RESOLUTION NO URR 08-007

A RESOLUTION OF THE CANBY URBAN RENEWAL AGENCY BOARD TO EXERCISE AN OPTION CONTRACT TO PURCHASE REAL PROPERTY LOCATED AT 301 NE THIRD STREET, CANBY, OREGON

WHEREAS, the Canby City Council established an Urban Renewal Agency to function within the City pursuant to Ordinance 1032 passed October 6, 1999; and

WHEREAS, pursuant to the CMC 2.68.030 the City Council shall exercise all powers, duties rights granted to the Urban Renewal Agency, unless specifically granted by the City Council to the Agency to perform; and

WHEREAS, the Urban Renewal Agency is seeking to purchase real property located at 301 NE Third Street in Canby, Oregon in connection with an Urban Renewal District redevelopment project and to execute the Option to purchase the property and thereafter, enter into a Purchase and Sale Agreement, a copy of which is attached hereto as Exhibit "A" and by this reference made a part hereof; and

WHEREAS, City Council approved by Resolution 1003 on August 20, 2008 authorizing the Canby Urban Renewal Agency to execute the Option to purchase the above referenced property and enter into a Purchase and Sale Agreement,

NOW THEREFORE, IT IS HEREBY RESOLVED by the City of Canby Urban Renewal Agency approves as follows:

The City Administrator of the City of Canby is further authorized and directed to sign the attached Exhibit "A" on behalf of the Urban Renewal Agency Board and carry out all necessary actions to execute the Option and enter into the Purchase and Sale Agreement and by this reference incorporated herein, to purchase real property located at 301 NE Third Street in Canby, Oregon

This Resolution shall take effect on September 3, 2008

ADOPTED this 3rd day of September 2008, by the City of Canby Urban Renewal Agency.

Anthony A. Helbling, Chairman

ATTEST:

Kimberly Scheafer, CMC
City Recorder, Pro-Tem

Exhibit "A"

REAL ESTATE PURCHASE AND SALE AGREEMENT
(Battilega Property)

THIS REAL ESTATE PURCHASE AND SALE AGREEMENT (the "Agreement") is entered into by and between the Urban Renewal Agency of the City of Canby, Oregon ("Purchaser") and Andreina T. Battilega ("Seller"), as of the 26 day of August, 2008 (the "Effective Date").

SECTION 1. PURCHASE AND SALE

1.1 Purchase and Sale.

Seller hereby represents and warrants that Seller is the current sole and exclusive owner of that real property legally described in **Exhibit A,** attached hereto and incorporated by reference herein (the "Property") and has the full right and authority to convey the Property free and clear of any liens, claims or encumbrances. Seller further represents that the Property is occupied by Seller, and is not subject to any lease, other agreement or dispute. The Property is being conveyed together with all rights, easements and appurtenances pertaining to such real property including, but not limited to, water rights, mineral rights, development rights, contract rights and permits relating to the Property, and all improvements located thereon.

1.2 Survival.

The provisions included in this Agreement shall survive Closing (as defined in **Section 7**) and shall be fully effective thereafter.

SECTION 2. PURCHASE PRICE AND ALLOCATIONS

2.1 Purchase Price.

The purchase price for the Property (the "Purchase Price") shall be TWO HUNDRED TWENTY-NINE THOUSAND DOLLARS ($229,000).

2.2 Payment of Purchase Price.

The Purchase Price shall be payable to Seller in cash or immediately available funds at Closing.

2.3 Escrow and Earnest Money.

The Earnest Money, which shall be credited to the Purchase Price, shall consist of the Option Fees paid pursuant to the Option Agreement entered into between the parties. Within five (5) days of Purchaser's receipt of Seller's signature on this Agreement, Purchaser shall open an escrow account with, and order a preliminary title commitment from, Chicago Title Insurance Company (the "Title Company") and deliver a copy of this Agreement to the Title Company. Purchaser will not be legally bound under this Agreement and will not sign this Agreement until it is approved by both the City Council and the Urban Renewal Agency Board (collectively

"Governing Bodies") on or about September 3, 2008. Purchaser has agreed, by the opening of escrow, to be responsible for escrow cancellation fees if this Agreement is not approved by the Governing Bodies.

SECTION 3. TITLE MATTERS

3.1 Title Review.

3.1.1. Preliminary Commitment. Upon opening of the escrow account, Purchaser and Seller will order, at Seller's cost and expense, a preliminary commitment (the "Preliminary Commitment") for the Title Policy, as described in **Section 3.2**, showing the status of title of the Property, showing all exceptions and conditions affecting the Property which would appear in the Title Policy, and committing the Title Company to issue such a Title Policy to Purchaser. Seller will also cause the Title Company to concurrently deliver to Purchaser complete and legible copies of all instruments referred to in the Preliminary Commitment as conditions or exceptions to the title (the "Exception Documents"). Seller hereby authorizes and directs the Title Company to furnish to Purchaser the foregoing items.

3.1.2. Purchaser's Review. Purchaser shall have ten (10) days after receipt of the Preliminary Commitment and Exception Documents to notify Seller, in writing, of its approval and/or disapproval of each exception shown in the Preliminary Commitment. Purchaser's failure to notify Seller within the above referenced time period shall be deemed Purchaser's disapproval of the Preliminary Commitment and Exception Documents. Any exception that Purchaser has approved, in writing, shall become a Permitted Exception.

3.1.3. Seller's Response. If Purchaser does notify Seller of an objection to any exception, then Seller shall have up to ten (10) days after receipt of Purchaser's notice to notify Purchaser, in writing, of its agreement to remove any of the disapproved exceptions. Seller's failure to notify Purchaser within this time period as to whether or not Seller will take the action required to remove a particular exception shall constitute Seller's agreement to remove that exception prior to Closing. Seller shall thereafter remove, by Closing, the exceptions it has agreed to remove, either by express agreement or by the foregoing failure to respond.

3.1.4. Purchaser's Rights. If Seller declines to remove all or some of the exceptions disapproved by Purchaser, Purchaser shall have up to ten (10) days to notify Seller, in writing, whether it will, in its sole discretion, waive such objections or terminate this Agreement. Purchaser's failure to give such notice shall constitute Purchaser's election to terminate this Agreement. In the event Purchaser gives written notice of its election to waive the exceptions that Seller has declined to cure, then those initially disapproved but subsequently accepted exceptions shall become Permitted Exceptions. If Purchaser elects to terminate this Agreement, Seller shall immediately return the Earnest Money to Purchaser. Purchaser shall pay any cancellation fee or other cost of the Title Company.

3.1.5. Updated Title Matters. The foregoing notice and response procedures shall be repeated for any title exceptions first appearing after Purchaser's receipt of the Preliminary Commitment, except that if the time period for delivery of any notice extends

beyond the Closing Date, such notice and all subsequent notices shall be delivered on or before the Closing Date.

3.2 Title Policy.

3.2.1. Delivery of Policy. At Closing, Seller will, at its sole cost and expense, cause the Title Company to issue to Purchaser an ALTA standard coverage owner's policy of title insurance, in the amount of the Purchase Price, insuring Purchaser against loss or damage arising from any defects in title to the Property other than the Permitted Exceptions (the "Title Policy"). The Title Policy shall contain such endorsements as shall be reasonably requested by Purchaser. If Purchaser elects to obtain an ALTA extended coverage owner's policy, Purchaser shall pay the difference in the premium between the standard coverage policy and the extended coverage policy, and Seller shall cooperate in order to allow the extended coverage policy to be issued.

3.2.2. Failure to Deliver Policy. If, at Closing, the Title Company will not issue the Title Policy as provided above, Purchaser may either proceed to close despite the lack of required insurance, or terminate this Agreement. If Purchaser terminates this Agreement because of the failure of the title Company to issue the Title Policy as provided above, Seller shall immediately return the Earnest Money to Purchaser. Seller shall pay any cancellation fee or other cost of the Title Company, and this Agreement shall terminate and all rights and obligations of the parties shall terminate unless such failure is due to a default by Seller and in that case the remedies of **Section 9.1** shall also apply.

SECTION 4. FEASIBILITY CONTINGENCY/DUE DILIGENCE

Purchaser's Governing Bodies must approve or disapprove the purchase of the Property. If the Governing Bodies do not approve the purchase of the Property, this Agreement will terminate without liability to either party and Purchaser shall pay any Title Company fees due as a result of the termination. The Governing Bodies will be asked to approve the purchase on or before September 3, 2008. If approved, Closing will occur on or before September 14, 2008 (or the next business day thereafter) unless the Option Agreement entered into between the parties is otherwise extended, as provided therein.

SECTION 5. PRE-CLOSING OBLIGATIONS

5.1 Seller's Closing Obligations.

At all times from the date of this Agreement to the Closing, Seller will:

5.1.1. Make all payments due under, and comply with each and every covenant and obligation imposed upon the owner of the Property by, promissory notes, mortgages, deeds of trust, ground or other leases and any other agreements affecting the Property, or secured by an interest in the Property or any part thereof, and will take any and all action as may be necessary to avoid any default under such agreements;

5.1.2. Not negotiate, discuss or enter into, or cause to be entered into, any written or oral option, sale agreement, lease, service contract or other contract or agreement regarding or pertaining to the Property or any portion thereof. Seller will also take all action required to terminate any existing leases, contracts or agreements pertaining to the Property prior to Closing so that the Property shall be transferred to Purchaser free and clear of any encumbrances, except Permitted Encumbrances;

5.1.3. Pay for any materials, supplies or work provided or ordered for the Property by Seller or Seller's agents prior to the Closing and for which a labor, materialman's or mechanic's lien may be claimed under applicable law and, if required by the Title Company, provide the Title Company with such indemnifications or security as it may require to insure title to the Property at the Closing without exception for any unrecorded labor, materialman's or mechanic's claim of lien.

5.1.4. Reasonably cooperate with Purchaser with respect to all applications relating to the Property and the development of the Property for Purchaser's intended use.

SECTION 6. WARRANTIES OF SELLER

6.1 Warranties.

Seller hereby represents and warrants to Purchaser that Seller is the sole legal owner of the Property with good title thereto and full authority to convey the same to Buyer. For the purposes of inducing Purchaser to consummate the transactions contemplated hereby, in addition to the warranties contained in the Deed for the Property, Seller represents and warrants to Purchaser, as of the date hereof and, except as otherwise set forth herein, as of the Closing Date, all of the following:

6.1.1. Seller has full power, authority and legal right to execute, deliver and perform this Agreement, and all other documents and certificates contemplated hereby; Seller has duly authorized the execution, delivery and performance thereof; and has authorized the person executing this Agreement to do so;

6.1.2. There are no actions, suits, proceedings, orders or investigations pending or, to the best of Seller's knowledge, threatened against or affecting Seller which might adversely affect Seller's performance under this Agreement or the consummation of the transactions contemplated hereby;

6.1.3. Except as expressly provided herein, there is not pending or, to the best of Seller's knowledge, threatened (i) condemnation or similar proceedings with respect to the Property or any part thereof, or (ii) public improvements in, about or outside the Property which might result in the imposition of any assessment, lien or charge against Seller, the Property or any owner of the Property;

6.1.4. None of the following has occurred with respect to the Property or Seller: (i) appointment of a receiver, liquidator, or trustee; (ii) institution of any proceeding for

dissolution or liquidation; (iii) filing or any petition for bankruptcy, or action toward reorganization; or (iv) notice of default or forfeiture;

6.1.5. All taxes and assessments and other governmental or quasi-governmental levies of any kind which are due for payment prior to the date hereof, the non-payment of which would in any way affect the Property or any part thereof, have been paid, or shall be paid by Seller, prior to or at the Closing Date, together with all interest and penalties thereon;

6.1.6. There are no unpaid bills, claims, or liens pending or contemplated by mechanics, materialmen, surveyors, or others, recorded or unrecorded, in connection with the Property;

6.1.7. The Property is not affected by any special assessment, whether or not a lien thereon, which has not or will not be paid in full by Seller prior to the Closing Date, nor does Seller know of any pending or contemplated assessments or similar charges which will affect the Property;

6.1.8. Neither the Property nor any portion thereof is located in a flood plain or special hazard area as designated by any federal, state or local governmental body or agency;

6.1.9. Nothing prohibits Seller from entering into this Agreement with Purchaser. No other person or entity has an interest in the Property, except as set forth in the Permitted Exceptions;

6.1.10. The Property Information provided by Seller to Purchaser is complete, accurate, true and correct and does not fail to state any fact without which the Property Information would be misleading; and

6.1.11. To the best of Seller's knowledge, except as disclosed in the Property Information provided to Purchaser, (i) there has been no generation, treatment, storage, transfer, disposal or release of Hazardous Substances on the Property (including grease traps which have not been properly cleaned and materials not properly disposed of); (ii) there are no aboveground or underground storage tanks on the Property nor have any aboveground or underground storage tanks been removed from the Property; and (iii) Seller is not aware of any facts which would lead it to believe that there are any Hazardous Substances on the Property. For purposes of this Agreement, the term Hazardous Substances shall mean: "hazardous substance" as defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended ("CERCLA"); "hazardous waste" as defined by the Resource Conservation and Recovery Act of 1976 ("RCRA"), as amended; hazardous wastes, hazardous materials, hazardous substances, toxic waste, toxic materials, or toxic substances as defined in state or federal statutes or regulations; asbestos-containing materials; polychlorinated biphenyls; radioactive materials; chemicals known to cause cancer or reproductive toxicity; petroleum products, distillates or fractions; any substance the presence of which is prohibited by statute or regulation; and any substance for which any statute or regulation requires a permit or special handling in its use, collection, storage, treatment or disposal.

Initial Here:

Initial Here:

6.2 Purchaser's Warranties.

Purchaser represents and warrants to Seller, as of the Closing Date, as follows: Purchaser is an urban renewal agency of the State of Oregon, duly organized and validly existing under the laws of the State of Oregon, and once this Agreement is approved by the Governing Bodies this Agreement will become a legally binding commitment to purchase the Property. Until that approval is obtained, however, this Agreement may be terminated by Purchaser without liability.

6.3 Survival of Warranties.

The warranties contained in this **Section 6** shall survive the Closing and shall be fully effective thereafter. If Seller breaches any warranty, Purchaser shall have the rights and may exercise, at its option, any of the remedies, provided under **Section 9.1** of this Agreement.

SECTION 7. CLOSING

7.1 Closing Date.

Closing of the sale of the Property from Seller to Purchaser shall occur on or before September 14, 2008 ("Closing" or "Closing Date"), unless the Option is extended as provided in the Option Agreement. Closing shall be held in the offices of the Title Company, or at such other place as may be agreed upon in writing by Seller and Purchaser. Each party hereto agrees to execute and deliver to the Title Company such escrow instructions as may be necessary to implement and coordinate the Closing as set forth in this Agreement.

7.2 Seller's Closing Obligations.

At Closing, Seller will:

7.2.1. execute, acknowledge and deliver a Statutory Warranty Deed to the Property, subject only to the Permitted Exceptions;

7.2.2. execute, acknowledge and deliver such other agreements, documents and instruments as may be necessary to transfer, convey and assign the Property to Purchaser;

7.2.3. deliver to Purchaser, pursuant to Section 1445 of the Internal Revenue Code of 1986, as amended, an affidavit stating that Seller is not a foreign person and providing Seller's United States taxpayer identification number; and

7.2.4. deliver to Purchaser such other instruments or documents as may be required pursuant to the provisions hereof or as mutually agreed by counsel for Seller and Purchaser to be necessary to fully consummate the transaction contemplated hereby.

7.3 Purchaser's Closing Obligations.

At the Closing, Purchaser will:

7.3.1. deliver to Seller cash or funds readily available in the amount of the Purchase Price, less any Earnest Money already paid to Seller; and

7.3.2. deliver to Seller such other instruments or documents as may be required pursuant to the terms hereof or mutually agreed by counsel for Seller and Purchaser to be necessary to fully consummate the transaction contemplated hereby.

7.4 Allocation of Closing Expenses.

The costs of closing the transaction shall be allocated between Seller and Purchaser as follows:

7.4.1. Seller will pay:

(a) the cost of the owner's standard Title Policy required by **Section 3.2**;

(b) the cost of providing to Purchaser all information to be reviewed and approved by Purchaser pursuant **Section 4.2** of this Agreement;

(c) one-half (1/2) of the escrow fees of the Title Company;

(d) any applicable real estate excise taxes, transfer taxes and any other taxes and charges with respect to the transaction;

(e) the costs of clearing title and obtaining any other item to be delivered to Purchaser at Closing;

(f) any assessments against the Property existing as of Closing, whether due and payable before or after such date;

(g) all property taxes, interest and penalties necessary to bring the Property out of any "open space", "forest land", "historic", "exempt" or other designation and to eliminate all liability for such charges and to eliminate any restrictions on the use of the Property due to its tax designation; and

(h) all property taxes due in any tax year prior to the year of Closing.

7.4.2. Purchaser will pay:

(a) one-half (1/2) of the escrow fees of the Title Company;

(b) the cost of any extended coverage that exceeds the cost of the Owner's standard coverage and all endorsements, as requested by Purchaser; and

(c) the cost of recording the Statutory Warranty Deed and any other documents that Purchaser may choose to record.

7.4.3. All other expenses incurred by Seller or Purchaser with respect to Closing, including, but not limited to, attorneys' fees, shall be borne and paid exclusively by the party incurring the same unless the parties hereto expressly agree in writing to the allocation of part or all of such expenses to one of the parties.

7.5 Prorations.

The following items shall be adjusted or prorated between Seller and Purchaser at the Closing, as of the Closing Date:

7.5.1. Property taxes and assessments for the then current tax year relating to the Property.

7.6 Right to Possession.

At Closing, Purchaser shall have full and unrestricted right to possession of the Property, subject only to the Permitted Exceptions, unless Seller elects to enter into a lease back with Purchaser for a period not to exceed sixty (60) days following Closing, as more particularly described in **Section 10.14** below.

7.7 Risk of Loss.

Risk of loss or damage to the Property by condemnation, eminent domain, foreclosure or similar proceedings (or deed in lieu thereof), or by fire or any other casualty, from the date hereof through Closing will be on Seller and thereafter will be on Purchaser. Seller will immediately notify Purchaser in writing of any such loss or damage. Purchaser shall notify Seller, in writing, within fourteen (14) days of receiving such notice whether Purchaser shall proceed to Closing. Purchaser's failure to notify Seller that it will proceed to Closing shall constitute notice of disapproval of the loss or damage. If Purchaser proceeds to Closing, Seller shall assign to Purchaser any insurance proceeds or condemnation awards, if any, and all causes of action and rights against such condemning authority, insurer or lender. If Purchaser disapproves this loss or damage, the Seller shall immediately return the Earnest Money to Purchaser, Seller shall pay any cancellation fee or other cost of the Title Company, and this Agreement shall terminate and all rights and obligations of the parties shall terminate.

SECTION 8. INDEMNIFICATION

8.1 Brokerage Commissions.

Seller and Purchaser warrant that the only broker involved in this transaction is Tim Stuart of Stuart Realty Group, and his commission shall be paid by Purchaser.

8.2 Warranties.

8.2.1. Seller agrees to indemnify, defend and hold Purchaser, its successors and assigns, harmless from any and all liabilities, claims, damages, demands, costs, fines, penalties and expenses of any kind or nature (except those items which by this Agreement specifically become the obligation of Purchaser), including, without limitation, attorneys' fees and expenditures for investigation and remediation (collectively "Claims"), by any other party or parties (including a governmental entity) which may be imposed upon or incurred by Purchaser, its successors or assigns arising out of or in connection with the breach of Seller's warranties under this Agreement.

SECTION 9. TERMINATION AND REMEDIES

9.1 Seller's Defaults.

9.1.1. Seller's Defaults. Seller shall be deemed to be in default hereunder in the event Seller fails, for a reason other than Purchaser's default hereunder, to meet, comply with, or perform any covenant, agreement or obligation on its part required within the time limits and in the manner required in this Agreement, or there shall have occurred a breach of any representation or warranty made by Seller.

9.1.2. Purchaser's Remedies. In the event of default by Seller, Purchaser may pursue any remedy available at law or equity, including:

(a) Enforcing specific performance of this Agreement;

(b) Bringing suit for damages.

In addition, and without prejudice to the foregoing remedies, Purchaser may, if default occurs prior to Closing, terminate this Agreement.

9.1.3. Return of Earnest Money. Upon termination of this Agreement pursuant to **Section 9.1.2** following a Seller default, the Earnest Money shall be promptly returned to Purchaser by Seller upon receipt of written notice from Purchaser that Seller has defaulted under this Agreement.

9.2 Purchaser's Defaults.

9.2.1. Purchaser's Defaults. Purchaser shall be in default hereunder in the event Purchaser fails, for a reason other than Seller's default hereunder, without legal excuse to complete the purchase of the Property or to meet, comply with, or perform any covenant, agreement or obligation on its part required within the time limits and in the manner required in this Agreement, or there shall have occurred a breach of any representation or warranty made by Purchaser but only after this Agreement has been approved by the Governing Bodies and signed as a result thereof.

9.2.2. Seller's Remedies. In the event of default by Purchaser, Seller's sole and exclusive remedy shall be to retain the Earnest Money, it being agreed between Purchaser and Seller that such sum shall be liquidated damages for a default of Purchaser hereunder because of the difficulty, inconvenience and uncertainty of ascertaining actual damages for such default. Receipt of the Earnest Money (as paid pursuant to the Option Agreement) shall constitute a full waiver of any other remedies Seller may have under this Agreement, or at law or equity.

SECTION 10. MISCELLANEOUS

10.1 Assignment of Contract.

Purchaser may assign its rights and obligations under this Agreement. Purchaser must notify Seller of any such assignment prior to the Closing and the assignee shall for all purposes be regarded as Purchaser under this Agreement.

10.2 Entire Agreement; Modification.

This Agreement sets forth the entire understanding between the parties with respect to the transactions contemplated herein and supersedes all prior or contemporaneous agreements, oral or written. Neither this Agreement nor any provision hereof may be waived or amended except by an instrument in writing signed by both parties.

10.3 Time of Essence.

Time is of the essence of this Agreement.

10.4 Binding Effect.

This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors and assigns.

10.5 Notices.

All notices to either party must be in writing and either (i) delivered in person; (ii) by United States certified mail, postage prepaid; (iii) by courier service, postage prepaid; or (iv) by facsimile transmission with confirmed receipt and sent to the address (or facsimile number) of such party as set forth below, or such other address (or facsimile number) as either party may from time to time designate by written notice to the other.

If to Purchaser:

The Urban Renewal Agency
for City of Canby
170 N. 2nd Avenue
PO Box 930
Canby, OR 97013
Attn: Catherine Comer

If to Seller:

Andreina T. Battilega
301 NE Third Avenue
Canby, OR 97013

Initial Here:

Initial Here:

10.6 Interpretation.

Words of any gender used in this Agreement shall be held and construed to include any other gender, and words of a singular number shall be held to include the plural, and vice versa, unless the context requires otherwise.

10.7 Captions.

The captions used in this Agreement are for convenience only and shall not be deemed to construe or to limit the meaning of the language of this Agreement.

10.8 Severability.

If one or more of the provisions of this Agreement or any application thereof shall be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions or any other application thereof shall in no way be affected or impaired.

10.9 Applicable Law.

This Agreement shall be governed by and construed in accordance with the laws of the State of Oregon. Venue shall be in Clackamas County.

10.10 Exhibits.

The following exhibits are incorporated into and made a part of this Agreement as if set forth fully herein:

Exhibit A	Legal Description of Property
Exhibit B	Books and Records Required by Section 4.1.1

10.11 Attorney Fees.

If a suit, action, or other proceeding of any nature whatsoever (including any proceeding under the U.S. Bankruptcy Code) is instituted in connection with any controversy arising out of this Agreement or to interpret or enforce any rights or obligations hereunder, the prevailing party shall be entitled to recover attorney, paralegal, accountant, and other expert fees and all other fees, costs, and expenses actually incurred and reasonably necessary in connection therewith, as determined by the court or body at trial or on any appeal or review in addition to all other amounts provided by law. Payment of all such fees shall also apply to any administrative proceeding, trial, and/or any appeal or petition for review. Whenever this Agreement requires a party to defend the other, it is agreed that such defense shall be by legal counsel reasonably acceptable to the party being defended.

10.12 Waiver.

No waiver of any breach of any covenant or provision contained herein shall be deemed a waiver of any preceding or succeeding breach thereof, or of any other covenant or provision

Initial Here:

Initial Here:

herein contained. No extension of time for performance of any obligation or act shall be deemed an extension of the time of performance of any other obligation or act.

10.13 Sole Ownership.

Seller warrants that she is sole owner of the Property and has full authority to sell the Property and to enter into this Agreement.

10.14 Relocation Assistance.

Seller acknowledges that this is a voluntary sale of her Property and this sale is not being made under the threat of condemnation. In consideration of the sale, however, Purchaser will provide Seller with certain relocation benefits in accordance with Oregon law. Seller has agreed that a lump sum payment of One Thousand Five Hundred Dollars ($1,500) to be paid at Closing shall constitute reasonable relocation expenses. In addition to the foregoing, at or before Closing, Seller shall advise Purchaser if she wishes to remain in the Property for a period not to exceed sixty (60) days while she finds a replacement property. If Seller elects to remain in the Property, she will enter into a Stevens-Ness standard residential lease form, and she shall be allowed to remain in the Property rent free for a period of two (2) months as an additional relocation benefit. Any holdover beyond the two (2) months will be covered by the terms of the lease.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

SELLER:

Andreina T. Battilega

Address: 301 NE 3RD Ave
Canby OR 97013

Phone: 503-793-1784

Facsimile:

Email: andreina@battilega@mckesson.com

8/26/2008

PURCHASER:

The Urban Renewal Agency of the City of Canby, Oregon

By: _____

Name: Anthony Helbling

As Its: Chairman

Address: P.O. Box 930
Canby, OR 97013

Phone: (503) 266-7001

Facsimile: (503) 266-1574

Email:

K:\1828824\00012\18009_BAJ\18009A23PI==Canby-Battilega PSA FINAL 8-19-08.doc

Initial Here:

Initial Here:

EXHIBIT A

LEGAL DESCRIPTION

Section 33 Township 3S Range 1E
Quarter DB Tax Lot 02500

Parcel Number:	00795358
Reference Parcel:	31E33DB02500
Mail Address:	301 NE 3rd Avenue Canby, Oregon 97013

Initial Here:

Initial Here:

EXHIBIT B

BOOKS AND RECORDS REQUIRED BY SECTION 4.1.2.

Statements of all real and personal property taxes (including special assessments or other charges affecting the Property), along with notices of any proposed tax assessments with respect to the Property or any portion thereof for the two (2) most recent tax years;

Copies of any boundary or other surveys, wetland studies or delineations, architectural or structural reports, environmental site assessments, or soil studies with respect to the Property;

Copies of any notices of violation, administrative orders or any other enforcement action or lawsuit taken against the Seller and concerning the Property or improvements;

Copies of records concerning the past or present release, generation, disposal, transportation or existence of Hazardous Materials on the Property, and any environmental studies relating to the Property;

Copies of records of or information concerning any enforcement actions pursuant to federal, state and/or local environmental legislation against neighboring property owners of which Seller has knowledge; and

Any other documents or records with respect to the operation of the Property which may be reasonably requested by Purchaser.

Initial Here:

Initial Here: