

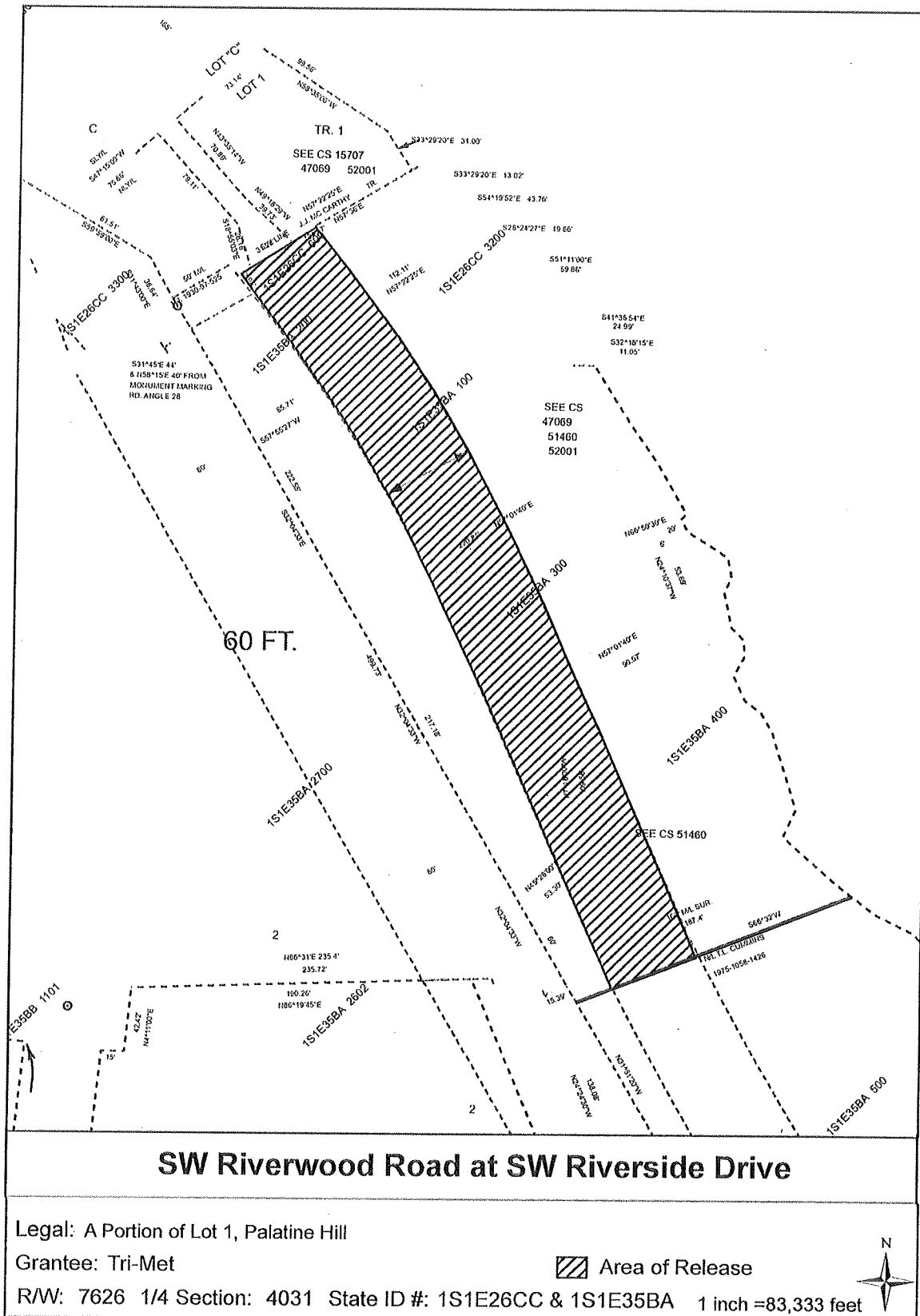
# Exhibit 1

186431

A 60 foot wide Easement, lying 30 feet on each side of the following described centerline, located in the Northwest 1/4 of Section 35 and the Southwest 1/4 of Section 26, Township 1 South, Range 1 East of the Willamette Meridian, Multnomah County, Oregon, running over a part of Lot 1, PALATINE HILL, a duly recorded plat, said centerline more particularly described as follows:

Commencing at an iron rod found as called for on Multnomah County Survey Record No. 47069, said iron rod being located at the intersection of the Easterly right-of-way line of County Road No. 680 with the Northerly line of that tract of land conveyed to T.L. Cummins as described in Book 1058, page 1426, Multnomah County Deed Records; thence North 66°32' East along said Cummins tract Northerly line 56.06 feet to its intersection with the centerline of the Southern Pacific Railroad Easement, said point being the true point of beginning of the herein described centerline; thence North 25°48'31" West 217.53 feet; thence along the arc of a 3819.75 foot radius curve to the left, through a central angle of 00°27'00" (the long chord of which bears North 26°26'13" West 30.00 feet) an arc length of 30.00 feet; thence along the arc of a 1909.91 foot radius curve to the left, through a central angle of 00°54'00" (the long chord of which bears North 27°06'43" West 30.00 feet) an arc length of 30.00 feet; thence along the arc of a 1273.32 foot radius curve to the left, through a central angle of 01°21'00" (the long chord of which bears North 28°14'13" West 30.00 feet) an arc length of 30.00 feet; thence along the arc of a 955.04 foot radius curve to the left, through a central angle of 10°30'17" (the long chord of which bears North 34°09'51" West 174.85 feet) an arc length of 175.10 feet; thence along the arc of a 1273.32 foot radius curve to the left, through a central angle of 01°21'00" (the long chord of which bears North 40°05'30" West 30.00 feet) an arc length of 30.00 feet; thence along the arc of a 1909.91 foot radius curve to the left, through a central angle of 00°28'43" (the chord of which bears North 41°00'21" West 15.95 feet) an arc length of 15.95 feet to a point on the Southerly line of that tract of land conveyed to J.J. McCarthy as described in P.S. Book 133, page 374, Multnomah County Deed Records, said point being the terminus of the herein described easement centerline.

## Exhibit 2



## Exhibit 3

20-

AND WHEN RECORDED MAIL TO

Name Williams, Fredrickson & Stark et al  
 Street 1600 SW Fourth, Suite 900  
 Address Portland, Or 97201  
 City  
 State  
 Zip

SPACE ABOVE THIS LINE FOR RECORDER'S USE

## EASEMENT

THIS INDENTURE, made this 5th day of October, 1988, from SOUTHERN PACIFIC TRANSPORTATION COMPANY, a Delaware corporation, herein called "Grantor" to CITY OF PORTLAND, a municipal corporation of the State of Oregon, herein called "Grantee";

WITNESSETH:

1. In fulfillment of Grantor's obligation under Section 6 of that certain OPTION TO PURCHASE REAL PROPERTY entered into between the parties as of January 30, 1987, Grantor hereby grants to Grantee an easement for the construction, reconstruction, maintenance and operation of a single track line for the operation of rail service upon, across and along and over a portion of real property of Grantor known as the Jefferson branch rail line all within the City of Lake Oswego, Clackama County, Oregon, from Wilsonia Station (Mile Post 768.209) to Lake Oswego Station, (Mile Post 744.25). Mile Post 744.25 is a point along the easterly right of way of State Street and immediately east of lot 10 Block 138 EXTENSION OF THE OREGON IRON AND STEEL COMPANY'S FIRST ADDITION TO OSWEGO.

88 43259

2. This grant is subject to all licenses, leases, easements, restrictions, conditions, covenants, liens and claims of title which may affect said property, and the rights of the holders of said rights, and the word "grant" as used herein shall not be construed as a covenant against the existence of any such claims. Grantor covenants that it has no knowledge of any such right the exercise of which would unreasonably interfere with the exercise by Grantee of its rights under this easement and Grantor further covenants to protect and hold Grantee harmless from any such unreasonable interference.

3. Each party agrees that it will assume and will indemnify and hold harmless the other party against all liability, cost and expense caused by its actions or omissions (or the actions or omissions of its agents, contractors, employees or invitees) or by defective property in its possession, care, custody or control. In the event of any combination of such factors involving both parties, each shall assume and will indemnify and hold harmless the other party against all liability, cost and expense for loss of or damage to property in its possession, care or control, and for injury to or death of its agents, contractors, employees or invitees. Any liability to third parties shall be divided between the parties hereto with respect to the relative negligence of each party. The provisions of this Section 3 are solely for the benefit of the parties hereto and shall not give rise to a claim or cause of action by or affect the liability of any third party. All covenants on the part of the Grantee are given only to the extent permitted by the law of the State of Oregon.

4. Grantee agrees to name Grantor as an additional insured under any general liability policy which Grantee has to the extent of Grantor's rights under Paragraph 3, above. No such policy presently exists or is contemplated.

5. This easement is granted to Grantee for the purpose stated in paragraph 1, above but only to serve as a line for rail passenger and related services. Transfer, assignment or sublease of this easement is permitted for the purposes herein stated so long as such transfer, assignment or sublease provides by its terms that the transfer, assignment or sublease is made expressly subject to the terms of this easement and that Grantee remains fully liable and responsible for its terms. If insurance is required of any assignee, transferee or sub-lessee the Grantor shall be named in such policy as additional insured. Any transfer of rights by Grantee to any third party for operation of commercial freight service shall be void as being beyond the scope of this easement.

6. Should Grantee convey the Jefferson branch line being served by this easement, for purposes other than rail service or should grantee by ordinance declare its intent to terminate its holding of the Jefferson branch line for rail purposes, then and in that event, the easement granted herein shall terminate and grantor shall at once have the right to resume exclusive possession of said property.

Upon termination of the rights and privileges hereby granted, Grantee, at its sole cost and expense, agrees to remove said rail line from said property and leave Grantor's property in a neat, safe and clean condition, failing in which Grantor may perform such work at expense of Grantee.

7. This indenture shall inure to the benefit of and be binding upon the successors and assigns of the parties.

IN WITNESS WHEREOF, Grantor and Grantee have caused these presents to be executed as of the day and year first herein written.

SOUTHERN PACIFIC TRANSPORTATION  
COMPANY

By: W. J. Lacy  
Title: Senior Vice President-Operating

APPROVED AS TO FORM:

CITY OF PORTLAND

STATE OF CALIFORNIA } ss.  
City and County of San Francisco

On this 5<sup>th</sup> day of October in the year One Thousand Nine Hundred and Eighty - EIGHT  
before me, BARBARA J. SLADE, a Notary Public in and for the City and County of San Francisco, State of California, personally appeared

W. J. Lacy

known to me (or proved to me on the basis of satisfactory evidence) to be the  
Senior Vice President - Operating  
of the corporation, described in and that executed the within instrument, and also known  
to me to be the person who executed it on behalf of the corporation, therein named  
and he acknowledged to me that such corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at my  
office in the City and County of San Francisco, the day and year in this certificate first above written.

Barbara J. Slade  
Notary Public in and for the City and County of San Francisco, State of California.

Corporation

My Commission Expires September 29, 1989

County of Multnomah } ss.

The foregoing instrument  
day of \_\_\_\_\_, 1  
\_\_\_\_\_ of the

STATE OF OREGON } ss.  
County of Clackamas

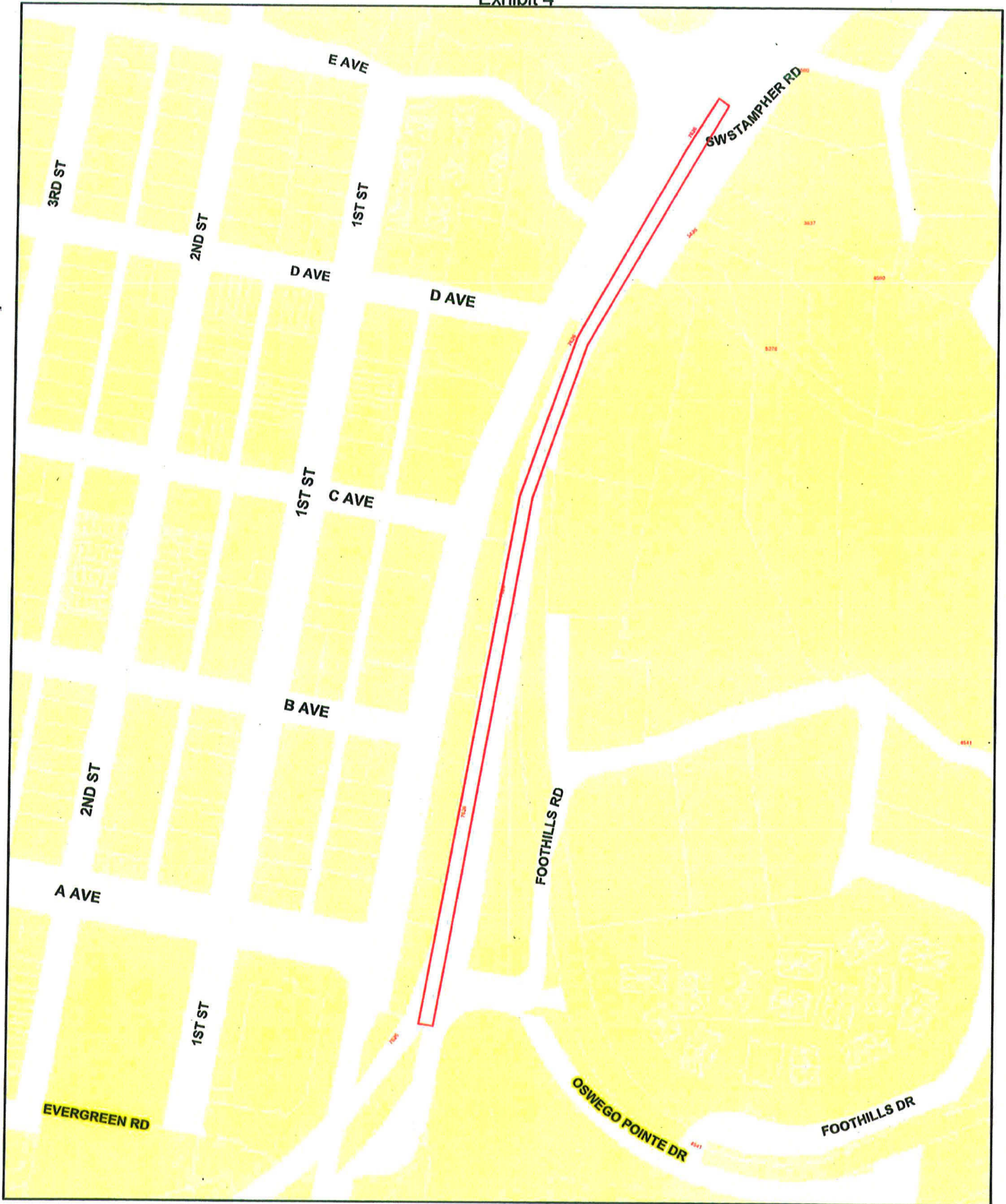
I, John F. Kautzman, County Clerk, for the County of  
Clackamas, do hereby certify that the instrument of  
writing was received for recording in the records of said  
county at



Witness my hand and seal affixed  
John F. Kautzman  
Notary Public  
88 43259

4

Exhibit 4



Easement area for Jefferson Branch, Lake Oswego, Clackamas County, Oregon;  
as described in Clackamas County Instrument No. 88-43259



**BILL OF SALE**

City of Portland, ("Seller") a municipal corporation, duly organized and existing under the laws of the State of Oregon, in consideration of the sum of \$10.00 and other good and valuable consideration, the receipt of which is now acknowledged, conveys to the Tri-County Metropolitan Transportation District of Oregon, an Oregon mass transit district, ("Buyer"), the following chattels in Multnomah and Clackamas Counties:

All of the trestles, roadbed, ballast, track (including spurs and sidings), ties, switches, signals, signs, fences, poles, lines, crossarms, guywires and anchors, and all other personal property currently attached to and/or situated on the railroad corridor from Lake Oswego to the City of Portland, previously conveyed and assigned to the Seller by Clackamas County Documents 88-43258 and 88-43259, recorded on October 17, 1988; and Multnomah County Documents recorded in Book 2150, Page 1582 (October 27, 1988) and Book 2261, Page 283 (December 15, 1989); free and clear of all encumbrances created or granted for security purposes, including but not limited to, security agreements, construction and tax liens.

It is understood and agreed that Buyer has examined the personal property herein sold and that this sale is made without any warranties and representations expressed or implied as to quality, condition, or fitness for any particular purpose of the personal property herein sold. Said property is sold as is and in its present location and with all faults.

IN WITNESS WHEREOF, the Seller above named has caused this instrument to be executed by its Director or designee for the Bureau of Transportation, this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

CITY OF PORTLAND

By: \_\_\_\_\_  
Bureau Director or designee

State of OREGON

County of MULTNOMAH

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, personally appeared \_\_\_\_\_, who being duly sworn, did say that he/she is the Director or designee for the Bureau of Transportation of the City of Portland, a municipal corporation, and that said instrument was signed on behalf of said corporation by authority of its City Council and acknowledged said instrument to be its voluntary act and deed.

Before me \_\_\_\_\_  
Notary Public for Oregon  
My Commission expires \_\_\_\_\_



186431

**Acknowledged and Agreed:**

Tri-County Metropolitan Transportation District of Oregon

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

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

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

State of OREGON

County of MULTNOMAH

This instrument was acknowledged before me on \_\_\_\_\_, 20\_\_\_\_, by  
\_\_\_\_\_, who is authorized to sign the  
foregoing instrument on behalf of the Tri-County Metropolitan Transportation District of  
Oregon.

\_\_\_\_\_  
Notary Public for Oregon

My Commission expires \_\_\_\_\_

APPROVED AS TO FORM:  
APPROVED AS TO FORM

  
\_\_\_\_\_  
City Attorney CITY ATTORNEY

**ASSIGNMENT**

The City of Portland, ("City" or "Grantor") a municipal corporation, duly organized and existing under the laws of the state of Oregon, does hereby assign, transfer and setover unto the Tri-County Metropolitan Transportation District of Oregon, an Oregon mass transit district, ("Grantee") all of City's right, title, and interest in and to all crossing agreements, property leases, and other interests shown on Exhibit "A" attached hereto and by reference made a part hereof; together with all of City's right, title and interest in and to that certain judgment entered in the Circuit Court Case entitled Southern Pacific Transportation Company v. Thomas and Emily Cummins, Circuit Court Case No. A8705-02900 and docketed April 20, 1988, together with all rights arising by way of collateral estoppel as to other parties bound by said judgment, together with all other rights of any nature associated or appurtenant to the Jefferson Street Branch rail line.

Grantee agrees to assume all of the obligations of City under the Assignment from Southern Pacific Transportation Company dated October 5, 1988, as if the Grantee were the original assignee thereunder.

IN WITNESS WHEREOF, the Grantor has caused this instrument to be executed by its Director or designee for the Bureau of Transportation, this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

CITY OF PORTLAND

By: \_\_\_\_\_  
Bureau Director or designee

State of OREGON

County of MULTNOMAH

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_, personally appeared \_\_\_\_\_, who being duly sworn, did say that he/she is the Director or designee for the Bureau of Transportation of the City of Portland, a municipal corporation, and that said instrument was signed on behalf of said corporation by authority of its City Council and acknowledged said instrument to be its voluntary act and deed.

Before me \_\_\_\_\_  
Notary Public for Oregon  
My Commission expires \_\_\_\_\_

**Acknowledged and Agreed:**

Tri-County Metropolitan Transportation District of Oregon

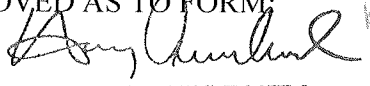
By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

State of OREGON

County of MULTNOMAH

This instrument was acknowledged before me on \_\_\_\_\_, 20\_\_\_\_, by  
\_\_\_\_\_, who is authorized to sign the  
foregoing instrument on behalf of the Tri-County Metropolitan Transportation District of  
Oregon.

\_\_\_\_\_  
Notary Public for Oregon  
My Commission expires \_\_\_\_\_

APPROVED AS TO FORM  
APPROVED AS TO FORM:  
 KSB  
CITY ATTORNEY

\_\_\_\_\_  
City Attorney

**Grantee's Name and Address**

Tri-Met  
1800 SW 1<sup>st</sup> Ave., Suite 300  
Portland, OR 97201

**QUITCLAIM DEED**

KNOW ALL PERSONS BY THESE PRESENTS, that the City of Portland, a municipal corporation, duly organized and existing under the laws of the State of Oregon, ("Grantor"), in consideration of the sum of One and no/100 Dollars (\$1.00), and other good and valuable consideration, does hereby remise, release and quitclaim unto Tri-County Metropolitan Transportation District of Oregon, an Oregon mass transit district, ("Tri-Met" or "Grantee"), and unto Grantee's successors and assigns, all of Grantor's right, title and interest in and to that certain easement interest with the tenements, hereditaments and appurtenances thereunto belonging or appertaining, situated in the County of Multnomah, State of Oregon, described as follows:

An easement for railway and related utility purposes over a strip of land sixty (60) feet wide lying thirty (30) feet on each side of the center line of the railroad track now existing on a portion of Tax Lots 3, 4, and 5 of Lot 1, in the duly recorded Plat of "Palatine Hill," more particularly described on the attached Exhibit A and depicted on Exhibit B.

THE INTENT OF THIS INSTRUMENT is to release all interest Grantor may have in and to that certain easement recorded December 15, 1989, in Book 2261, Page 283, Multnomah County Deed Records, Multnomah County, Oregon, as described above.

In addition to the release of the real property interests described above, Grantor is also transferring to Grantee related personal property described in the Bill of Sale attached as Exhibit C and other related interests described in the Assignment attached as Exhibit D.

TO HAVE AND TO HOLD, the same unto Grantee's successors and assigns forever.

*THIS SECTION IS INTENTIONALLY LEFT BLANK.*

---

R/W # 7626

1S1E26CC TL 600, 3200

1S1E35BA 100, 300, 400

After Recording Return to:

Karl Arruda, City of Portland

1120 SW 5th Avenue, 8th Fl

Portland, OR 97204

Tax Statement shall be sent to: No Change

IN WITNESS WHEREOF, the Grantor above named has caused this instrument to be executed by its Director or designee for the Bureau of Transportation, this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

CITY OF PORTLAND

By: \_\_\_\_\_  
Bureau Director or designee

State of OREGON

County of MULTNOMAH

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, personally appeared \_\_\_\_\_, who being duly sworn, did say that he/she is the Director or designee for the Bureau of Transportation of the City of Portland, a municipal corporation, and that said instrument was signed on behalf of said corporation by authority of its City Council and acknowledged said instrument to be its voluntary act and deed.

Before me \_\_\_\_\_  
Notary Public for Oregon  
My Commission expires \_\_\_\_\_

**Acknowledged and Agreed:**

Tri-County Metropolitan Transportation District of Oregon

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

State of OREGON

County of MULTNOMAH

This instrument was acknowledged before me on \_\_\_\_\_, 20\_\_\_\_, by  
\_\_\_\_\_, who is authorized to sign the foregoing  
instrument on behalf of the Tri-County Metropolitan Transportation District of Oregon.

\_\_\_\_\_  
Notary Public for Oregon

My Commission expires \_\_\_\_\_

APPROVED AS TO FORM:

APPROVED AS TO FORM

 KSB\_\_\_\_\_  
City Attorney CITY ATTORNEY

Grantee's Address:  
Tri-Met  
1800 SW 1st Ave., Suite 300  
Portland, OR 97201

### ASSIGNMENT OF EASEMENT

This Assignment of Easement (this "Assignment") is made by and among the City of Portland, a municipal corporation of the State of Oregon ("City") and Tri-County Metropolitan Transportation District of Oregon, an Oregon mass transit district, ("Tri-Met" or "Assignee"). City and Assignee are collectively the "Parties" or singly, a "Party".

#### Recitals

WHEREAS, City is the holder of an easement dated October 5, 1988 ("Easement"), granted by Southern Pacific Transportation Company ("Southern Pacific") for the construction, reconstruction, maintenance and operation of a single track line for the operation of rail service upon, across, along and over a portion of real property known as the Jefferson branch rail line all within the City of Lake Oswego, Clackamas County, Oregon. Said real property is more precisely described in the Easement, recorded as Document No. 88-43259 in the Clackamas County Recorder's Office, a copy of which is attached hereto as Exhibit A and incorporated by reference herein; and

WHEREAS, this property is also known as the southernmost portion of the Willamette Shore Line Right of Way; and

WHEREAS, in 2003 the Willamette Shore Line Consortium designated Tri-Met as the Right-of-Way Agent for the Consortium;

WHEREAS, the City wishes to transfer to Tri-Met the City's interest in the Easement to consolidate management of the Willamette Shore Line;

#### Agreement

NOW, THEREFORE, in consideration of the sum of One and no/100 Dollars (\$1.00),

R/W # 7626

SID 2S1E03DD

After Recording Return to:

Karl Arruda, City of Portland

1120 SW 5th Avenue, 8th Fl

Portland, OR 97204

Tax Statement shall be sent to: No Change

and other good and valuable consideration, to City paid by the Assignee, City and Assignee agree as follows:

The City hereby assigns and transfers unto Assignee, and its successors and assigns, the City's interest in the Easement and all rights and responsibilities as Grantee pursuant to said Easement;

IT IS UNDERSTOOD:

- A. Assignee agrees to assume all of the obligations of City under the Easement as if the Assignee were the original party thereunder.
- B. This Assignment is subject to the terms and conditions of all prior matters of record, including, but not limited to, the terms and conditions contained in the Easement.
- C. Assignee agrees to name City and Southern Pacific as additional insured parties under any general liability policy which Assignee obtains, to the extent of Southern Pacific's rights under Paragraph 3 of the Easement.

In addition to the release of the real property interests described above, Grantor is also transferring to Grantee related personal property described in the Bill of Sale attached as Exhibit B and other related interests described in the Assignment attached as Exhibit C.

IN WITNESS WHEREOF, the Grantor above named has caused this instrument to be executed by its Director or designee for the Bureau of Transportation, this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

CITY OF PORTLAND

By: \_\_\_\_\_  
Bureau Director or designee

State of OREGON

County of MULTNOMAH

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, personally appeared \_\_\_\_\_, who being duly sworn, did say that he/she is the Director or designee for the Bureau of Transportation of the City of Portland, a municipal corporation, and that said instrument was signed on behalf of said corporation by authority of its City Council and acknowledged said instrument to be its voluntary act and deed.

Before me \_\_\_\_\_  
Notary Public for Oregon  
My Commission expires \_\_\_\_\_



**Accepted:**

Tri-County Metropolitan Transportation District of Oregon

By: \_\_\_\_\_  
 Name: \_\_\_\_\_  
 Title: \_\_\_\_\_

State of \_\_\_\_\_

County of \_\_\_\_\_

This instrument was acknowledged before me on \_\_\_\_\_, 20\_\_\_\_, by \_\_\_\_\_  
 \_\_\_\_\_, who is authorized to sign the foregoing instrument  
 on behalf of the Tri-County Metropolitan Transportation District of Oregon.

\_\_\_\_\_  
 Notary Public for \_\_\_\_\_  
 My Commission expires \_\_\_\_\_

APPROVED AS TO FORM

*[Signature]* KSB

\_\_\_\_\_  
 CITY ATTORNEY  
 City Attorney