

41

RECORDING REQUESTED BY:
Fidelity National Title Company of Oregon

GRANTOR'S NAME:
City of Portland an Oregon Municipal Corporation

GRANTEE'S NAME:
City of Portland an Oregon Municipal Corporation

SEND TAX STATEMENTS TO:
City of Portland an Oregon Municipal Corporation
1120 SW 5th Room 1000
Portland, Or 97204 Attn Eli

AFTER RECORDING RETURN TO:
City of Portland an Oregon Municipal Corporation
1120 SW 5th Room 1000
Portland, Or 97204 Attn Eli

Multnomah County Official Records
C Swick, Deputy Clerk

2010-089784



\$41.00

00697460201000897840020024

07/21/2010 04:15:37 PM

1R-W DEED
\$10.00 \$11.00 \$15.00 \$5.00

Cnt=1 Stn=25 ATLJH

SPACE ABOVE THIS LINE FOR RECORDER'S USE

STATUTORY WARRANTY DEED

City of Portland an Oregon Municipal Corporation
Grantor, conveys and warrants to

City of Portland an Oregon Municipal Corporation, Grantee, the following described real property, free and clear of encumbrances except as specifically set forth below, situated in the County of Multnomah, State of Oregon:

See Exhibit One attached hereto and made a part hereof

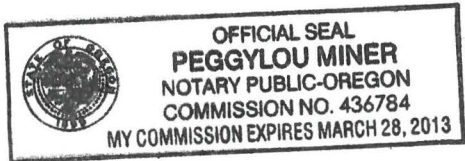
Subject to and excepting:

That the property be maintained in perpetuity for open space, passive recreational or wetlands management purposes only and

That no new structure is built on the property, except as provided in 44 CFR/206.434 (d) (1) (11) 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. THIS INSTRUMENT DOES NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007.

THE TRUE AND ACTUAL CONSIDERATION FOR THIS CONVEYANCE IS \$. (See ORS 93.030)

DATED: 7/7/10



City of Portland
X By Dean Marriot
mas Mr MW

State of OREGON
County of Multnomah
This instrument was acknowledged before me on July 7, 2010 by
DEAN MARRIOTT
as DIRECTOR of BES, CITY OF PORTLAND

Notary Public - State of Oregon
My commission expires: MARCH 28, 2013

Approved and accepted
X By _____
City of Portland

APPROVED AS TO FORM
[Signature]
CITY ATTORNEY

2009 0021287-02
00-1881800600

2

PRELIMINARY REPORT
(Continued)

Order No.: 20090021287-FTPOR02

EXHIBIT "ONE"

Lots 14, 15, the Southwesterly 10 feet of Lots 2 and 3, and that portion of Lot 3, Block 1, BYARS ADDITION TO ST. JOHNS, in the City of Portland, Multnomah County, Oregon, described as follows:

Beginning at the Northwest corner of said Lot 3; thence Northeasterly along the North line of said Lot 3, a distance of 25 feet to a point; thence Southerly a distance of 35.355 feet to a point on the Westerly line of said Lot 3; thence Northwesterly a distance of 25 feet along the West line of said Lot 3 to the point of beginning.

ADDENDUM TO OPTION AGREEMENT
Addendum A

This is an Addendum to Option Agreement Dated January 12, 2010

Buyer: City of Portland, an Oregon Municipal Corporation

Seller: Bridgeview Housing, LLC, an Oregon Limited Liability Company

The real property described as: Tax Lot 16500 1N1W01CC, Portland OR, Multnomah County

SELLER AND BUYER HEREBY AGREE THE FOLLOWING SHALL BE A PART OF THE OPTION AGREEMENT REFERENCED ABOVE.

1. Buyer and Seller acknowledge that a written Exercise Notice was given on April 15, 2010, by Virginia Bowers of Three Rivers Land Conservancy, acting on behalf of the City of Portland as the negotiator of the Option Agreement between the Buyer and Seller.

2. Buyer and Seller hereby agree to an extension of the Closing of the purchase of the referenced property to a date on or before July 10, 2010.

30

Buyer: CITY OF PORTLAND
By: *[Signature]* Date: 6-14-10

Seller: BRIDGEVIEW HOUSING, LLC
By: *[Signature]* Date: 6-10-10

MK
SPD *MLD*

APPROVED AS TO FORM

[Signature]
CITY ATTORNEY

OPTION TO PURCHASE REAL PROPERTY

THIS OPTION AGREEMENT (“Agreement”) is made between Bridgeview Housing LLC, an Oregon Limited Liability Company (“Seller”), and the City of Portland, an Oregon Municipal Corporation (“Buyer”).

RECITALS

- A. Seller owns fee simple title to the real property, described as Tax Lot 16500 1N1W01CC, Portland, OR, Multnomah County, described more particularly in Exhibit A attached hereto, (“Property”), which includes all appurtenances, including but not limited to all improvements, fixtures, permits, approvals, water rights, timber rights, mineral rights, grazing rights and access rights.
- B. The Buyer wishes to acquire an option to purchase the Property’s rights on the terms and conditions stated below.
- C. Seller has agreed to grant the Buyer an exclusive option to purchase the Property on the terms and conditions stated below.

TERMS

1. **Grant of Option.** Seller hereby grants to the Buyer, for a temporary period of time only, the sole and exclusive option to purchase the Property in the manner and for the prices stated in this Agreement.
2. **Option Terms.**
 - 2.1 Voluntary Transaction. This option and the potential acquisition of the Property is a voluntary transaction between the Seller and the Buyer, and meets the following conditions:
 - 2.2 Term. This Agreement shall become effective as of the last date of signature indicated below (“Effective Date”), and shall continue for 180 days (“Option Period”). The Option Period is referred to as the “Term” of the option.
 - 2.3 Exercise of Option. The Buyer may exercise this option by written notice to Seller at any time during the Option Period by stating that the Buyer has elected to exercise the option. Upon exercise of this option, and upon satisfaction of the terms and conditions stated below, the Buyer shall be obligated to purchase the Property from Seller and Seller shall be obligated to sell the Property to the Buyer, for the price and on the terms and conditions herein set forth.
 - 2.4 Failure to Exercise Option. If the Buyer fails for any reason to exercise this option in the manner set forth herein, the Buyer shall provide written notice to Seller to terminate option. Buyer shall have no further claim against or interest in the property, Buyer is entitled to full refund of the option money payment.

- 2.5 Seller Funding Option. If Seller applies for and secures funding to develop the Property,, Seller will notify buyer in writing that funding for development has been secured, and this Agreement shall be null and void. Option money shall be refunded to Buyer.
3. **Option Money.** For consideration in the amount of \$5,000 in the form of a promissory note to be placed into escrow within ten days of the Effective Date, Seller grants this option. The option money shall be deposited into escrow with *Fidelity National Title Company of Oregon* (“Escrow Holder”) at **686 NW Eastman Parkway, Gresham, OR 97030**. If the Buyer exercises the option, all option money paid shall be credited towards the purchase price at closing.
4. **Purchase Price and Terms.** If the Buyer exercises this option, the purchase price shall be **\$65,000**. The City shall be given credit for the option money paid, and for any other credits provided herein. The entire balance of the purchase price shall be paid in cash at Closing.
5. **Recording of Memorandum.** On the Effective Date of this Agreement, Seller shall execute, acknowledge, and deliver to the Buyer for recording a memorandum in the form attached as Exhibit B. The Buyer may record the memorandum. In the event the Buyer fails to exercise the option before the Term expires, the memorandum will automatically terminate on the expiration date and the Seller will not have to seek a release or quitclaim deed.
6. **Possession.** Possession of the Property shall remain with Seller until the Buyer exercises the option and Closing of the sale of the Property occurs. The Buyer shall be entitled to exclusive Possession of the Property on the Closing Date.
7. **Conditions Precedent to Closing.** In addition to any other conditions contained in this Agreement, the following conditions must be satisfied before Closing can occur. These conditions are intended solely for the Buyer’s benefit and the Buyer shall have the sole right and discretion to waive, by written notice, any of the conditions. In the event any condition is not satisfied or waived on or before Closing, the Buyer shall have the right to terminate this Agreement and be refunded the option money paid, and to exercise any other remedy available.
- 7.1 Title Report. The Buyer shall order a preliminary Title Report covering the Property, together with legible copies of all plats and exceptions to title referenced in the Title Report. The Buyer shall give written notice to Seller of the exceptions that the Buyer shall require Seller to remove at or before Closing (“Unacceptable Exceptions”). If for any reason Seller cannot remove any of the Unacceptable Exceptions before closing, the Buyer may elect to either:
- 7.1.1 Accept title to the Property subject to such exceptions;
- 7.1.2 Waive its objection in writing to Seller and elect to have any monetary lien or encumbrance removed at Closing to the extent that it can be satisfied and removed by application and all or a portion of the Purchase Price payable to Seller at Closing; or
- 7.1.3 Refuse to accept the Property and terminate this Agreement, in which case the option money shall be refunded to the Buyer.

- 7.2 Environmental Review. Before Closing, City may, at its expenses, engage consultant, surveyors or engineers of City's choosing to conduct consultants, surveyors or engineers or City's choosing to conduct environmental studies, soil analyses survey and appraisals of the Property as City in its sole discretion deems necessary. Within ten (10) days after the Effective Date, Seller shall deliver to City a copy of all environmental studies or analyses relating to the Property within its possession or control. City or its agents shall have the right to enter the Property at reasonable times before Closing to make such tests, inspections, soil analyses studies, surveys, appraisals and other investigations as City may require, at City's sole discretion. Seller shall cooperate with City in making such tests and studies. Any area disturbed by such tests and studies shall be restored by City, at City's expense, to its pre-inspection condition. It shall be a condition to Closing that the results of such environmental studies, surveys or analyses be acceptable to City in its sole discretion. If City notifies Seller prior to Closing Date that City cannot accept the property due to the results of its investigation under this section, the Closing Date shall be automatically extended for a 45-day period so that Seller and City may address the results of the investigation. If, at the end of the 45-day period, City and Seller have not reached an agreement regarding the items disclosed in the investigation, then City may, at its option and upon written notice to Seller, terminate this Agreement in which case the option money shall be refunded to City.
- 7.3 Approval by Portland City Council. As a condition of Closing, the Portland City Council shall have adopted an ordinance approving purchase of the Property.

8. Closing.

- 8.1 Time and Place. Closing of the sale and purchase of the Property ("Closing") shall occur on the date "(Closing Date)" selected by the Buyer, but in all events the Closing shall occur within:

60 (sixty) days after the date that the exercise notice is given, but no later than one hundred and eighty (180) days from last signature affixed hereto. The escrow for the Closing shall be established at the office of Escrow Holder, at **Fidelity National Title Company of Oregon, 686 NW Eastman Parkway, Gresham, OR 97030.**

- 8.2 Closing Obligations. On or before the Closing Date, Seller and the Buyer Shall deposit the following documents and funds with the Escrow Holder, and the Escrow Holder shall close escrow in accordance with the instructions of Seller and the Buyer.

8.2.1 Seller shall deposit the following:

- (a) A statutory warranty deed duly executed and acknowledged in recordable form by Seller, conveying the Property to the Buyer subject only to exceptions acceptable to the Buyer as established in Section 7.1 of this Agreement, and any other matters that may be approved in writing by the Buyer
- (b) In compliance with the requirements of IRC §1445, a duly executed affidavit in the form required by that statute and related regulations certifying that Seller is not a foreign person, trust, partnership, or corporation;

- (c) Information regarding the Property specified in Section 10.1;
- (d) Such documents as the Buyer or the Escrow Holder may require to evidence the authority of Seller to consummate this transaction;
- (e) Any lien affidavits or mechanic's lien indemnifications as may be reasonably requested by the Escrow Holder in order to issue the title policy; and
- (f) Such other documents and funds, including (without limitation) escrow instructions, as are required of Seller to close the sale in accordance with this Agreement.

8.2.2 The Buyer shall deposit the following:

- (a) The Cash payment specified in Section 4, minus any credits available to the Buyer under the terms of this Agreement;
- (b) Such documents as Seller or the Escrow Holder may require to evidence the authority of the Buyer to consummate the transaction contemplated; and
- (c) Such other documents and funds, including (without limitation) escrow instructions, as are required of the Buyer to close the sale and purchase the Property in accordance with this Agreement.

8.3 Costs. The Buyer shall pay closing costs, including escrow fee, recording fees, government service charges, and title insurance policy. The Buyer and Seller shall each pay its own legal and professional fees of other consultants incurred by the Buyer and Seller, respectively. All other costs and expenses shall be allocated between the Buyer and Seller in accordance with the Customary Practice in Multnomah County, Oregon.

8.4 Prorations. All items of expense incurred by Seller with respect to the Property shall be paid by Seller at Closing, without proration. All real property taxes and assessments payable with respect to the tax year in which Closing occurs shall be prorated between Seller and the Buyer as of the date of possession.

8.5 Title Insurance. At Closing, Seller shall, at Buyer's expense, provide the Buyer with an ALTA Standard Owner's Title Insurance policy in the full amount of the purchase price of the Property, insuring fee simple title to the Property is vested in the Buyer, subject only to the Permitted Exceptions, as established in Section 7.1 of this Agreement.

9. **Conveyance.** At Closing, Seller shall execute, acknowledge, and deliver to the Buyer a statutory warranty deed conveying Property to the Buyer free and clear of all liens and encumbrances, subject only to the Permitted Exceptions.

10. **Covenants of Seller.** Seller acknowledges that the Covenants of Seller ("Covenants") contained in this Agreement, including the Covenants contained in this Section, are material inducements to

the Buyer to enter into this Agreement. The Covenants specifically delineated in this Section are the following:

- 10.1 Information. Seller agrees to provide to the Buyer such information about the Property that the Buyer may reasonably require and the Seller possesses.
- 10.2 Property Taxes and Expenses. During the term of this option, Seller shall pay all taxes, assessments, and expenses related to the Property. Property taxes shall be prorated as of the Closing Date.
- 10.3 Ownership. During the Term, Seller shall not sell, contract to sell, assign, lease, or otherwise transfer or encumber the Property or any part of it, unless it is transferred subject to this option, nor grant an option to any third party to acquire all or any portion of it. Seller shall not cause or permit any matter to be recorded with respect to the Property during the Term, except the Memorandum of Option set forth in Exhibit B.
- 10.4 Owner Relocation Benefits. Seller acknowledges that this is a voluntary sale and agrees not to assert a claim for relocation benefits under any Federal, State or local law or regulation.
- 10.5 Vacant Property. In the event that any portion of the Property is vacant at the date of notification of the acceptance of this option by the Buyer, or becomes vacant subsequent thereto, the Seller agrees not to re-rent or re-lease such vacated or vacant property nor to allow any occupancy of such vacant property.

11. Seller's Representations and Warranties. Seller hereby warrants and represents to the Buyer the following matters, and acknowledges that they are material inducements to the Buyer to enter into this Agreement. Seller agrees to indemnify, defend, and hold the Buyer harmless from all expense, loss, liability, damages and claims, including attorney's fees, arising out of the breach of any of Seller's representations, warranties, and covenants. These representations and warranties shall survive Closing. Seller warrants and represents to the Buyer that the following matters are true and correct:

- 11.1 Authority. Seller has full power and authority to enter into this Agreement (and the persons signing this Agreement for Seller, if Seller is not an individual, have full power and authority to sign for Seller and to bind it to this Agreement) and to sell, transfer and convey all right, title, and interest in and to the Property in accordance with this Agreement. No further consent of any partner, shareholder, creditor, investor, judicial or administrative body, governmental authority, or other party is required.
- 11.2 Contracts, Leases, Other Options. Seller has not entered into any contract for the sale of the Property, nor do there exist any other options to purchase the Property, rights of first refusal, leases, licenses, easements, permits, or other agreement, written or oral, which affects or encumbers the Property or any portion thereof. Seller has not sold, transferred, conveyed, or entered into any agreement regarding timber rights, mineral rights, water rights, air rights, or any other development or other rights or restrictions, relating to the Property, and to Seller's knowledge no such rights encumber the Property.
- 11.3 Possession. The Seller shall deliver possession of the Property to the Buyer at time of recording of deed.

- 11.4 Breach of agreements. Neither the grant nor the exercise of the option will constitute a breach or default under any agreement to which Seller is bound and/or to which the Property is subject.
- 11.5 Liens, Notices. To the best of Seller's knowledge, there are no:
- 11.5.1 Intended public improvements or private rights which will result in the creation of any liens upon the Property or any portion thereof;
 - 11.5.2 Uncured notices which have been served upon Seller from any governmental agency notifying Seller of any violations of law, ordinance, rule or regulation which would affect the Property or any portion thereof; or
 - 11.5.3 Actual or impending mechanic's liens against the Property or any portion thereof.
- 11.6 No Litigation. There is no suit, action, arbitration, legal, administrative, or other proceedings or inquiry pending or threatened against the Property, or any portion thereof, or pending or threatened against Seller which could affect Seller's title to the Property, or any portion thereof, affect the value of the Property or any portion thereof, or subject an owner of the Property, or any portion thereof, to liability.
- 11.7 Bankruptcy Proceedings. No attachments, execution proceedings, assignments for the benefit of creditors, insolvency, bankruptcy, reorganization, or other proceedings are pending or, to the best of Seller's knowledge, threatened against Seller, nor are any such proceedings contemplated by Seller.
- 11.8 Hazardous Substances. For purposes of this Agreement, the phrase "Hazardous Substances" shall include but not be limited to the substances defined in ORS 465.200(15). Seller warrants and represents as follows:
- 11.8.1 To the knowledge of Seller, there are no Hazardous Substances in, upon, or buried on or beneath the Property and no Hazardous Substances have been emitted or released from the Property in violation of any environmental laws of the federal or state government.
 - 11.8.2 Seller has not brought onto, stored on, buried, used on, emitted or released from, or allowed to be brought onto, store on, buried, used on, emitted released from, or produced or disposed of, from or on the Property, any Hazardous Substances in violation of any environmental laws of the federal or state government;
 - 11.8.3 To the knowledge of Seller, no underground storage tanks are located on the Property including (without limitation) any storage tanks that contain, or previously contained, any Hazardous Substances, and Seller agrees not to cause or permit any such tanks to be installed in the Property before Closing.
 - 11.8.4 To the best of Seller's knowledge, the Property is materially in compliance with applicable state and federal environmental standards and requirements affecting it;

- 11.8.5 Seller has not received any notices of violation or advisory action by regulatory agencies regarding environmental control matters or permit compliance with respect to the Property;
- 11.8.6 Seller has not transferred Hazardous Substances from the Property to another location that is not in compliance with applicable environmental laws, regulations, or permit requirements. To the best of Seller's knowledge, no other person has transferred Hazardous Substances from the Property to another location that is not in compliance with applicable environmental laws, regulations, or permit requirements; and
- 11.8.7 There are no proceedings, administrative actions, or judicial proceedings pending or, to the best of Seller's knowledge, contemplated under any federal, state, or local laws regulating the discharge of hazardous or toxic materials or substances into the environment.
- 11.9 Reforestation. The Property is not subject to any reforestation requirements.
- 11.10 Tax Deferral. The Property is not currently subject to a tax deferral.
- 11.11 Legal Access. The Property has legal vehicular access to a public road.
- 11.12 Changed Conditions. If Seller discovers any information or facts that would materially change the foregoing warranties and representations, Seller shall immediately give notice to the Buyer of those facts and information. If any of the foregoing warranties and representations cease to be true before Closing, Seller shall be obligated to use its best efforts to remedy the problem, at its sole expense, before Closing. If the problem is not remedied before Closing, the Buyer may elect to either (a) terminate this Agreement in which case the Buyer shall have no obligation to purchase the Property and all option money shall be refunded to the Buyer or (b) defer the Closing Date for a period not to exceed 90 days or until such problem has been remedied, whichever occurs first. The Buyer's selection in this regard shall not constitute a waiver of the Buyer's rights in regard to any loss or liability suffered as a result of a representation or warranty not being true, nor shall it constitute a waiver of any other remedies provided in this Agreement or by law or equity.
- 11.13 Buyer acknowledges that the property is being sold in an "as is" condition and that such condition may change from the time of execution of the Option Agreement up to and including date Seller vacates the property. Seller may remove any items deemed of value to Seller during the period of Seller occupancy of the premises.
- 12. Risk of Loss, Condemnation.** Seller shall bear the risk of all loss or damage to the Property from all causes, through the Closing Date. Seller shall keep the Property fully insured until Closing. If, before the Closing Date, and regardless of whether the exercise notice has yet been given or is subsequently given, all or part of the Property is damaged by fire or by any other cause of nature or if all or any portion of the Property is taken by condemnation, or if any such condemnation is threatened, Seller shall give the Buyer written notice of such event. The Buyer may terminate this Agreement by giving written notice to Seller within 15 days following receipt by the Buyer of written notice from Seller of such casualty or condemnation and Seller will return to the Buyer the option money previously paid.

13. Legal and Equitable Enforcement of This Agreement.

13.1 Default by Seller. In the event Closing and the consummation of the transaction here contemplated do not occur by reason of any default by Seller, Buyer shall be entitled to all its out-of-pocket expenses incurred in connection with the transaction, including the option money, and shall have the right to pursue any other remedy available to it at law or equity, including the specific performance of this Agreement.

13.2 Default by Buyer. In the event Closing and the consummation of the transaction here contemplated do not occur by reason of any default by the Buyer, the Buyer and Seller agree that it would be impractical and extremely difficult to estimate the damages that Seller may suffer. Therefore, the Buyer and Seller agree that a reasonable estimate of the total net detriment that Seller would suffer in the event that the Buyer defaults and fails to complete the purchase of the property is and shall be, and Seller's sole and exclusive remedy (whether at law or in equity), an amount equal to the option money. This amount shall be the full, agreed, and liquidated damages for the breach of this Agreement by the Buyer, all other claims to damage or other remedies being herein expressly waived by Seller. The payment of this amount as liquidated damages is not intended as a forfeiture or penalty, but is intended to constitute liquidated damages to Seller. Upon default by the Buyer, this Agreement shall be terminated and neither party shall have any further rights or obligations under it, each to the other, except for the right of Seller to collect such liquidated damages from the Buyer and the Escrow Holder.

14. Successors and Assigns. This Agreement shall be binding on and inure to the benefit of the heirs, successors, and assigns of Seller and the Buyer. The Buyer may assign its interest in this Agreement and the Property to any person or entity, without the consent of Seller. In the event that an assignee assumes the obligations of the Buyer hereunder, then the Buyer shall have no further liability with respect to this Agreement.

15. Notices. All notices required or permitted under this Agreement shall be in writing and shall be deemed given and received upon personal service or deposit in the United States mail, certified or registered mail, postage prepaid, return receipt requested, addressed as follows:

To Seller: Sarah Stevenson
Innovative Housing Inc.
219 NW Second Avenue
Portland, OR 97209

To Buyer: City of Portland
Bureau of Environmental Services
Shannah Anderson or Property Manager
1120 SW 5th Avenue Room #1000
Portland, OR 97204

The foregoing addresses may be changed by written notice, given in the same manner.

16. **Broker and Commission.** Seller represents and warrants to the City that it has not used or engaged a real estate broker in connection with this Agreement or the transaction contemplated by this Agreement. In the event any person asserts a claim for a broker's commission against one of the parties to this Agreement, then Seller shall indemnify, hold harmless and defend City from and against any such claim if based on any action, agreement, or representations made by Seller; and City shall indemnify, hold harmless, and defend Seller from and against any such claim if based on any action, agreement, or representations made by City.
17. **Entire Agreement.** This Agreement, including any exhibits attached to it, is the final expression of, and contains the entire agreement between, the parties with respect to the subject matter of the Agreement and supersedes all prior understandings with respect to it. This Agreement may not be modified or terminated, nor may any obligations under it be waived, except by written instrument signed by the party to be charged or by its agent duly authorized in writing or as otherwise expressly permitted here.
18. **Waiver.** Failure by Seller or the Buyer to enforce any right under this Agreement shall not be deemed to be a waiver of that right or of any other right.
19. **Severability.** Each provision of this Agreement is severable from any and all other provisions of this Agreement. Should any provision of this Agreement be for any reason unenforceable, the balance shall nonetheless be of full force and effect.
20. **Survival of Representations.** The covenants, agreements, representations, and warranties made here shall survive Closing and shall not merge into the deed and the recordation of it in the official records.
21. **Governing Law.** The parties acknowledge that this Agreement has been negotiated and entered into the State of Oregon. The parties expressly agree that this Agreement shall be governed by and interpreted in accordance with the laws of the State of Oregon.
22. **Time of Essence.** Seller and the Buyer hereby acknowledge and agree that time of the essence with respect to every term, condition, obligation, and provision.
23. **Statutory Land Use Disclaimer.** THE PROPERTY DESCRIBED IN THIS INSTRUMENT MAY NOT BE WITHIN A FIRE PROTECTION DISTRICT PROTECTING STRUCTURES. THE PROPERTY IS SUBJECT TO LAND USE LAWS AND REGULATIONS, WHICH, IN FARM AND FOREST ZONES, MAY NOT AUTHORIZE CONSTRUCTION OR SITING OF A RESIDENCE AND WHICH LIMIT LAWSUITS AGAINST FARMING OR FOREST PRACTICES AS DEFINED IN ORS 30.930 IN ALL ZONES. 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 APPROVED USES AND THE EXISTENCE OF FIRE PROTECTION FOR STRUCTURES. IF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IS SUBJECT TO SPECIAL ASSESSMENT UNDER ORS 358.505, ORS 358.515 REQUIRES NOTIFICATION TO THE STATE HISTORIC PRESERVATION OFFICER OF SALE OR TRANSFER OF THIS PROPERTY.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the last date of signature below.

SELLER:

By: 
Bridgeview Housing LLC

Date: 1/12/10

BUYER:
CITY OF PORTLAND

By: 
Bureau of Environmental Services

Date: 2/11/10

MM
mw

Approved as to Form:

APPROVED AS TO FORM
Senior Deputy City Attorney


CITY ATTORNEY

Attachments:

- Exhibit A - Property Description
- Exhibits B - Form of Memoranda

Exhibit A

PROPERTY DESCRIPTION

Lots 14, 15, the Southwesterly 10 feet of Lots 2 and 3, and that portion of Lot 3, Block 1, BYARS ADDITION TO ST. JOHNS, in the City of Portland, Multnomah County, Oregon, described as follows: Beginning at the Northwest corner of said Lot 3; thence Northeasterly along the North line of said Lot 3, a distance of 25 feet to a point; thence Southerly a distance of 35.355 feet to a point on the Westerly line of said Lot 3; thence Northwesterly a distance of 25 feet along the West line of said Lot 3 to the point of beginning.

When recorded, mail to:
City of Portland
Bureau of Environmental Services
Shannah Anderson
1120 SW 5th Avenue Room #1000
Portland, OR 97204

Exhibit B

MEMORANDUM OF OPTION

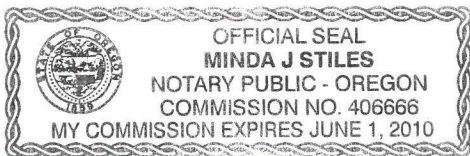
This is a memorandum of a certain Option Agreement dated Jan. 12, 2010, 2009 5/10 between Bridgeview Housing LLC ("Seller"), and the City of Portland, an Oregon Municipal Corporation ("Buyer"). By said Option Agreement, Seller has granted the Buyer an exclusive option to purchase that certain real property in Multnomah County, Oregon, described in Exhibit A attached herein and incorporated herein by this reference.

Said option extends from the date of the Option Agreement through and including 180 days from date of last signature affixed thereto, at which time it shall automatically expire, and Seller shall not have to seek a release or quitclaim deed from the Buyer.

SELLER: [Signature]
Bridgeview Housing LLC, by Innovative Housing, its sole member.

State of Oregon)
)ss.
County of Multnomah)

On this 12TH day of January, 2009¹⁰, before me Minda J. Stiles, the undersigned Notary Public, personally appeared Sarah J. Stevenson, personally known to me (or proved to be on the basis of satisfactory evidence) to be the person(s) whose name(s) is (are) subscribed to this instrument, and acknowledged that he (she or they) executed it.



[Signature]
Notary Public
My commission expires: June 1, 2010

APPROVED AS TO FORM

[Signature]
CITY ATTORNEY

Three Rivers

LAND CONSERVANCY

April 15, 2010

Sarah J. Stevenson
Innovative Housing, Inc.
219 NW Second Ave.
Portland, OR 97209

Dear Sarah,


This letter serves as the "Exercise Notice", required by our Option Agreement dated January 12, 2010, to purchase the Innovative Housing property described as Tax Lot 16500 1N1W01CC. The appraisal has been finished and supports the purchase price. The City of Portland approved this purchase on March 10, 2010. Metro's Nature in the Neighborhood Capitol Grant, which also provides funds for this purchase, was approved on March 18, 2010.

Most of the conditions required prior to closing have been met. The property has received an environmental inspection and no unacceptable environmental conditions were found. However, the title report contains one unacceptable condition. Item No. 9 in the title report refers to a Property Use Agreement with Multnomah County. This agreement must be removed from title prior to closing.

The closing will be scheduled within 60 days or less from the date of this letter. You should receive closing information from Fidelity National Title Insurance regarding the actual date and required documents.

Let me know if you have any questions or concerns. Many thanks for your willingness to help conserve the Baltimore Woods Corridor.

Best Regards,


Virginia Bowers

cc: Shannah Anderson
Sue O'Halloran