and voluntarily.

Thomas A
Trapold and
Sheila S
Trapold,

IN TESTIMONY WHEREOF, I have hereto set my hand and affixed my official seal the day and year last above written.

[Signature]
Notary Public for OREGON (state)

My Commission Expires
May 14, 2004




G. Notary's Declaration for Trapold Farms Inc

STATE OF OREGON)
County of MULTNOMAH)

BE IT REMEMBERED, THAT on this 5th day of May, 2004, before me, the undersigned, a Notary Public in and for said county and state, personally appeared the within named known to me to be the identical individual described in and who executed the within instrument and acknowledged to me that executed the same freely and voluntarily.

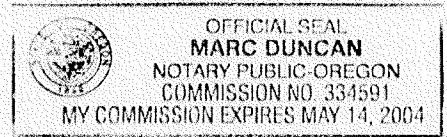
IN TESTIMONY WHEREOF, I have hereto set my hand and affixed my official seal the day and year last above written.



Notary Public for OREGON (state)

My Commission Expires

May 14, 2004

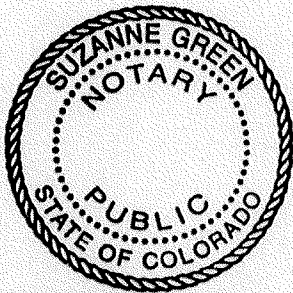


F. Notary's Declaration for ProLogis

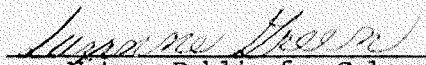
State of Colorado
County of Adams

Be It Remembered, that on this 10th day of May 2004, before me, the undersigned, a Notary Public in and for said County and State, personally appeared, Scott Strine, Vice President of ProLogis, known to me to be the identical individual described in and who executed the within instrument and acknowledged to me that executed the same freely and voluntarily.

In Testimony Whereof, I have hereto set my hand and affixed my official seal the day and last year above written.



My Commission Expires 02/07/2005



Notary Public for Colorado

My Commission Expires

02/07/2005

Alvin & Darlene
Trapold

State of Oregon)
County of Columbia

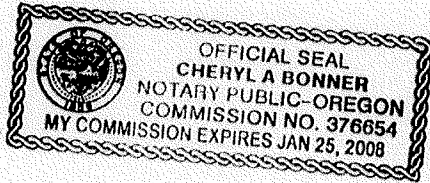
On this 5 day of May, 2004, before me, the undersigned, a Notary Public in and for the said county and state, personally appeared ~~the within named~~ known to me to be identical individuals described in and who executed the within instrument and acknowledged to me that executed the same freely and voluntarily.

In testimony whereof, I have hereto set my hand and affixed my official seal the day and year last written above.

Ceryl A Bonner

Notary Public, State of Oregon

My commission expires: Jan 25, 2008



City of Portland, Oregon
Petition, Agreement and Waiver for Constructing Local Improvements
Attachment A

1. Petitioner's Name and Mailing Address:

ProLogis
 Attn.: Scott Strine
 14100 East 35th Place, Suite 100
 Aurora, CO 80011

2. Description of Petitioner's Real Property to Benefit from the Local Improvement:

The map in Attachment B includes the following properties and assessable area after the lot line adjustment (ID# 1N2E24B 700; ID# 1N2E24B 500) that will assume other properties' assessments:

- a) Property with State ID #1N2E24B 1900
 Tax account #R942240420
 Legal description SECTION 24 1 N 2 E; TL 1900 18.52 ACRES
 806,739 assessable square feet
 Preliminary estimate of Zone A costs: \$623,914.64
 Preliminary estimate of Zone B costs: \$20,003.25
 Preliminary estimate of costs for both zones: \$643,917.89
- b) Property with State ID #1N2E13C 500
 Property Tax Account Number R942130140
 Legal description SECTION 13 1N 2E; TL 500 2.59 ACRES
 112,953 square feet
 Preliminary estimate of Zone A costs: \$87,355.43
 Preliminary estimate of Zone B costs: \$2,800.69
 Preliminary estimate of costs for both zones: \$90,156.12
- c) Property with State ID #1N2E13C 600
 Property Tax Account Number R942130110
 Legal description SECTION 13 1 N 2 E; TL 600 2.00 ACRES
 86,864 assessable square feet
 Preliminary estimate of Zone A costs: \$67,178.76
 Preliminary estimate of Zone B costs: \$2,153.81
 Preliminary estimate of costs for both zones: \$69,332.57
- d) Property with State ID #1N2E13C 700
 Property Tax Account Number R942130130
 Legal description SECTION 13 1N 2E; TL 700 1.82 ACRES
 87,214 assessable square feet
 Preliminary estimate of Zone A costs: \$67,449.44
 Preliminary estimate of Zone B costs: \$2,162.49
 Preliminary estimate of costs for both zones: \$69,611.93
- e) Property with State ID #1N2E13C 701
 Property Tax Account Number R942130180
 Legal description SECTION 13 1N 2E; TL 701 2.36 ACRES
 98,111 assessable square feet
 Preliminary estimate of Zone A costs: \$75,876.94
 Preliminary estimate of Zone B costs: \$2,432.68
 Preliminary estimate of costs for both zones: \$78,309.62

The map in Attachment B also includes the following properties and assessable area that will not assume other properties' assessments:

- a) Property with State ID #1N2E24B 600
Property tax account #R942240380
Legal description SECTION 24 1 N 2 E; TL 600 2.87 ACRES
124,197 assessable square feet
Preliminary estimate of Zone B costs: \$96,051.30

- b) Property with State ID #1N2E24B 700
Property tax account #R942240310
Legal description SECTION 24 1 N 2 E; TL 700 7.64 ACRES
344,496 current total square feet
Preliminary estimate of Zone B costs based on
271,628 assessable square feet anticipated after lot line adjustment:
\$210,071.27

3. Description of the Local Improvement District:

Title: NE 148th Avenue Local Improvement District
(LID Project Number C-10008)

Description of Local Improvements:

- a) Complete half-street improvement and full reconstruction of road from where existing westside curb ends on NE 148th Avenue north of Airport Way to point at which existing eastside curb ends, including new pavement, planting strip and sidewalk.
- b) Complete full street improvement and full reconstruction of road from point at which existing eastside curb ends to NE Marine Drive

Estimated Actual Zone A LID Costs:	\$142,940*
Estimated Actual Zone B LID Costs	\$1,641,218*
Total Estimated LID Costs	\$1,784,157
Zone A Assessable Abutting Linear Footage:	237
Estimated Assessment Rate per Abutting L.F.:	\$603.12*
Zone B Total Area prior to lot line adjustment:	2,271,366 s.f.
Zone B Assessable Area after lot line adjustment:	2,122,140 s.f.
Estimated Assessment Rate per Square Foot:	\$0.77337857*
*prior to reallocation of assessments	

4. Method of Apportioning Local Improvement Costs:






All improvement costs in Zone A will be apportioned based on the abutting linear footage of benefited property. All improvement costs in Zone B will be apportioned based on the assessable square footage area of benefited property, including additional voluntarily assumed costs identified in Sections A.5 in the Recitals section above. The recording costs shall be apportioned on a unit cost basis at a rate established by City Code and are included in section 3 above. Bonding costs are not included in section 3 above, and will be determined by the Auditor's Office if the property owners elect to finance their assessments. Bonding costs will include a loan creation fee of not less than \$40.00 per lien and a bond financing fee of not less than \$4.90 per \$1,000 of the loan amount.

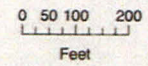
5. Petitioner's Signatures:

<u>Thomas A. Ferguson</u>	Date: <u>5-5-04</u>
<u>Sheldon Papale</u>	Date: <u>5/5/04</u>
<u>Scott June - ProLogis</u>	Date: <u>5/7/04</u>
_____	Date: _____
_____	Date: _____

**NE 148th Avenue
from NE Airport Way
to NE Marine Drive**



-  Subject Area Boundary
-  Taxlots Included in Subject Area
-  Prologis Site
-  Full Street Improvement
-  Half Street Improvement



Plot Date: 1/29/2004

ATTACHMENT B

185181