

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT (“**Agreement**”) is entered into as of this ____ day of _____, 2018 (the “**Effective Date**”), by and between Argo Investment Corp., an Oregon domestic business corporation, John Saffron, Nancy Hasman, Diane Warshal, and Richard Gassner, (collectively the “**Seller**”), and the Urban Renewal Agency of the City of Salem, an Oregon quasi-municipal corporation (“**Buyer**”). Buyer and Seller are each a “**Party**” and together the “**Parties**.”

RECITALS

A. Seller is the owner of that certain real property located in Marion County, Oregon, commonly known as 285 Chemeketa Street NE, 311 & 325 Commercial Street NE, 240-270 Center Street NE, and 350 Front Street NE in Salem, as shown on Exhibit A and more particularly described on Exhibit B (the “**Property**”). The Property consists of approximately one and four hundredths (1.04) acres.

B. Buyer desires to purchase the Property from Seller, and Seller wishes to sell the Property to Buyer, on the terms and conditions contained herein.

C. The Property is subject to a certain Real Estate Option Agreement (“**Option**”) between the Parties dated November 22, 2017 (as amended on October 2, 2018) as shown on Exhibit C. This Agreement shall replace and supersede the terms of said Option.

AGREEMENTS

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein, Seller and Buyer agree as follows:

1. Agreement of Purchase and Sale. Subject to and upon the terms and conditions herein, Seller shall sell to Buyer, and Buyer shall purchase from Seller, the Property, together with all of Seller’s right, title and interest in and to any rights licenses, privileges, reversions and easements appurtenant to the Property and the leases described on Exhibit D (the “**Leases**”).

2. Purchase Price. The purchase price for the Property (the “**Purchase Price**”) is TWO MILLION NINETY-TWO THOUSAND DOLLARS (\$2,092,000).

(a) Adjustment. At Closing, Buyer shall deposit One Hundred Thousand Dollars (\$100,000) (the “**Escrow Amount**”) of the Purchase Price in an escrow account held by an escrow company reasonably acceptable to Buyer and Seller (the “**Escrow Company**”). The Escrow Company shall dispense the Escrow Amount to Buyer to reimburse Buyer for actual, direct costs and expenses incurred by Buyer in completing environmental remediation necessary to comply with Environmental Laws, as defined below, for Buyer’s intended use of the Property (“**Remediation Costs**”) pursuant to an escrow agreement between Buyer, Seller, and the Escrow Company (the “**Escrow Agreement**”), Remediation Costs shall not include the cost or expense of any employee of Buyer, Buyer’s internal expenses, or any costs incurred by Buyer prior to the Closing. The

Remediation Costs shall be subject to the review and reasonable approval of Seller and Seller's environmental consultant and shall only be paid to Buyer following submission to Seller of a certification of such costs. On the date eighteen (18) months after the Closing Date, any Escrow Amount remaining shall be paid to Seller, whether or not Buyer has incurred Remediation Costs that have not been reimbursed. Seller's maximum liability for Remediation Costs not exceed the Escrow Amount.

3. Earnest Money.

(a) Generally. Per the terms of the Option, as of the Effective Date, Buyer has paid Seller an option fee ("**Option Fee**") in the amount of One Hundred Twelve Thousand Five Hundred Dollars (\$112,500.00); which per the Option Agreement, half of the Option Fee, Fifty Six Thousand Two Hundred Fifty (\$56,250) shall be credited against the Purchase Price at Closing (the "**Option Fee Credit**"). Within fourteen (14) days of the Effective Date, Buyer shall deliver to Fidelity Title Company of Salem, Oregon (the "**Title Company**") the amount of **TWO HUNDRED THOUSAND** Dollars (\$200,000.00) as an earnest money deposit (the "**Earnest Money**");

(b) Release to Seller. If this Agreement has not earlier been terminated on or before the Review Deadline (as defined in and pursuant to Section 5 below), the Earnest Money shall be immediately released to Seller and shall be credited against the Purchase Price at Closing (as defined in Section 8 below). The Earnest Money and Option Fee Credit shall be credited against the Purchase Price at Closing. Should Seller fail to close on the Property through no fault on the part of the Buyer, the Earnest Money shall be due back to Buyer.

4. Title Company; Title Report; Buyer's Review of Title Report.

(a) Title Company. On or before five (5) days after the Effective Date, the Parties shall deposit an executed copy of this Agreement with the Title Company.

(b) Title Report. Within ten (10) days of the Effective Date, Seller shall deliver to Buyer a current preliminary commitment for title insurance for the Property, issued by the Title Company, together with copies of the underlying documents (the "**Title Report**").

(c) Buyer's Review of Title Report. Buyer shall have five (5) days from receipt of the Title Report to review the Title Report and to notify Seller, in writing, of Buyer's disapproval of any special exceptions shown in the Title Report. Those exceptions the Buyer does not object to are referred to below as the "Permitted Exceptions". If Buyer notifies Seller in writing of disapproval of any exceptions within five (5) days after receipt of such notice from Buyer, Seller shall then give Buyer written notice by the Review Deadline of whether Seller is willing and able to remove the objected to Exceptions. If Seller fails to give Buyer notice, then such inaction shall be deemed Seller's denial of Seller's willingness or ability to remove the objected to Exceptions. If Seller does not remove the Exceptions on or before the Closing Date or provide Buyer with such assurances, Buyer may terminate this Agreement by written notice to Seller no later than five (5) days following the Review Deadline, and this Agreement shall be of no further binding effect.

5. Buyer's Access to the Property Prior to Closing. During the forty-five (45) day period beginning on the Effective Date (the ending date of which is hereinafter referred to as the Review Deadline), provided that neither Buyer nor Buyer's employees, agents, contractors or other representatives unreasonably interfere with Seller's or Seller's tenant use and occupancy of the Property, Buyer may at Buyer's sole cost and expense conduct further examination and inspection of the Property subject to the following provisions:

(a) Access.

(i) *Generally and subject to the terms of the Option.* From the Effective Date through the Review Deadline, Seller grants to Buyer and Buyer's agents a right of reasonable access to the Property, for the purposes of inspecting the Property, provided Buyer gives any tenant no less than forty-eight (48) hours' notice of access and subject to the tenant notice requirements of any Lease. Buyer may obtain at Buyer's expense, a Phase II environmental site assessment of the Property. With respect to any inspection or testing that is invasive or involves digging, boring or removing any portion of the Property, Buyer must first submit to Seller a written plan and request for any such invasive testing, and must identify to Seller any contractors to be used by Buyer in the conduct of such testing; and Buyer may not proceed with any such invasive testing unless Seller has given written approval of Buyer's plan and contractor(s). Seller's approval shall not be unreasonably withheld, conditioned or delayed. Buyer shall conduct any such invasive testing in strict accordance with the plan approved by Seller. Seller will be entitled to have a representative present at all times during any inspection or testing on the Property. In conducting such invasive testing, Buyer and Buyer's contractor(s) shall perform the work at such times and in such manner as to minimize the impact of such work upon Seller, Seller's use of the Property and Seller's invitees on the Property. Buyer shall pay when due all costs and expenses of Buyer's inspections, tests and studies of the Property, regardless of whether the Closing of the purchase and sale of the Property occurs. Buyer agrees to provide Seller with a true and complete copy of all environmental studies, tests, and reports that Buyer obtains in connection with its inspection of the Property.

(ii) *Indemnification.* To the extent permitted by the Oregon Tort Claims Act, ORS 30.260 through 30.300, Buyer shall protect, defend, indemnify and hold Seller and Seller's agents and employees harmless for, from and against any claims, liabilities, damages, liens, attorneys' fees, penalties, demands, causes of actions and suits of any nature whatsoever which are the proximate result of the entry onto the Property by Buyer, its agents, employees, representatives or contractors. This indemnity obligation shall survive the Closing or the termination of this Agreement, as applicable.

6. Buyer's Conditions to Close.

(a) Seller shall have timely performed, in all material respects, all of the obligations required to be performed by Seller by the terms of this Agreement, including delivery of all of the items required to be delivered by Seller pursuant to this Agreement.; and

(b) Buyer shall have obtained a commitment from the Title Company to issue the Title Insurance Policy.

7. Seller's Conditions to Close. The following are conditions precedent to Seller's obligations to consummate the transaction described herein:

(a) Buyer shall have timely performed, in all material respects, all of the obligations required to be performed by Buyer by the terms of this Agreement, including delivery of all of the items required to be delivered by Buyer pursuant to this Agreement.

8. Closing; Possession. So long as all conditions precedent to closing set forth herein have then been satisfied or waived in accordance herewith, the closing of the purchase and sale of the Property ("**Closing**") under this Agreement shall take place on or before March 29, 2019. Buyer shall have possession of the Property from and after the Closing.

The date on which Closing occurs is the "**Closing Date**."

9. Conveyance of Property. At Closing, Seller shall:

(a) convey the Property to Buyer by a special warranty deed in the form attached as Exhibit E (the "**Deed**") conveying fee simple title in Buyer, subject only to the Permitted Exceptions; and

(b) assign the Leases to Buyer by an Assignment and Assumption of Lease ("**Lease Assignment**").

10. Closing Costs and Taxes. Seller shall pay one-half of any closing fees, including escrow fees and the fee for recording the Deed. Other Recording Fees, transfer taxes and assessments, deed stamps and one-half of any closing fees, including escrow fees, shall be paid by Buyer. Any property taxes paid by Seller shall be prorated as of the Closing Date, and Buyer shall be responsible for any additional or deferred taxes that may result from this sale or Buyer's use of the Property. Each party shall pay its own attorney fees, consultant fees and costs, and other expenses solely incurred by that Party.

11. Buyer's Closing Deliveries. On or before the Closing Date, Buyer shall deliver the following:

(a) to the Title Company:

- (i) all documents required to be executed in connection with this Agreement including the Lease Assignment; and
- (ii) immediately available funds in the amount of the Purchase Price minus the Escrow Amount, the Earnest Money and the Option Fee Credit, together with the amount of all Closing costs and other expenses to be paid by Buyer at Closing pursuant to Section 10, above.

(b) to the Escrow Company:

- (i) immediately available funds in the amount of the Escrow Amount; and
- (ii) the Escrow Agreement, executed by Buyer.

12. Seller's Closing Deliveries. On or before the Closing Date, Seller shall deliver the following:

- (a) to the Title Company:
 - (i) the executed and acknowledged Deed and Lease Agreement; and
 - (ii) immediately available funds in the amount of all Closing costs and expenses to be paid by Seller at Closing pursuant to Section 10, above.
- (b) To the Escrow Company, the Escrow Agreement, executed by Seller.

13. Representations and Warranties.

(a) Parties' Representations and Warranties. Each Party makes the following representations and warranties which are true on the date hereof and shall be true on the Closing Date as if made on such date:

(i) *Power and Authority.* The Party is duly organized and existing under the laws of Oregon, and has the requisite right, power and authority to enter into and carry out the terms of this Agreement and the execution and delivery hereof and of all other instruments referred to herein. The Party has taken all action necessary to authorize the execution, delivery and performance of this Agreement. The performance by the Party of its obligations hereunder will not violate or constitute a default under the terms and provisions of any agreement, document or instrument to which the Party is a party or by which it is bound or affected. All proceedings required to be taken by or on behalf of the Party to authorize it to make, deliver and carry out the terms of this Agreement have been duly and properly taken.

(ii) *Validity of Agreement.* This Agreement and all other documents required by this Agreement to be executed by Party shall constitute, when so executed, the valid and binding obligation of the Party thereto, enforceable against it in accordance with their respective terms.

(b) Survival. All representations and warranties made by the Parties hereunder shall survive Closing.

14. Purchase AS-IS; No Representations by Seller; Release and Indemnity.

(a) Buyer understands, acknowledges and agrees that Buyer is buying Property "AS-IS" and "WHERE-IS," with all faults and without any representations or warranties, express, implied or statutory, of any kind whatsoever (including, without limitation, any representations or warranties regarding environmental matters), by Seller, its agents, brokers, consultants, counsel, employees,

managers or any other person, except those expressly set forth in this Agreement. Seller expressly disclaims and negates, as to the Property: (i) any implied or express warranty of merchantability; (ii) any implied or express warranty of fitness for a particular purpose; and (iii) any implied warranty with respect to the condition of the Property, the past or projected financial condition of the Property (including, without limitation, the income or expenses thereof) or the uses permitted on, the development requirements for, or any other matter or thing relating to all or any portion of the Property.

(b) Environmental Inspections and Release. Buyer, for itself and any entity affiliated with Buyer, waives and releases Seller and Seller's Affiliates from and against any liability or claim related to the Property arising under the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. Section 9601 et seq.), the Resource Conservation and Recovery Act of 1976 (42 U.S.C. Section 6901 et seq.), the Clean Water Act (33 U.S.C. Section 1251 et seq.), the Safe Drinking Water Act (42 U.S.C. Section 300f et seq.), the Hazardous Materials Transportation Act (49 U.S.C. Section 1801 et seq.) and the Toxic Substances Control Act (15 U.S.C. Section 2601 et seq.) or any other federal, state, local or administrative agency ordinance, law, rule, regulation, order or requirement relating to environmental conditions or Hazardous Material (the "**Environmental Laws**"). For the purposes hereof, "**Hazardous Material**" shall mean any substance, chemical, waste or other material which is listed, defined or otherwise identified as "hazardous" or "toxic" under any federal, state, local or administrative agency ordinance or law, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. §§ 9601 et seq. and the Resource Conservation and Recovery Act, 42 U.S.C. §§ 6901 et seq., or any regulation, order, rule or requirement adopted thereunder, as well as any formaldehyde, urea, polychlorinated biphenyls, petroleum, petroleum product or by-product, crude oil, natural gas, natural gas liquids, liquefied natural gas, or synthetic gas usable for fuel or mixture thereof, radon, asbestos, and "source," "special nuclear" and "by-product" material as defined in the Atomic Energy Act of 1985, 42 U.S.C. §§ 3011 et seq.

(c) Buyer's Independent Investigation. Buyer is a sophisticated purchaser who is familiar with the ownership and operation of real estate projects similar to the Property and Buyer has or will have adequate opportunity to complete all physical and financial examinations relating to the acquisition of the Property as it deems necessary, and will acquire the same solely on the basis of such examinations and the title insurance protection afforded by the Title Policy and not on any information provided or to be provided by Seller, except for Seller's representations and warranties in Section 13(a) and any warranties of title contained in the Deed delivered at the Closing (collectively the "**Seller's Warranties**"). Buyer hereby acknowledges and agrees that closing on the purchase of the Property shall constitute an acknowledgment that Buyer: (a) has concluded whatever studies, tests, and investigations Buyer desired to conduct relating to the Property including, without limitation, economic reviews and analyses, soils tests, engineering analyses, environmental analyses and analysis of any applicable records of the planning, building, public works or any other governmental or quasi-governmental entity having or asserting jurisdiction over the Property; (b) has reviewed and read (or has elected not to do so) and has understood all instruments affecting the Property and/or its value which Buyer deems relevant, including, without limiting the generality of the foregoing, all documents referred to in the Title Commitment, demographic studies and market analyses; (c) and its consultants have made all such independent

studies, analyses and investigations, as Buyer has deemed necessary, including, without limitation, those relating to environmental matters, and the leasing, occupancy and income of the Property; (d) is relying solely on its own investigations as to the Property and its value and is assuming the risk that adverse physical, economic or other conditions, including, without limitation, adverse environmental conditions (including, without limitation, soils and groundwater conditions and conditions relating to the presence or absence of Hazardous Materials) and status of compliance with the Americans with Disabilities Act of 1990 (“**ADA**”) or the Fair Housing Act of 1968, as amended) may not have been revealed by such investigation; and (e) that Seller has given Buyer every opportunity to consider, inspect and review to its satisfaction the physical, environmental, economic and legal condition of the Property and all files and information in Seller’s possession which Buyer deems material to the purchase of the Property.

(d) Release. It is the parties’ intent that the Buyer shall bear all responsibility for any environmental remediation. Buyer, on its own behalf and on behalf of its agents, partners, affiliates, successors and assigns, hereby absolutely and unconditionally waives, releases and discharges to the fullest extent permitted under law, Seller and Seller’s owners, members, managers, agents and employees of Seller (“**Seller’s Affiliates**”) (the foregoing waiver, release and discharge shall hereinafter be referred to as the “**Release**”) from and against any and all liabilities, obligations, fines, penalties, claims, demands, suits, judgments, actions, causes of action, damages, costs, losses and expenses (including, without limitation, reasonable attorney’s fees, expert witness fees, charges, disbursements and court costs) (collectively, “**Claims**”) brought by Buyer, its officers, agents, employees, contractors, or assigns thereof, directly or indirectly arising by reason of, in connection with, on account of or pertaining to the physical, environmental, economic or legal condition of the Property, including, without limitation, all of the matters described above and in connection with any Environmental Law or Hazardous Material. Further, Buyer will indemnify, defend and hold harmless Seller from and against any and all Claims directly or indirectly arising by reason of, in connection with, on account of or pertaining to the Property, no matter when occurring or arising.

(e) The provisions of this Section 14 shall survive indefinitely any Closing or termination of this Agreement and shall not be merged into the Closing documents.

15. Attorneys’ Fees. In the event of any arbitration or litigation between the parties to declare or enforce any provision of this Agreement, the prevailing party or parties shall be entitled to recover from the losing party or parties, in addition to any other recovery and costs, reasonable attorneys’ fees incurred in such action in arbitration, trial and all appellate courts.

16. 1031 Exchange. Seller and Buyer each acknowledges that the other may be purchasing/selling the Property in order to complete a like-kind tax free exchange pursuant to the provisions of Section 1031 of the Internal Revenue Code, as amended to date. Each party agrees to cooperate with such requests (at no cost or expense to such party) in order to complete this transaction as part of a Section 1031 like-kind tax free exchange.

17. Statutory 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 THAT, IN FARM OR

FOREST ZONES, MAY NOT AUTHORIZE CONSTRUCTION OR SITING OF A RESIDENCE AND THAT LIMIT LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, IN ALL ZONES. 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, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010. 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 VERIFY THE EXISTENCE OF FIRE PROTECTION FOR STRUCTURES 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, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010.

18. Defaults and Failure to Close

(a) Seller's Remedies. In the event that this transaction fails to close on account of a default by Buyer under this Agreement, the Earnest Money and Option Fee Credit will be forfeited by Buyer and retained by Seller as liquidated damages as Seller's sole remedy for the default. SUCH AMOUNT HAS BEEN AGREED BY THE PARTIES TO BE REASONABLE COMPENSATION AND THE EXCLUSIVE REMEDY FOR BUYER'S DEFAULT, SINCE THE PRECISE AMOUNT OF SUCH COMPENSATION WOULD BE DIFFICULT TO DETERMINE.

(b) Buyer's Remedies. If this transaction fails to close on account of a default by Seller under this Agreement, Buyer will be entitled to specific performance of this Agreement, in addition to any other remedy available at law or in equity.

19. Notices.

All notices or communications of any kind which may be required or permitted to be given under this Agreement shall be in writing and shall be served by personal delivery or by mailing a copy thereof addressed as follows:

To Seller:

Attn: John Saffron
299 W. 12th Street, Apt. 8G
New York, NY 10014-1823

To Buyer:

The Urban Renewal Agency of the City of Salem
Real Property Services Division
Attn: Clint Dameron
350 Commercial St NE
Salem, Oregon 97301

(a) Addresses. An “**Address**” means the address set forth beneath a Party’s signature on this Agreement. Any notices, demands, deliveries or other communications required under this Agreement shall be made in writing and delivered by one of the methods set forth in Section 19(b) below to the other Party’s Address, unless one Party modifies its Address by notice to the other Party, given in accordance with Section 19(b) below.

(b) Delivery.

Method of delivery	When notice deemed delivered
In person (including by messenger service)	the day delivered, as evidenced by signed receipt
Email or Fax	the day sent (unless sent after 5:00 p.m., P.T., in which case the email or fax shall be deemed sent the following business day)
US Mail (postage prepaid, registered or certified, return receipt requested)	the day received, as evidenced by signed return receipt
Courier delivery (by reputable commercial courier)	the day received, as evidenced by signed receipt

If the deadline under this Agreement for delivery of a notice is a Saturday, Sunday or federal or State of Oregon holiday, such deadline shall be deemed extended to the next business day.

20. Miscellaneous.

(a) Time is of the Essence; Calculation of Days. Time is of the essence in relation to the Parties’ performance of any and all of their obligations under this Agreement. Any reference in this Agreement to “days” shall mean calendar days, unless specified as “business days.” A business day is any day that is not a Saturday, Sunday or a federal or state of Oregon holiday.

(b) Integration. This Agreement constitutes the entire agreement between the Parties on the subject matter hereof. The Parties have no understandings, agreements or representations, oral or written, regarding this Agreement that are not specified herein.

(c) Amendments. This Agreement may be amended or modified only by a written instrument signed by both Parties.

(d) No Waiver of Performance. No waiver by a Party of performance of any provision of this Agreement by the other Party shall be deemed a waiver of nor prejudice the other Party's right to otherwise require performance of the same provision, or any other provision.

(e) Severability. If any term or provision of this Agreement is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the Parties shall be construed and enforced as if this Agreement did not contain the particular term or provision held to be invalid.

(f) Counterparts. This Agreement and any amendments hereto may be executed in two or more counterparts, each of which is an original, and all of which together are deemed one and the same document, notwithstanding that both Parties are not signatories to the same counterpart.

(g) Governing Law; Consent to Jurisdiction. This Agreement is governed by and construed in accordance with the laws of the State of Oregon without regard to principles of conflicts of law. Any claim between Seller and Buyer that arises from or relates to this Agreement shall be brought and conducted solely and exclusively within the jurisdiction of the Circuit Court of Marion County in the State of Oregon. Each Party hereby consents to the exclusive jurisdiction of such court, waives any objection to venue and waives any claim that such forum is an inconvenient forum.

(h) No Presumption against Drafter. No inference, presumption or conclusion shall be drawn against either Party by virtue of that Party having drafted this Agreement or any portion thereof.

(i) Exhibits. The Exhibit listed below is incorporated as part of this Agreement:

Exhibit A:	Site Map
Exhibit B:	Legal Description
Exhibit C:	Option Agreement
Exhibit D:	Leases
Exhibit E:	Form of Deed

Each person signing this Agreement below on behalf of a Party represents and warrants that he or she is duly authorized by such Party and has legal capacity to do so.

SELLER:

Seller: ARGO INVESTMENT CORP.

By: _____
John Saffron, President

DATE: _____

Seller: JOHN SAFFRON

DATE: _____

Seller: NANCY HASMAN

DATE: _____

Seller: DIANE WARSHALL

DATE: _____

Seller: RICHARD GASSNER

DATE: _____

BUYER:

THE URBAN RENEWAL AGENCY OF THE CITY OF SALEM

By: _____

Date: _____

Name: Steven D. Powers

Its: Executive Director

EXHIBIT A
Site Map

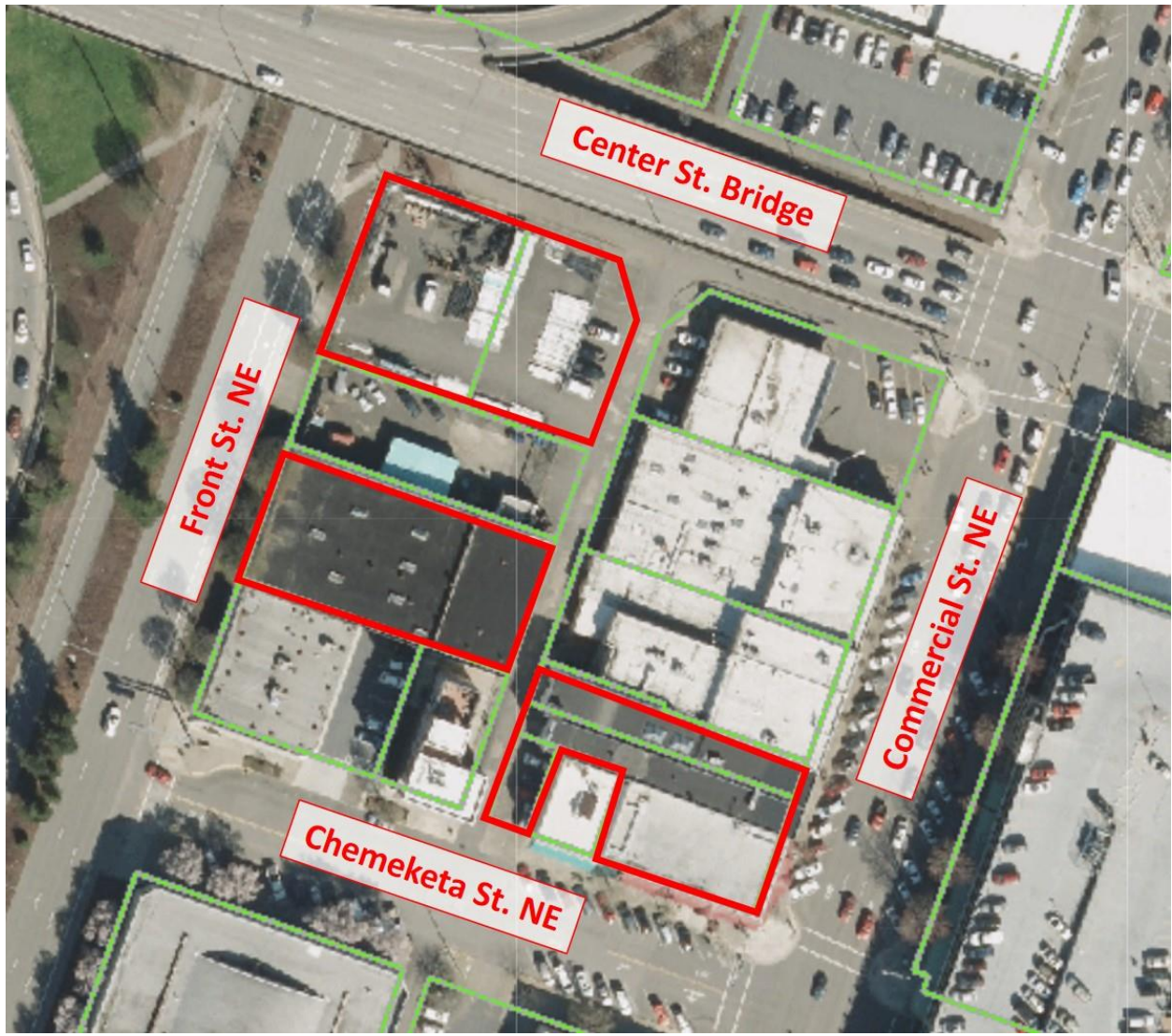


EXHIBIT B

Legal Description

Parcel 1

Beginning at the Southeast corner of Lot Four (4) in Block Fifty (50) in the City of Salem, Oregon; thence running North along the East line of said Lot Four (4), 52 feet 3 inches to the middle of the North main brick wall of the State Insurance Building; thence West through the center of said brick wall 100 feet; thence south 52 feet 3 inches to the South line of said Lot 4; thence East along the South line of said Lot 4, 100 feet, to the place of beginning, and situated in the City of Salem, in Marion County, State of Oregon, as shown by the recorded plat of said City of Salem, now of record in the Office of the Recorder of Conveyances for said Marion County, Oregon.

ALSO, beginning at a point 52 feet 3 inches Northerly from the Southeast corner of Lot No. 4 in Block No. 50 in the City of Salem, Marion County, Oregon, said beginning point being on the East line of said lot, and in the center of the North main brick wall of what is known as the State Insurance Building; thence Northerly along the East line of said lot, 18 feet 9 inches, to the Southeast corner of the land formerly owned by M. E. Sperry and A. A. Sperry; thence Westerly parallel with the South line of said block, 165 feet, to the alley in said block; thence Southerly, along the East line of said alley, 18 feet 9 inches; thence Easterly parallel with the South line of said block, and extending directly through the center of the North main brick wall of what is known as the State Insurance Building, 165 feet, to the place of beginning, all in said block No. 50, in Salem, Oregon, as shown by the recorded plat thereof.

Marion County Property Tax ID: R89358

Map Tax Lot: 073W22DC03900

Site Address: 279 & 311 Commercial St. NE

Parcel 2

Beginning on the Easterly boundary of Lot Four (4) in Block Fifty (50) in Salem, Marion County, Oregon, at a point 11.5 feet Southerly from the Northeast corner of said Lot 4 and on the center line of a wall; thence Westerly along the center line of said wall 165 feet to the Westerly boundary of said lot; thence Northerly along the Westerly boundary of Lots 4 and 3 in said block, 25.50 feet to a point 14.00 feet Northerly from the Northwest corner of said Lot 4; thence Easterly parallel with the Southerly boundary of said block, 77.65 feet to an iron pipe; thence Southerly 3.32 feet parallel with the Westerly boundary of said Lot 3, to an iron pipe set on the Westerly projection of the center line of a 12 inch brick wall; thence Easterly along the Westerly projection of the center line of said brick wall, 87.35 feet to the Easterly boundary of said Lot 3; thence Southerly 22.25 feet to the place of beginning.

Marion County Property Tax ID: R89357

Map Tax Lot: 073W22DC04000

Site Address: 325 Commercial St. NE

Parcel 3

Beginning at the Southwest corner of Lot Four (4), in Block Fifty (50) of the City of Salem in Marion County, Oregon, and running thence East along the South line of said Lot, 25.00 feet and 6 inches; thence Northerly and parallel with the West line of said Lot, 52.00 feet and 3 inches; thence Westerly and parallel with the South line of said Lot, 25.00 feet and 6 inches to the West line of said Lot; thence Southerly along the West line of said Lot, 52.00 feet and 3 inches to the place of beginning.

SUBJECT to possible rights of others in and to existing walls upon the Northerly and Easterly lines of the above described real property.

Marion County Property Tax ID: R89360

Map Tax Lot: 073W22DC03700

Site Address: 285 Chemeketa St. NE

Parcel 4

Lot Eight (8), Block Fifty (50) of the City of Salem, Marion County, Oregon, according to the original plat of Said City now on file and of record in the office of the County Recorder in and for Marion County, Oregon. Also: Commencing at the Southwest corner of Lot 8, in Block 50, running thence South 35.4 feet; thence East, parallel with the South line of said Lot 8, to the alley; thence North along the West line of said alley 35.4 feet to the South side of Lot 8; thence West following the Southern boundary line of said Lot to the place of beginning, situated in Lot 7, Block 50, City of Salem, Marion County, Oregon.

SAVE AND EXCEPTING the following described property: Commencing at a point 28.4 feet South of the Southwest corner of Lot 8, Block 50, City of Salem, running thence East, parallel with the South line of Lot 8 to the alley; thence South along said alley 7 feet; thence West to the West boundary line of Lot 7, in Block 50, City of Salem; thence North 7 feet to the place of beginning, being part of Lot 7, Block 50, City of Salem, Marion County, Oregon.

Marion County Property Tax ID: R89365

Map Tax Lot: 073W22DC03100 & 3200

Site Address: 240-270 Center St. NE

Parcel 5

Lot 6, Block 50, City of Salem, Marion County, Oregon.

SUBJECT TO: The terms and provisions of the Urban Renewal Plan recorded in Reel 17, Page 213, Film Records for Marion County, Oregon, and revised in Reel 62, Page 328; further revised in Reel 93, Page 348, and further revised in Reel 118, Page 871, Film Records for Marion County, Oregon

Marion County Property Tax ID: R89363

Map Tax Lot: 073W22DC03400

Site Address: 350 Front St. NE

EXHIBIT C
Option Agreement

See Attached.

EXHIBIT D
Leases

1. Commercial Lease dated effective September 1, 2017, between John F. Saffron, Trustee of the Gassner-Saffron Trust, as Landlord, and, Saffron Supply Co., Inc., an Oregon corporation, as Tenant.
2. Commercial Lease dated effective September 1, 2017, between John F. Saffron, as Landlord, and Saffron Supply Co., Inc., an Oregon corporation, as Tenant.
3. Commercial Lease dated effective September 1, 2017, between Argo Investment Corp., an Oregon corporation, as Landlord, and Saffron Supply Co., Inc., an Oregon corporation, as Tenant.
4. Commercial Lease dated effective April 15, 2013, between John Saffron, as Landlord, and Runaway Art and Craft Studio, LLC, an Oregon limited liability company, as Tenant.
5. Oral Month-to-Month Lease between John Saffron, as Landlord, and Kim Bender, as Tenant.

EXHIBIT E
Form of Deed

MAIL TAX STATEMENTS TO:

City of Salem
Attn: Finance Dept.
555 Liberty Street SE, Room 230
Salem, OR 97301

AFTER RECORDING RETURN TO:

City of Salem
Attn: Clint Dameron
350 Commercial St. NE
Salem, OR 97301

STATUTORY SPECIAL WARRANTY DEED

[INSERT GRANTOR NAME] (“*Grantor*”) conveys and specially warrants to *The Urban Renewal Agency of the City of Salem*, an Oregon quasi-municipal corporation (“*Grantee*”) the real property described in *Exhibit A*, which is attached hereto and incorporated herein, free of encumbrances created or suffered by the Grantor except as specifically set forth on *Exhibit B*.

The following is the notice as required by Oregon law: “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, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010. 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, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010.”

The true and actual consideration paid for this conveyance is [INSERT PRICE] Dollars (\$XXX).

[Signature Page to Follow]

Dated this ____ day of _____ 20__.

XXX

By: _____

State of Oregon)

) ss.

County of Marion)

On this ____ day of _____, 20__, personally appeared _____, the _____ of Union Gospel Mission of Salem, Oregon, an Oregon non-profit corporation, who being duly sworn, did acknowledge the foregoing instrument to be its voluntary act and deed.

Before me:

Notary Public for Oregon

My Commission Expires: _____

ACCEPTED ON BEHALF OF THE URBAN RENWAL AGENCY OF THE CITY
OF SALEM, AN OREGON QUASI-MUNICIPAL CORPORATION

Steven D. Powers, Executive Director

APPROVED AS TO FORM

By: _____
City Attorney