



September 18, 2025

BCC Agenda Date/Item: \_\_\_\_\_

Board of County Commissioners  
Clackamas County

**Approval of a Disposition and Development Agreement with Level OCC-01 for the Main Street Courthouse. Agreement Value is contingent on appraisal, not to be less than \$100,000. Funding is through Level Development OCC-01. No County General Funds are involved.**

<b>Previous Board Action/Review</b>	05/15/2025 – Business Meeting 05/06/2025 – Policy Session 04/08/2025 – Joint Work Session with the City of Oregon City 01/21/2025 – Issues & Updates 12/18/2024 – Policy Session 11/26/2024 – Issues & Updates 09/10/2024 – Issues & Updates 07/30/2024 – Policy Session 04/23/2024 – Issues & Updates		
<b>Performance Clackamas</b>	N/A		
<b>Counsel Review</b>	Yes	<b>Procurement Review</b>	No
<b>Contact Person</b>	Tony Mayernik	<b>Contact Phone</b>	503-742-5920

**EXECUTIVE SUMMARY:** In May 2025, the Board of County Commissioners directed staff to begin negotiations with Level Development NW (“Developer”) for sale of the former Clackamas County Courthouse on Main Street in Oregon City. Through a project-specific development entity, Level OCC-01, LLC, the Developer is proposing to re-develop the site into a mixed-use structure with ground floor parking, five floors of residential housing with a commercial space on the first floor, and a public plaza. Staff have been working with the Developer to negotiate terms of a Disposition & Development Agreement (DDA) that would obligate the Developer to build the project as substantially similar to the proposal received.

The DDA establishes the sale price of the property as contingent upon an appraisal conducted by an independent third party for a valuation of the property as conditioned by the DDA, with a floor of \$100,000. The Developer proposes to put \$25,000 in Earnest Money in escrow, which will be available to cover the County’s expenses in pursuing the transaction.

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In addition to the residential and commercial spaces that make up the bulk of the project, the DDA requires the Developer to construct a parking garage with approximately 48 stalls for residents, to make commercially reasonable efforts to preserve and reuse elements of the existing structure, including the oak entry doors, bronze trim, historical plaque, chevron, eagles, helmeted figures, and scales of justice, either in the new structure or in a monument to be constructed in Liberty Plaza, and to commit to a lot line adjustment for Liberty Plaza to be dedicated to the City of Oregon City.

The DDA allows for an 180-day due diligence period, though both parties intend to close the transaction by January 1, 2026 to facilitate the Developer's demolition of the existing structure during the winter season when business traffic and utilization of Liberty Plaza is at its lowest point of the year. Assuming that the Developer can obtain entitlements and permits in a timely manner, construction is targeted to commence in June 2027, with completion targeted for December 2028.

The DDA provides several critical protections to the County during this process, including binding any future purchasers of the property or those who may be assigned rights under the DDA to a project substantially similar to the original proposal, conditioning of most transfers of control on the County's approval, the right to retain earnest money if the transaction does not close, and the right to repurchase the property from the developer for specified costs if construction does not commence.

**RECOMMENDATION:** Staff recommends the BCC approve the Disposition & Development Agreement with Level OCC-01, LLC for the Main Street Courthouse.

**DISPOSITION AND DEVELOPMENT AGREEMENT  
BETWEEN CLACKAMAS COUNTY  
AND  
LEVEL OCC-01 LLC  
FOR THE MAIN STREET COURTHOUSE**

This DISPOSITION AND DEVELOPMENT AGREEMENT (this “Agreement”) is made by and between CLACKAMAS COUNTY, a political subdivision of the State of Oregon (the “County”), and LEVEL OCC-01 LLC, an Oregon limited liability company, or its assignee (“Developer”). The County and Developer may be referred to jointly in this Agreement as the “Parties” and individually as a “Party.” This Agreement shall become effective upon the latest date of signature by a party hereto as set forth below each Party’s signature block (“Effective Date”) and shall continue until completion of all obligations hereunder or the Agreement is otherwise terminated or amended, whichever occurs first.

**RECITALS**

**A.** The County owns the 87-year-old courthouse located at 807 Main Street in downtown Oregon City, Oregon, commonly referred to by the Parties as the “Main Street Courthouse.”

**B.** The Main Street Courthouse is located on approximately .94 acres of real property that is zoned Mixed-Use Downtown (MUD), encompasses more than two-thirds (2/3) of a city block, and is in a high-profile location in the downtown core of Oregon City. The courthouse itself is an Art-Deco-style building with Egyptian Revival overtones and is considered historically significant by the Oregon State Historic Preservation Office (“SHPO”). The courthouse is adjacent to a plaza known as “Liberty Plaza,” which the City of Oregon City (the “City”) and the Parties would like to preserve as a community gathering space.

**C.** The County has constructed a new courthouse on the Red Soils Campus in Oregon City to replace the aging Main Street Courthouse. The County expects the Main Street Courthouse to be vacated in August 2025.

**D.** On January 22, 2025, the County issued a Request for Expressions of Interest (the “RFEI”) soliciting responses from developer teams for the potential redevelopment of the Main Street Courthouse. The County convened a Selection Advisory Committee, which selected Developer, the only respondent to the RFEI, for further negotiations related to the disposition and redevelopment of the Main Street Courthouse, which the County Board of Commissioners voted unanimously to support on May 15, 2025.

**E.** Developer is committed to using commercially reasonable efforts to redevelop the Main Street Courthouse into a project that will result in a six (6) story, mixed-use building that maximizes allowed density and brings additional economic vitality to downtown Oregon City. Specifically, Developer intends to build an approximately 83,365-square-foot building containing approximately eighty-four (84) residential units in approximately 61,940 square feet of space, approximately 2,600 square feet of ground floor retail space, and approximately forty-eight (48) off-street parking stalls in an approximately 18,815-square-foot garage (collectively, the “Project”).

**F.** The County desires to sell the Main Street Courthouse to Developer and for Developer to redevelop the Main Street Courthouse, and Developer desires to acquire and redevelop the Main Street Courthouse in accordance with the terms of this Agreement.

## **AGREEMENT**

**NOW, THEREFORE**, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

### **1. PURCHASE AND SALE.**

**1.1.** The County agrees to sell and convey the Property (defined in Section 1.2 below) to Developer, and Developer agrees to purchase the Property from the County, upon the terms and conditions set forth in this Agreement.

**1.2.** The property which is the subject of this Agreement (collectively, the “Property”) consists of the land on which the Main Street Courthouse is located and any and all improvements and fixtures located thereon, which is legally described in Exhibit A attached hereto (collectively, the “Real Property”), together with:

**1.2.1.** All rights, privileges, licenses, and easements appurtenant to the Real Property owned by the County, including, without limitation, all minerals, oil, and gas on and under the Real Property, as well as development rights, air rights, water rights related to the Real Property, and any other easements, rights-of-way, or appurtenances used in connection with the beneficial use and enjoyment of the Real Property (collectively, the “Appurtenances”);

**1.2.2.** All equipment and other personal property of every kind located on the Real Property, if any (collectively, the “Personal Property”); and

**1.2.3.** Any and all permits, warranties, development rights, intangible property, and any other similar personal property assets owned by the County with respect to the Real Property and the improvements thereon (collectively, the “Intangible Property”).

### **2. EARNEST MONEY DEPOSIT.**

**2.1.** Within three (3) Business Days (defined in Section 21.7 below) of the Effective Date, Developer shall open an escrow with Chicago Title Insurance Company, 100 SW Main Street, Suite 450, Portland, Oregon, 97204, Attn: Jennifer Lyke, Escrow Officer (the “Title Company”), and will deposit into escrow with the Title Company earnest money in the amount of twenty-five thousand dollars (\$25,000.00) (the “Earnest Money”). The Earnest Money may be used by the County to pay costs (collectively, “Costs”) associated with this Agreement and the Project. The portion of the Earnest Money used by the County to pay Costs shall become nonrefundable upon Developer’s delivery of written notice to the County of Developer’s satisfaction with its Inspections (defined in Section 5.2 below). The Earnest Money less amounts used by the County to pay Costs shall be applicable to the Purchase Price and, except for amounts requested by the County to pay Costs, shall be held with the Title Company until the Closing (defined in Section 10.1 below), unless sooner released in accordance with the express terms of this Agreement.

**2.2.** If Developer fails to timely deposit the Earnest Money, the County, as its sole remedy, may deliver notice of such failure to Developer, and, if Developer fails to make such deposit within three (3) Business Days after its receipt of such notice, the County may terminate this Agreement and neither Party shall have any further rights or obligations under this Agreement.



**2.3.** If, after delivering written notice of Developer's satisfaction with its Inspections, Developer fails to Close, that portion of the Earnest Money not used by the County to pay Costs shall be paid to the County as liquidated damages and this Agreement shall terminate. Release of the Earnest Money by the Title Company to the County shall constitute the County's sole and exclusive remedy for a default by Developer under this Agreement prior to the Closing.

### **3. PURCHASE PRICE.**

**3.1.** The fair market value of the Property will be established by updating the appraisal prepared by CBRE, Inc. and dated December 15, 2022 (as updated, the "Appraisal"). The Appraisal shall assume that the Property will be developed as a mixed-use project that will include seventy-nine (79) studio and one-bedroom units and five (5) two-bedroom units. The purchase price for the Property shall be the fair market value established by the Appraisal, as the same may be adjusted based on the Extraordinary Costs (defined in Section 3.2 below) to be incurred by Developer pursuant to this Agreement (the "Purchase Price"). The County will obtain and provide the Appraisal to Developer for review at least sixty (60) days prior to the expiration of the Due Diligence Period. In no event shall the Purchase Price be less than one hundred thousand dollars (\$100,000.00). The County shall use the Earnest Money to pay the expenses of obtaining the Appraisal.

**3.2.** The Parties acknowledge that Developer will incur costs to develop the Project based on the following obligations imposed on Developer under this Agreement and not otherwise required by applicable law, including under applicable code (collectively, the "DDA Construction Obligations"), which DDA Construction Obligations will deliver material public benefits to the County and downtown Oregon City: (a) the construction of a structured parking garage; (b) the expansion, improvement, and dedication of Liberty Plaza; and (c) the removal, protection, and reuse of the historical elements of the existing courthouse (collectively, the "Extraordinary Costs"). To develop the Project, Developer must also address: (i) the abatement and demolition of the Main Street Courthouse, which is structurally deficient and cannot be reused or renovated; (ii) the geotechnical conditions of the site, which include fill material subject to liquefaction; and (iii) the highly sensitive location on the Main Street of a historical downtown within an operating business community. The Extraordinary Costs associated with the Project are currently estimated to total approximately \$2,628,000.

### **4. TITLE REVIEW.**

**4.1.** Developer shall obtain from the Title Company a preliminary title report (the "Title Report") showing record title to the Property and all liens, claims, encumbrances, easements, rights-of-way, encroachments, reservations, restrictions, and all other matters of record affecting the Property, together with legible copies of all such matters, including vesting and exception instruments listed in the Title Report.

**4.2.** Developer shall have one hundred fifty (150) days from the Effective Date (the "Title Review Period") to review and object in writing to any matter shown in or revealed by the Title Report and an ALTA survey of the Real Property (the "Survey"), which Survey, if obtained, shall be obtained by Developer at Developer's expense. All such matters to which Developer so objects shall be "Non-Permitted Encumbrances." If no such objection notice is given by Developer during the Title Review Period, all matters reflected on the Title Report and Survey shall be "Permitted Encumbrances," except for judgment liens, construction liens, and other monetary liens against the Property (other than the liens for taxes and assessments which are not delinquent) (collectively, "Monetary Liens"). The

County, at its cost, may, but shall not be obligated to, cure, remove, or insure around all Non-Permitted Encumbrances, and the County shall give Developer written notice of its intent thereof within ten (10) days of the County's receipt of Developer's objection notice. The County, at its cost, shall be obligated to cure, remove, or insure around all Monetary Liens on or before the Closing, whether or not Developer objects thereto during the Title Review Period. If the County chooses not to cure, remove, or insure around all of the Non-Permitted Encumbrances, and timely written notice thereof is given to Developer (or if the County does not timely respond to Developer's objection notice), then Developer may either: (a) terminate this Agreement by delivering notice to the County within ten (10) days after receipt of the County's notice, in which event that portion of the Earnest Money not used by the County to pay Costs will be refunded to Developer and the Parties will have no further obligations under this Agreement; or (b) purchase the Property subject to the Non-Permitted Encumbrances (other than the Monetary Liens), in which event such Non-Permitted Encumbrances (other than the Monetary Liens) shall thereafter be Permitted Encumbrances.

## **5. ACCESS; DUE DILIGENCE; COVENANTS.**

**5.1. Due Diligence Materials.** Within fifteen (15) days of the Effective Date, if not already provided, the County will provide to Developer copies of all studies, reports, site analyses, engineers certificates, existing surveys, contracts, leases, licenses, and permits with respect to the Property that the County has in its possession or that it has access to, including: (a) title insurance policies; (b) surveys; (c) engineering and environmental reports, studies, surveys, and analyses; (d) soil and geological reports and studies; (e) building condition reports; and (f) other written documentation, information, and reports related to the Property, including real property taxes, zoning, use restrictions, road access and appurtenant easements, and information regarding any historic designation related to the improvements on the Real Property (collectively, the "Due Diligence Materials"). Developer acknowledges receipt of the Due Diligence Materials listed on Schedule 5.1 attached to this Agreement.

### **5.2. Due Diligence Period.**

**5.2.1.** Developer shall have one hundred eighty (180) days after the Effective Date (as extended in accordance with Section 5.2.3, the "Due Diligence Period") in which to conduct or have conducted, at its sole cost and expense, all tests (including geotechnical); audits; studies, including economic feasibility studies and review of the Appraisal, and any environmental assessments conforming to current ASTM standards satisfying the requirements of "all appropriate inquiries" under the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. §§ 9601 et seq.; physical inspections; and other investigations (collectively, the "Inspections") that Developer deems necessary or desirable in Developer's sole and absolute discretion, including, without limitation, the matters described in Sections 5.3 through 5.6.

**5.2.2.** Upon reasonable prior notice to County, Developer and its agents, representatives, consultants, and contractors may enter onto the Property to make such Inspections as Developer deems necessary or desirable, in Developer's sole and absolute discretion, and the County shall reasonably cooperate with Developer to complete any and all such Inspections in a timely manner. If Developer delivers written notice of its satisfaction with its Inspections in accordance with Section 5.5 below, Developer and its agents, representatives, consultants, and contractors shall retain the right to enter upon the Property to perform additional Inspections and to otherwise evaluate and assess the Property for Developer's intended purposes until the Closing or the earlier termination of this Agreement; *provided, however*, that Developer shall no longer have the right to terminate this

Agreement pursuant to Section 5.5 below. Developer shall not conduct any invasive testing on or of the Property without the County's prior written consent, which consent shall not be unreasonably withheld, conditioned, or delayed. Developer agrees to indemnify and defend the County from and against any claim or lien arising out of Developer's (or its agents', representatives', contractors', or consultants') use of the Real Property. Developer's obligations pursuant to the preceding sentence shall survive the Closing or termination of this Agreement. Within two Business Days of receipt of a written request from the County, Developer shall provide written evidence of commercial general liability insurance with limits of at least \$1,000,000 per occurrence and \$2,000,000 in the aggregate. Developer shall cause contractors and consultants using the Property on Developer's behalf to carry commercial general liability insurance with commercially reasonable limits based on the work to be performed by such contractor or consultant. As of the Effective Date, this Section supersedes and replaces in its entirety any permit of entry or early access agreement previously executed by the Parties.

**5.2.3.** Notwithstanding anything to the contrary in this Agreement, as determined by Developer in its sole and absolute discretion, Developer may extend the Due Diligence Period for up to two (2) consecutive sixty (60) day periods (or such longer periods of time as mutually agreed upon in writing by the Parties) by notifying the County in writing of Developer's intent to so extend the Due Diligence Period on or before 11:59 p.m. on the date on which the Due Diligence Period would expire but for the extension.

**5.3. Historic Designation.** SHPO has designated the Main Street Courthouse as a "historic resource," and the redevelopment of the Real Property cannot occur without the County satisfying the requirements from SHPO to demolish the courthouse ("SHPO Requirements"). The County will exercise diligent efforts to satisfy the SHPO Requirements prior to the expiration of the Due Diligence Period, as it may be extended. If the County is unable to satisfy the SHPO Requirements by the expiration of the Due Diligence Period and no extension is agreed to by the Parties, then Developer may terminate this Agreement as provided in Section 5.5 below. Developer will make commercially reasonable efforts to preserve historic elements of the Main Street Courthouse as agreed upon by Developer and the County in writing prior to the expiration of the Due Diligence Period, including, without limitation, the oak double doors, bronze trim, historical plaque, chevron, eagles, helmeted figures, and scales of justice for reuse in the Project.

**5.4. Oregon Prevailing Wage Laws.**

**5.4.1. Request for Determination.** During the Due Diligence Period and as soon after the Effective Date as reasonably possible, the Developer shall submit this Agreement and other required or relevant documents to the Oregon Bureau of Labor and Industries ("BOLI") and seek a determination letter from BOLI (the "BOLI Determination Letter") stating that ORS 279C.810 to 279C.870 and the administrative rules adopted thereunder (the "Oregon Prevailing Wage Laws") do not apply to any portion of the Project. The County agrees to provide additional documentation or required information as may be reasonably requested by the Developer.

**5.4.2. Determination of Applicability of Oregon Prevailing Wage Laws.** If the BOLI Determination Letter states that the Oregon Prevailing Wage Laws apply to all or any portion of the Project, and that determination is not reversed following a request for reconsideration, or if neither Party requests reconsideration, then Developer may terminate this Agreement as provided in Section 5.5 below.

**5.5. Due Diligence Notice.** If Developer is satisfied with the Property, its Inspections, and all Due Diligence Materials, as determined by Developer in its sole and absolute discretion, then Developer shall so notify the County in writing, on or before 11:59 p.m. on the last day of the Due Diligence Period (the “Approval Notice”). If Developer does not timely deliver the Approval Notice, this Agreement shall automatically terminate, the Title Company shall promptly return to Developer that portion of the Earnest Money not used by the County to pay Costs, and the Parties shall have no further obligations under this Agreement except those that expressly survive such termination. If Developer does timely deliver the Approval Notice, the Parties shall proceed to the Closing in accordance with the terms of this Agreement.

**5.6. Real Property Use and Design Review Approvals.** Following the Closing, Developer shall diligently pursue and seek to obtain final land use and other approvals needed to develop and construct the Project, including all permits therefor (collectively, the “Entitlements”).

**5.7. Liberty Plaza.** Within six (6) months of final completion of the Project, Developer will ensure that Liberty Plaza is a legal lot of record separate and apart from the balance of the Real Property and will dedicate the plaza to the City.

**6. NEW MATTERS.** If, at any time prior to the Closing, any of the following occurs or arises (each, a “New Matter”): (a) the Title Company issues a supplement to the Title Report identifying any exception to title not previously disclosed by the Title Report (or a prior supplement thereto); (b) the County updates the Due Diligence Materials to reflect any material matter (or any material change in any material matter) which was not previously disclosed therein (or in a prior update thereto); (b) any Hazardous Substances (defined in Section 7.1.4 below) have been introduced on or under the Property; or (c) Developer is notified of, or otherwise becomes aware of, any material condition at, on, or under the Property (whether involving Hazardous Substances or otherwise) which could not reasonably have been discovered by Developer during the Due Diligence Period; then, in any of such cases, Developer shall have ten (10) Business Days after being given written notice or otherwise becoming aware of the New Matter (the “Evaluation Period”) within which to evaluate the New Matter and elect, in its sole and absolute discretion and as its sole and exclusive remedy, to terminate this Agreement by written notice delivered to the County on or prior to the Closing (a “New Matter Notice”). If Developer elects to so terminate this Agreement, then that portion of the Earnest Money not used by the County to pay Costs will be refunded to Developer, and the Parties will have no further obligations under this Agreement except those that expressly survive such termination.

## **7. REPRESENTATIONS AND WARRANTIES.**

**7.1. County Representations and Warranties.** To induce Developer to enter into and perform its obligations under this Agreement, the County makes the following representations and warranties with respect to the Property, upon each of which Developer is entitled to rely and has relied, and each of which is true in all material respects as of the Effective Date and shall be true as of the Closing:

**7.1.1.** The County has the legal power, right, and authority to enter into this Agreement and the instruments referred to herein and to consummate the transactions contemplated by this Agreement.

**7.1.2.** Each of the individuals executing this Agreement on behalf of the County has full power and authority to execute and deliver this Agreement on behalf of the County.

**7.1.3.** This Agreement has been duly executed and delivered by the County and is a valid and binding obligation of the County, enforceable against the County in accordance with its terms.

**7.1.4.** Except as has been disclosed to Developer in the Due Diligence Materials, the County has not generated, manufactured, refined, transported, treated, stored, handled, disposed, transferred, released, or produced Hazardous Substances on or under the Property, and no underground storage tanks exist on the Property, except in compliance with Environmental Laws currently in effect. The County has not received notice of the release of any Hazardous Substances on the Property. "Hazardous Substances" means hazardous substances as defined in 42 U.S.C. §§ 9601 et seq. and 40 C.F.R. part 302, hazardous or toxic materials or substances, petroleum products, and any other substances, vapors, or materials regulated under any applicable law, rule or regulation, or order of any governmental body relating to human health, safety, or the environment.

**7.1.5.** The County is not a "foreign person" within the meaning of Section 1445(f)(3) of the Internal Revenue Code of 1986, as amended.

**7.1.6.** There is no litigation, action, suit, or any condemnation, environmental, zoning, or other government proceeding pending, or to the County's knowledge, threatened, with respect to the Property or the transactions contemplated by this Agreement.

**7.1.7.** To the County's knowledge, during the County's ownership of the Property, the Property has been operated in compliance with all applicable laws, rules, regulations, ordinances, and other governmental requirements, including all environmental laws (collectively, "Laws"), and the County has not received any notice stating that the Property is in violation of any Laws.

**7.1.8.** The County is the legal and beneficial fee simple titleholder to the Property, and has provided the Developer with all information to its knowledge related to the liens, encumbrances, claims, covenants, conditions, restrictions, easements, rights of way, options, or judgments relating to the Property.

**7.1.9.** There are no leases, licenses, occupancy agreements, or service contracts that affect the Property that are not terminable by the County at the Closing, and there are no options to purchase the Property or rights of first refusal to purchase the Property.

**7.1.10.** Neither the execution and delivery of this Agreement and documents referred to herein, nor the incurring of the obligations set forth herein, nor the consummation of the transactions herein contemplated, nor compliance with the terms of this Agreement and the documents referred to herein conflict with or result in the material breach of any terms, conditions, or provisions of, or constitute a default under any bond, note, or other evidence of indebtedness, or any contract, indenture, mortgage, deed of trust, loan, partnership agreement, lease, or other agreements or instruments to which the County is a party.

**7.1.11.** The County is not and shall not become a person or entity with whom Developer is restricted from doing business under any current or future regulations of the Office of Foreign Asset Control ("OFAC") of the Department of the Treasury (including, but not limited to, those named on OFAC's Specially Designated and Blocked Persons list) or under any current or future statute, executive order (including, but not limited to, the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support

Terrorism (the “PATRIOT ACT”)), or other governmental action, and is not and shall not engage in any dealings or transaction or be otherwise associated with such persons or entities.

**7.1.12.** No representation or warranty of the County in this Section 7.1 contains any untrue statement of a material fact or omits a material fact necessary to make the representation or warranty not misleading.

**7.2. Developer Representations and Warranties.** Developer makes the following representations and warranties, upon each of which the County is entitled to rely and has relied, and each of which is true in all material respects on the Effective Date and shall be true as of the Closing.

**7.2.1.** Developer is a limited liability company duly formed and existing in the State of Oregon.

**7.2.2.** Developer has the legal power, right, and authority to enter into this Agreement and the instruments referred to herein and to consummate the transactions contemplated by this Agreement.

**7.2.3.** Each of the individuals executing this Agreement on behalf of Developer has full power and authority to execute and deliver this Agreement on behalf of Developer.

**7.2.4.** This Agreement has been duly executed and delivered by Developer and is a valid and binding obligation of Developer, enforceable against Developer in accordance with its terms.

**7.2.5.** Neither the execution and delivery of this Agreement and documents referred to herein, nor the incurring of the obligations set forth herein, nor the consummation of the transactions herein contemplated, nor compliance with the terms of this Agreement and the documents referred to herein conflict with or result in the material breach of any terms, conditions, or provisions of, or constitute a default under any bond, note or other evidence of indebtedness, or any contract, indenture, mortgage, deed of trust, loan, partnership agreement, lease, or other agreements or instruments to which Developer is a party.

**7.2.6.** Developer is not and shall not become a person or entity with whom the County is restricted from doing business under any current or future regulations of OFAC (including those named on OFAC’s Specially Designated and Blocked Persons list) or under any current or future statute, executive order (including, but not limited to, the PATRIOT ACT) or other governmental action, and is not and shall not engage in any dealings or transaction or be otherwise associated with such persons or entities.

**7.2.7.** No representation or warranty of Developer in this Section 7.2 contains any untrue statement of a material fact or omits a material fact necessary to make the representation or warranty not misleading.

**7.3.** The Parties agree that all representations and warranties contained in this Section 7 shall survive the Closing for a period of twelve (12) months.

**7.4. Notification of Changes.** Prior to the Closing, the County agrees to notify Developer immediately, in writing, if the County discovers that any representation or warranty, though believed to be true when made, is, in fact, not true, or if facts and circumstances underlying the County’s

representations or warranties, though true when made, have changed in a material way. County shall have fourteen (14) days from notice to Developer to cure the change, or in the case of a change that cannot reasonably be cured within a period of 14 days, County shall commence the cure to the change within 14 days after County receives written notice from the Developer and thereafter diligently pursue such cure to completion by a date mutually agreed upon by the Parties. After receipt of such written notification and a failure of the County to cure within the 14 days, or by the other mutually agreed upon date for changes that cannot reasonably be cured within 14 days, Developer may either: (a) terminate the Agreement, in which event that portion of the Earnest Money not used by the County to pay Costs shall promptly be refunded to Developer and the parties will have no further obligation under this Agreement, or (b) proceed to the Closing; *provided, however*, that the County cures such false, misleading, or changed representation or warranty prior to the Closing.

**7.5. AS IS.** Subject to the County's representations and warranties made in this Agreement and in any document delivered to Developer at the Closing, Developer acknowledges that it and its representatives will fully inspect, investigate, and familiarize themselves with the Property and all rights associated therewith, and have been provided with an adequate opportunity to do so. Developer further acknowledges that the Property is being purchased, if at all, by Developer in an "AS IS" condition and with all existing defects, as a result of such Inspections and investigations, and not in reliance on any agreement, understanding, condition, warranty (including, without limitation, warranties of habitability, merchantability, or fitness for a particular purpose), or representation made by the County; any agent, employee, or principal of the County; or any other party (except as otherwise expressly provided in this Agreement) as to the condition of the Property and the rights associated therewith, or as to any other matter whatsoever.

**8. COUNTY COVENANTS.** The County covenants and agrees that, between the Effective Date and the Closing, the County, at no cost to Developer, shall: (a) ensure that the Property is maintained in a manner consistent with current practices; (b) maintain reasonable and customary levels of liability and property insurance related to the Property; (c) not create or acquiesce in the creation of liens or other exceptions to title other than the Permitted Encumbrances; (d) not lease, license, transfer, option, or convey its interest or rights in the Property or any portion thereof; (e) not enter into or solicit any agreement granting to any person or entity any option to purchase or rights with respect to the Property or any part thereof; (f) not voluntarily take any action to render any of the representations or warranties of the County set forth in Section 7.1 above incorrect or untrue in any material respect; and (g) not enter into any maintenance, management, or service agreement that will remain in force and effect after the Closing.

**9. CONDITIONS PRECEDENT.**

**9.1. Developer's Conditions Precedent to Closing.** Developer's obligation to Close is subject to the satisfaction of, or Developer's express written waiver of, the following conditions on or before the Closing. Developer may terminate this Agreement as provided in Section 9.4 below if the following conditions precedent have not been satisfied or, in Developer's sole and reasonable discretion, expressly waived in writing by Developer prior to the Closing or other date as specified below:

**9.1.1.** Developer shall have delivered the Approval Notice and shall not have delivered a New Matter Notice to the County.

**9.1.2.** The County shall have satisfied the SHPO Requirements, and any applicable appeal periods associated with the SHPO Requirements shall have expired with no appeal having been filed.

**9.1.3.** Developer shall have obtained a BOLI Determination Letter indicating that Oregon Prevailing Wage Laws do not apply to the Project.

**9.1.4.** The County shall not be in material default under this Agreement and no event shall have occurred that, with notice, passage of time, or both, would constitute a material default of the County under this Agreement.

**9.1.5.** The County shall have fulfilled all of its obligations under this Agreement, and the representations and warranties made by the County in Section 7.1 above shall have been true and correct in all material respects on the Effective Date and as of the Closing.

**9.1.6.** No material adverse changes in the physical or legal condition of the Property shall have occurred.

**9.1.7.** At the Closing, unless waived by Developer, the Title Company shall be committed to issue to Developer a 2006 ALTA Extended Owner's policy of title insurance in the amount of the Purchase Price subject to Permitted Encumbrances (the "Title Policy").

**9.2. Developer's Conditions Precedent to Commencement of Construction.** Subject to Unavoidable Delay (defined in Section 20.1 below), Developer's obligation to commence construction of the Project under this Agreement is subject to the satisfaction of, or Developer's express written waiver of, the following conditions on or before the outside date of commencement of construction set forth in the Schedule of Performance attached to this Agreement as Schedule 15.1 (the "Outside Construction Commencement Date"). Developer may terminate this Agreement as provided in Section 9.4 below if the following conditions precedent have not been satisfied or, in Developer's sole and reasonable discretion, expressly waived in writing by Developer prior to the Outside Construction Commencement Date:

**9.2.1.** Developer shall have received all the Entitlements, and any applicable appeal periods associated with any of the Entitlements shall have expired with no appeal having been filed.

**9.2.2.** Developer shall have obtained a ten-year property tax exemption for the Project under the City's Vertical Housing Development Zone program, and any applicable appeal period associated with the grant of such tax exemption shall have expired with no appeal having been filed.

**9.2.3.** Developer shall have obtained all equity and debt financing necessary to complete the Project.

**9.2.4.** There shall be no pending claim, dispute, or litigation that is likely to have a material adverse impact on the Property or the intended development of the Project.

**9.2.5.** The County shall not be in material default under this Agreement and no event shall have occurred that, with notice, passage of time, or both, would constitute a material default of the County under this Agreement.



**9.2.6.** Any commitment for a loan policy purchased by Developer from the Title Company (or a title company required by a lender) shall be acceptable both to Developer and to any lender identified by Developer that will provide a Mortgage (defined in Section 19.6 below) on the Property.

**9.2.7.** There shall be no pending claim, dispute, or litigation that prevents or is likely to prevent the County from performing its material obligations under this Agreement or that is likely to have a material adverse impact on the Property or the intended development of the Project.

Notwithstanding anything to the contrary set forth in this Section 9.2, satisfaction of the condition precedent set forth in Section 9.2.3 shall only be subject to Unavoidable Delay to the extent allowed under Section 15.1.3(b)(iii).

**9.3. County's Conditions Precedent to Closing.** The County's obligation to Close is subject to the satisfaction of, or the County's express written waiver of, the following conditions on or before the Closing. The County may terminate this Agreement as provided in Section 9.4 below if the following conditions precedent have not been satisfied or, in the County's sole discretion, expressly waived in writing by the County prior to the Closing:

**9.3.1.** Developer shall not be in default under this Agreement and no event shall have occurred that, with notice, passage of time, or both, would constitute a default of Developer under this Agreement.

**9.3.2.** Developer shall have fulfilled all its material obligations under this Agreement, and the representations and warranties made by Developer in Section 7.2 above shall have been true and correct in all material respects on the Effective Date and as of the Closing.

**9.4. Elections upon Non-Satisfaction of Conditions.** If any condition in this Section 9 is not fulfilled to the satisfaction of the benefited Party or Parties as of the Closing or the Outside Construction Commencement Date, as applicable, then such benefited Party or Parties may elect as follows:

**9.4.1.** To terminate this Agreement by providing written notice of intent to terminate to the other Party, which termination shall be effective thirty (30) days after the notice of termination is received by the other Party, unless, before the thirty (30) day-period ends, the other Party fulfills such condition or conditions to the reasonable satisfaction of the benefited Party or Parties, or, if such condition or conditions cannot reasonably be satisfied within such thirty (30) day period, the other Party has begun and is diligently pursuing the fulfillment of such condition or conditions, and such condition or conditions are fulfilled within ninety (90) days of the notice of termination; or

**9.4.2.** To waive in writing the benefit of that condition and proceed in accordance with the terms hereof; or

**9.4.3** To extend the date by which the other Party must satisfy the applicable condition, if the other Party can reasonably satisfy the condition and if the other Party agrees in writing to the extension, which extension shall not be unreasonably withheld, conditioned, or delayed.

Notwithstanding anything to the contrary set forth in this Agreement, the consummation of the Closing shall be deemed a waiver by both Parties of all conditions precedent thereto.

**9.5. Effect of Termination for Non-Satisfaction of Conditions Precedent to Closing.** If this Agreement terminates or is terminated for non-satisfaction of the conditions precedent to the Closing and neither Party is in default under this Agreement, then all rights and obligations of the Parties under this Agreement shall terminate upon termination of this Agreement (except those rights and obligations that expressly survive such termination) and that portion of the Earnest Money not used by the County to pay Costs shall promptly be returned to Developer. If a Party is in default under this Agreement on the date this Agreement terminates or is terminated for non-satisfaction of the conditions precedent to the Closing, then the rights and remedies accruing to the other Party under this Agreement as a result of such default shall survive termination of this Agreement.

**9.6. Effect of Non-Satisfaction of Conditions Precedent to Commencement of Construction.** If, subject to Unavoidable Delay and Section 15.1.3(b)(iii) below, any of the conditions precedent to commencement of construction in Section 9.2 above are not satisfied or waived by the Outside Construction Commencement Date, then the County may exercise the remedies set forth in Section 15.1.3 below.

## **10. CLOSING.**

**10.1.** The consummation of the purchase and sale of the Property in accordance with the terms of this Agreement (the “Closing” or “Close”) shall occur, except as provided otherwise below, on a date selected by Developer, which date shall be no later than thirty (30) days after the expiration of the Due Diligence Period, as may be extended pursuant to the provisions in this Section 10 (the “Closing Date”); *provided, however*, that each of the conditions precedent set forth in Section 9 above have been satisfied or expressly waived in writing by Developer or the County, as applicable.

**10.1.1.** Notwithstanding the foregoing, Developer or the County, in each Party’s sole and absolute discretion, may extend the Closing Date for up to two (2) consecutive sixty (60) day periods by notifying the other Party in writing of such Party’s intent to so extend the Closing Date on or before 11:59 p.m. of the then-applicable Closing Date. The Closing shall occur through escrow at the Title Company. Notwithstanding the foregoing, if any New Matter arises ten (10) or fewer Business Days prior to the then-scheduled Closing Date, the Closing Date shall be extended ten (10) Business Days. At the Closing, Developer and the County shall make the deliveries, take the actions, and pay the costs as set forth in this Section 10.

**10.1.2.** The Parties will work in good faith to attempt to Close the purchase and sale of the Property by January 1, 2026; however, if it is determined that Closing by that date is not possible, then the Parties agree to find a mutually agreeable alternative date that takes into consideration the need to demolish the Main Street Courthouse in the first quarter of a calendar year to accommodate the needs of retailers in downtown Oregon City and public events held at Liberty Plaza.

**10.2. Deposits and Deliveries by the County.** The County shall deposit or cause to be deposited into escrow with the Title Company, or deliver directly to Developer outside of escrow, on or before the Closing Date, the following items duly executed and acknowledged as required:

**10.2.1.** A bargain and sale deed conveying fee simple title to the Real Property and applicable Appurtenances to Developer in substantially the same form attached hereto as Schedule 10.2.1 (the “Deed”), which Deed shall be subject to the Permitted Encumbrances;

**10.2.2.** An assignment of intangibles conveying the Intangible Property and applicable Appurtenances to Developer in substantially the same form attached hereto as Schedule 10.2.2 (the “Assignment of Intangibles”);

**10.2.3.** A bill of sale conveying the Personal Property to Developer in substantially the same form attached hereto as Schedule 10.2.3 (the “Bill of Sale”);

**10.2.4.** An Affidavit of Non-Foreign Status and any affidavit, certification, or other document required by Developer or the Title Company to confirm that the County is exempt from the tax withholding requirements on real property interest transfers under ORS 314.258;

**10.2.5.** The County’s written escrow instructions to close escrow in accordance with the terms of this Agreement, and the County’s executed settlement statement as prepared by the Title Company and approved by the County; and

**10.2.6.** Such other documents, resolutions, consents, and affidavits reasonably necessary or advisable to effect the valid consummation of the transaction evidenced by this Agreement, including customary title affidavits and deliveries required by the Title Company in order to issue the Title Policy.

**10.3. Deposits and Deliveries by Developer.** Developer shall deposit or cause to be deposited into escrow with the Title Company, or deliver directly to the County outside of escrow, on or before the Closing Date, each of the following items duly executed and acknowledged as required:

**10.3.1.** Cash, wire transfer, cashier’s check, or other immediately available funds, which, together with the Earnest Money and any Closing costs and prorations payable by Developer, shall equal the Purchase Price;

**10.3.2.** An executed counterpart of the Assignment of Intangibles;

**10.3.3.** An executed counterpart of the Bill of Sale; and

**10.3.4.** Developer’s written escrow instructions to close escrow in accordance with the terms of this Agreement, and Developer’s executed settlement statement as prepared by the Title Company and approved by Developer.

**10.4. Prorations and Costs.**

**10.4.1. Closing Costs.** The County shall pay: (a) the cost of the Title Policy (except the cost of extended coverage and endorsements); (b) the cost of recording any instruments (other than the Deed) required to deliver title to Developer as required under this Agreement; (c) any and all applicable transfer taxes; and (d) one-half (1/2) of the Title Company’s escrow fee. To the extent Earnest Money remains, the County’s share of Closing costs may be paid from that amount, with any balance owed by the County to be paid separately. Developer shall pay: (i) the cost of recording the Deed; (ii) the cost of the Title Policy in excess of the cost of ALTA standard owner’s coverage, and any endorsements to the Title Policy required by Developer; and (iii) one-half (1/2) of the Title Company’s escrow fee.

**10.4.2. Prorations.** Current non-delinquent real property taxes and assessments and utility charges shall be pro-rated as of the Closing Date, with the County being responsible for all

assessments and charges with respect to the period prior to and including the Closing Date and Developer being responsible for assessments and charges with respect to the period after the Closing Date. The County shall cease all utility service to the Property as of the Closing Date and shall cause all meters for electricity and other utilities, if any, at the Property to be read on the Closing Date. The County shall be responsible for any deferred taxes or roll-back taxes. If any of the aforesaid prorations cannot be calculated accurately on the Closing Date, then the same shall be calculated as soon as reasonably practicable after the Closing Date, and either Party owing the other Party a sum of money based on such subsequent proration(s) shall promptly pay said sum to the other Party. This Section 10.4.2 shall survive the Closing.

**10.4.3. Other Prorations and Costs.** Except as otherwise provided herein, all other items to be prorated, including rents, operating expenses, revenues, and other income, if any, shall be prorated as of the Closing Date. For the purpose of calculating prorations, Developer shall be deemed to be entitled to the Property and, therefore, entitled to the income and responsible for the expenses for the entire day following the Closing Date. Developer and the County shall each pay their own legal and other professional fees.

## **11. ASSIGNMENT AND TRANSFER.**

**11.1. Restrictions on Transfer of Property and Assignment of Agreement.** Except as provided in this Section 11.1. and in Section 11.2 below, Developer shall not partially or wholly transfer its rights under this Agreement or its interest in the Property without the prior written approval of the County, which may be withheld in the County's reasonable discretion.

**11.2. Approved Transfers.** Notwithstanding Section 11.1 above, and provided that Developer provides the County written notice of such transfer, Developer, without the County's consent, may assign its rights under this Agreement and interest in the Property (which interest will remain subject to the terms and conditions of this Agreement) to:

**11.2.1.** Any entity, the day-to-day operations of which are ultimately controlled, either directly or indirectly, by Seth Henderson through ownership, voting, or contractual management rights.

**11.2.2.** Any Mortgagee (defined in Section 19.6 below) under any Mortgage(s) or other security interests or collateral assignments made by Developer or which Developer may cause to attach to the Project for the purpose of securing loans of funds to be used for financing the acquisition of the Project, construction of the Project, or any other expenditures necessary and appropriate to develop the Project under this Agreement; and

**11.2.3.** Any third-party following Developer's receipt of a temporary certificate of occupancy for the Project.

**11.3.** Every contract or agreement that conveys the Property or any portion thereof, or assigns the rights and obligations under this Agreement or any part thereof, must contain an express provision making such conveyance or assignment subject to the terms of this Agreement; provided, however, that a deed restriction shall not be required so long as the transferee or assignee takes the Property or the rights and obligations under this Agreement subject to the terms and conditions of this Agreement as a matter of law (e.g., the Memorandum is of record as of the date of such transfer or assignment).

**12. DESIGN GUIDELINES; REGULATORY PROCESSES.** A preliminary site plan for the Project is attached to this Agreement as Schedule 12. Notwithstanding the foregoing, the County acknowledges and agrees that the site plan and renderings are subject to change, and Developer acknowledges and agrees that Developer must obtain the Entitlements through all applicable County and City regulatory processes. By making this Agreement and delivering the Deed to the Real Property, the County is specifically not obligating itself, the County, or any other governmental body with respect to any discretionary action relating to development of the Project or operation of the improvements to be constructed on the Property.

**13. FINANCIAL INCENTIVES.**

**13.1. Incentives to Encourage Redevelopment Consistent with Community Goals.** In recognition that construction of the Project will substantially further the public interest, the Developer will have access to certain Project financial incentives described in this Section 13. The Project will provide additional needed parking for downtown Oregon City and a newly expanded and landscaped Liberty Plaza that will significantly enhance events and the pedestrian experience and environment in the City's historic downtown. Developer will also work to integrate historical elements of the Main Street Courthouse into new structures and the expanded Liberty Plaza, creating much needed housing while honoring the City's history.

**13.2. Form of Incentives.** Developer may pursue a Metro Grant of approximately two hundred thousand dollars (\$200,000.00) and a Main Street Grant of approximately two hundred thousand dollars (\$200,000.00). Notwithstanding the foregoing, in no event shall the Metro Grant, the Main Street Grant, and all other funds of a public agency, as defined under Oregon Prevailing Wage Laws, obtained by Developer for the Project exceed in the aggregate seven hundred forty-nine thousand nine hundred ninety-nine dollars and ninety-nine cents (\$749,999.99) (the "Public Funding Cap"). The amounts of the Metro Grant, the Main Street Grant, and/or any other funds of a public agency shall be reduced as needed to not exceed the Public Funding Cap.

**14. STATUS REPORTS.** After the Closing, upon the County's request, Developer shall provide the County with quarterly status reports concerning the progress of the Project, including, but not limited to, information concerning the design, financing, and construction of the Project. The County shall not request, nor shall Developer be obligated to provide, such progress reports more frequently than quarterly.

**15. DEFAULT AND REMEDIES.**

**15.1. Default by Developer.** Developer shall be in default under this Agreement if:

**15.1.1.** Developer breaches a material provision of this Agreement, whether by action or inaction, including, subject to Unavoidable Delay, a failure to adhere to the Schedule of Performance attached to this Agreement as Schedule 15.1, and such breach continues and is not remedied within thirty (30) days after Developer receives written notice from the County specifying the breach. In the case of a breach that cannot reasonably be cured within a period of thirty (30) days, Developer shall be in default under this Agreement if Developer does not commence the cure of the breach within thirty (30) days after Developer receives written notice from the County and thereafter diligently pursue such cure to completion; or

**15.1.2.** Developer makes any assignment for the benefit of creditors, or is adjudicated as bankrupt, or has a receiver, trustee, or creditor's committee appointed over it that is not removed within one hundred eighty (180) days after appointment. Failure of conditions precedent shall not constitute a Developer default and shall be subject to Sections 9.4 through 9.6.

**15.1.3. County's Remedies.**

(a) **Pre-Conveyance Remedies.** In the event of a Developer default under this Agreement that is not timely cured that occurs prior to the conveyance of the Property by the County to Developer, the County, as its sole and exclusive remedy, may terminate this Agreement by written notice to Developer and retain that portion of the Earnest Money not used by the County to pay Costs. **THE PARTIES ACKNOWLEDGE AND AGREE THAT THE COUNTY'S DAMAGES IN THE EVENT OF SUCH A BREACH OF THIS AGREEMENT BY DEVELOPER WOULD BE DIFFICULT OR IMPOSSIBLE TO DETERMINE, THAT THE AMOUNT OF THE EARNEST MONEY PLUS ACCRUED INTEREST IS THE PARTIES' BEST AND MOST ACCURATE ESTIMATE OF THE DAMAGES THE COUNTY WOULD SUFFER IN THE EVENT THE TRANSACTION PROVIDED FOR IN THIS AGREEMENT FAILS TO CLOSE, AND THAT SUCH ESTIMATE IS REASONABLE UNDER THE CIRCUMSTANCES EXISTING ON THE DATE OF THIS AGREEMENT.**

(b) **Post-Conveyance Remedies.**

(i) Except as provided in Sections 15.1.3(b)(ii) and (iii) governing a Developer default for failing to commence construction before the Outside Construction Commencement Date, if Developer defaults under this Agreement after the conveyance of the Property by the County to the Developer and such default persists beyond any applicable notice and cure period, the County may enforce this Agreement by specific performance or, if specific performance is not available as a remedy to the County, then the County may pursue any remedy available to it at law or in equity. Nothing in this Section shall limit the County's rights to indemnity or other remedies in the event of a breach of any representation or warranty of the County set forth in this Agreement.

(ii) If Developer fails to commence construction of the Project by the Outside Construction Commencement Date, then, subject to Developer's rights to extend the Outside Construction Commencement Date pursuant to Section 15.1.3(b)(iii) below, the County shall have the right to repurchase the Property (the "Repurchase Right") for the Repurchase Price (defined below) without representations or warranties of any kind whatsoever related to the physical condition of the Property. The County may provide written notice to Developer, within sixty (60) days of the Outside Construction Commencement Date, as extended, of the County's intent to exercise the Repurchase Right. After timely delivery of such notice, the County shall have one hundred eighty (180) days to obtain any and all necessary approvals and close the repurchase transaction. Developer shall reconvey the Property to the County pursuant to a Bargain and Sale Deed and subject to all encumbrances of record. The Repurchase Right shall automatically terminate and be of no further force and effect on the date that Developer commences construction. As used in this Agreement, "commence construction" shall mean that Developer has demonstrated to the County's reasonable satisfaction that it has: (a) entered into all architectural and construction contracts reasonably necessary for the development of the Project; (b) subject only to the payment of permit fees, secured foundation, shoring, and excavation permits for construction of the Project; and (c) closed its construction loan, if any, for the Project. As used in this Agreement, "Repurchase Price" means the Purchase Price paid by Developer for the Property plus all reasonable and direct out-of-pocket costs incurred by Developer with respect to the

Project, including demolition costs and any other site improvement costs, but excluding any and all fees paid to Developer.

(iii) Developer and the County desire Developer to construct the Project. Therefore, if Developer is unable to commence construction of the Project by the Outside Construction Commencement Date, then Developer may extend such date as an Unavoidable Delay under Section 20.1 for not longer than six (6) months if, in addition to the notice required under Section 20.2 and prior to the initial Outside Construction Commencement Date, Developer shall have made at least two (2) attempts to meet with the County Administrator to discuss Developer's efforts to obtain financing for the Project and the challenges therewith. If after six (6) months of Unavoidable Delay, Developer needs an additional extension of the Outside Construction Commencement Date, then Developer may further extend such date for up to two (2) periods of six (6) months each by delivering (a) written notice to the County prior to the then-applicable Outside Construction Commencement Date, which notice shall contain additional evidence of Developer's attempts to obtain financing for the Project, and (b) a \$25,000 fee for the first 6-month extension and a \$50,000 fee for the second 6-month extension. The extension fees shall be nonrefundable and shall not be applicable to the Purchase Price.

**15.2. Default by County.** The County shall be in default under this Agreement if:

**15.2.1.** The County fails to perform any material obligation under this Agreement within thirty (30) days after Developer provides written notice of such failure to the County, or in the case of a breach that cannot reasonably be cured within a period of thirty (30) days, County shall be in default under this Agreement if County does not commence the cure of the breach within thirty (30) days after County receives written notice from the Developer and thereafter diligently pursue such cure to completion; or

**15.2.2.** The County fails to Close for any reason other than Developer's failure to perform its obligations hereunder.

**15.3. Developer's Remedies.** In the event of a County default under this Agreement that is not timely cured, Developer may (a) enforce this Agreement by specific performance, or (b) terminate this Agreement by notifying the County thereof, in which case the Title Company shall promptly return to Developer that portion of the Earnest Money not used by the County to pay Costs. Notwithstanding the foregoing, (i) if the County fails or refuses to close the transaction contemplated by this Agreement for any reason other than Developer's failure to perform its obligations hereunder in any material respect or failure of a condition precedent to the County's obligation to close as set forth in Section 9.2 and specific performance is not available as a remedy to Developer because the County has sold the Property to an entity or person other than Developer or legally bound itself to sell the Property to a person or entity other than Developer and a court will not unwind such transaction, then Developer may sue the County for damages suffered or incurred by Developer as a result of such failure, and (ii) nothing in this Section shall limit Developer's rights to indemnity or other remedies in the event of a breach of any representation or warranty of the County set forth in this Agreement.

**15.4. Limitation of Liabilities.** This Agreement is expressly subject to the debt limitation of Oregon counties set forth in Article XI, Section 10, of the Oregon Constitution, and is contingent upon funds being appropriated therefor. Any provisions herein which would conflict with law are deemed inoperative to that extent. Neither Party shall be liable for any indirect, incidental, consequential or special damages under this Agreement.

**16. CASUALTY AND CONDEMNATION.**

**16.1.** If, before the Closing, all or any part of the Property is materially damaged or destroyed, then the County shall promptly notify Developer thereof in writing, and Developer shall have thirty (30) days from receipt of such written notice to elect whether to terminate this Agreement, in which event that portion of the Earnest Money not used by the County to pay Costs will be refunded to Developer and neither party will have any further obligation under this Agreement.

**16.2.** If, before Closing, all or any part of the Property becomes subject to condemnation or eminent domain proceedings, then the County shall promptly notify Developer thereof in writing, and Developer shall have thirty (30) days from receipt of such written notice to elect whether to (a) terminate this Agreement, in which event the Earnest Money not used to pay Costs will be refunded to Developer and neither party will have any further obligation under this Agreement; or (b) proceed to Closing pursuant to the terms of this Agreement, in which event the County shall assign to Developer all of the County's right to any condemnation award related to such condemnation.

**17. ENTITLEMENTS.** So long as this Agreement remains in effect, and subject to the provisions of this Section 17, Developer, at its expense, may pursue and work to obtain the Entitlements in such manner as Developer shall deem appropriate in Developer's sole discretion. The County agrees that Developer shall have the right during such time to: (a) enter into discussions and negotiations regarding the development of the Property with all governmental authorities having jurisdiction over the Real Property; and (b) apply for, prosecute, participate in, and cause to be issued and finally approved any plat, permit, change in comprehensive plan or zoning designation, variance, conditional use request, binding site plan, subdivision, local improvement district, or other approval which may be required as part of the Project; *provided, however*, that such approvals shall (i) not be binding on or effective as to the Real Property until the Closing, or (ii) be capable of being withdrawn if the Closing does not occur. The County, at no cost, expense, or liability (actual or contingent) to itself, shall reasonably cooperate with Developer in all respects in connection with obtaining governmental approvals, which cooperation may include the execution and delivery of any applications, agreements, approvals, licenses, plans, permits, and other instruments and assurances as may be required by Developer.

**18. NO BROKERS.** No broker's commission or finder's fee is payable with regard to the transaction contemplated by this Agreement. Each Party agrees to the fullest extent permitted by law to defend with counsel reasonably satisfactory to the other Party and indemnify the other Party from and against all liability, claims, actions, causes of action, suits, demands, damages, or costs of any kind arising from or connected with any broker's or finder's fee or commission or charge claimed to be due to any person arising from the Party's conduct with respect to this Agreement and the transaction contemplated herein. This obligation shall survive and be enforceable following the Closing or earlier termination of this Agreement.

**19. MORTGAGEE PROTECTIONS PROVISIONS.**

**19.1. Effect of Revesting on Mortgages.** Any reversion and revesting of the Property in the County pursuant to this Agreement shall always be subject to and limited by, and shall not defeat, render invalid, limit in any way, or be superior to, any lien, Mortgage, or security interest authorized by this Agreement.

**19.2. Mortgagee Not Obligated to Construct.** Notwithstanding any of the provisions of this Agreement, a Mortgagee or its designee for purposes of acquiring title at foreclosure shall in no way be



obligated by the provisions of this Agreement to construct or complete the Project or any portion thereof or to guarantee such construction or completion; *provided, however*, that nothing in this Agreement shall be deemed or construed to permit or authorize any such Mortgagee, or any owner of the Project whose title thereto is acquired by foreclosure, trustee sale or otherwise, to devote that Project to any uses, or to construct any improvements thereon, other than those uses or Project improvements provided or permitted in this Agreement.

**19.3. Copy of Notice of Default Mortgagee.** If the County delivers any notice or demand to Developer with respect to any breach or default by Developer in its obligations or covenants under this Agreement, the County shall at the same time send a copy of such notice or demand to each Mortgagee at the last address shown in the records of the County or, if no such address is shown in the County's records, as shown in any Mortgage of record. **Mortgagee's Options to Cure Defaults.** If Developer fails to cure or remedy any default or breach, then each Mortgagee may, at its option, cure or remedy such breach or default within ninety (90) days after the latest date for Developer's cure of the default and, if permitted by its loan documents, add the cost thereof to the Mortgage debt and the lien of its Mortgage. If the breach or default is with respect to construction of the Project improvements, nothing contained in this Agreement shall be deemed to prohibit such Mortgagee, either before or after foreclosure or action in lieu thereof, from undertaking or continuing the construction or completion of the Project improvements, provided that the Mortgagee notifies the County in writing of its intention to complete the Project improvements according to the Entitlements. **Amendments to Agreement Requested by Mortgagee.** The County shall execute amendments to this Agreement or separate agreements to the extent reasonably requested by a Mortgagee proposing to make a loan to or investment in Developer related to the Project secured by a security interest in the Project or Property or a portion thereof, provided that such proposed amendments or other agreements do not materially and adversely affect the rights of the County hereunder or the County's interest in the Project as determined by the County in its sole discretion. **Definitions.** As used in this Agreement, (a) "Mortgage" means a mortgage or deed of trust against the Property recorded in the real property records of Clackamas County, Oregon, and (b) "Mortgagee" means the holder of any Mortgage, together with any successor or assignee of such holder, including the first purchaser from such holder if such holder acquires the Property at a foreclosure sale or by deed in lieu of foreclosure from Developer, and including any other person or entity who thereafter obtains title to the Property.

## **20. UNAVOIDABLE DELAY.**

**20.1.** Neither a Party nor a Party's successor in interest shall be considered in breach of or in default with respect to any obligation created hereunder if the delay in performance of such obligation (the "Unavoidable Delay") arises from acts of God; acts of the public enemy; fires; acts of the other Party; floods; earthquake; epidemics; pandemics; quarantine restrictions; strikes; freight embargoes; unusually severe weather; inability to obtain essential services, labor or materials; subject to Section 15.1.3(b)(iii) above, unavailability of capital; governmental actions; provided that the aforesaid causes were not reasonably foreseeable, were beyond the Party's reasonable control and did not result from the fault or negligence of the Party, and provided further that the Party has taken reasonable precautions to prevent further delays owing to such causes.

**20.2.** In the event of an Unavoidable Delay, the time or times for performance of the obligations of the County or Developer, as the case may be, shall be extended for the period of the Unavoidable Delay; *provided, however*, that within fifteen (15) days after the Party becomes actually aware of the causes of any such Unavoidable Delay, the Party seeking the extension shall notify the

other Party in writing of the causes of the Unavoidable Delay and the estimated time for correction. An Unavoidable Delay shall not extend the time for payment of money owing from one Party to the other in accordance with the terms of this Agreement.

**21. MISCELLANEOUS PROVISIONS.**

**21.1. Notice.** Any notice or communication under this Agreement by either Party to the other shall be deemed given and delivered on the earlier of actual delivery or refusal to accept delivery thereof if sent by one of the following means with all applicable delivery and postage charges prepaid to the applicable address(es) below: (a) registered or certified U.S. mail, return receipt requested; (b) personal delivery or messenger service; (c) nationally recognized overnight courier service (*e.g.*, Federal Express); or, (d) if sent on the same Business Day by another means allowed hereunder, email.

If to Developer, addressed as follows:

Level OCC-01 LLC  
Attn: Seth Henderson  
7327 SW Barnes Rd., PMB 523  
Portland, OR 97225  
Email: [shenderson@leveldevnw.com](mailto:shenderson@leveldevnw.com)

With a copy to:

Radler White Parks & Alexander LLP  
Attn: Dina Alexander  
111 SW Columbia, Suite 700  
Portland, OR 97201  
Email: [dalexander@radlerwhite.com](mailto:dalexander@radlerwhite.com)

If to the County, addressed as follows:

Clackamas County  
Attn: Nancy Bush  
2051 Kaen Rd Ste 450  
Oregon City, OR 97045  
Email: [nbush@clackamas.us](mailto:nbush@clackamas.us)

With a copy to:

County Counsel  
Clackamas County  
2051 Kaen Road  
Oregon City, OR 97045  
Email: [akeller@clackamas.us](mailto:akeller@clackamas.us)

A Party may change its address for notices by written notice given to the other Party in accordance with this Section 21.1. Notices may be given by counsel to a Party on behalf of such Party.

**21.2. Headings.** Titles of the sections of this Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.

**21.3. Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which shall constitute one and the same instrument.

**21.4. Waivers.** No waiver made by either Party with respect to the performance, or manner or time thereof, of any obligation of the other Party or any condition inuring to its benefit under this Agreement shall be considered a waiver of any other rights of the Party making the waiver. No waiver by the County or Developer of any provision of this Agreement or any breach thereof shall be of any force or effect unless in writing, and no such waiver shall be construed to be a continuing waiver.

**21.5. No Attorneys' Fees.** In the event any arbitration, action, or proceeding, including any bankruptcy proceeding, is instituted to enforce any term of this Agreement, each Party shall be responsible for its own attorneys' fees and expenses.

**21.6. Governing Law; Venue; Consent to Jurisdiction.** This Agreement shall be governed by Oregon law, without regard to principles of conflicts of law. Any action or suit to enforce or construe any provision of this Agreement by any Party must be brought in the Circuit Court of the State of Oregon for Clackamas County or, if the action or suit must be brought in a federal forum, the United States District Court for the District of Oregon in Portland, Oregon. Each Party, by execution of this Agreement, consents to the *in personam* jurisdiction of said courts. In no event shall this Section 21.6 be construed as a waiver by the County of any form of defense or immunity, whether sovereign immunity, governmental immunity, immunity based on the Eleventh Amendment to the Constitution of the United States, or otherwise, from any claim or from the jurisdiction of any court.

**21.7. Calculation of Time.** All periods of time referred to herein shall include Saturdays, Sundays, and legal holidays in the state of Oregon, except that, if the last day of any period falls on any Saturday, Sunday, or legal holiday, the period shall be extended to include the next day which is not a Saturday, Sunday, or legal holiday (each, a "Business Day," and collectively, "Business Days").

**21.8. Construction.** In construing this Agreement, (a) singular pronouns shall be taken to mean and include the plural and the masculine pronoun shall be taken to mean and include the feminine and the neuter, as the context may require; (b) the term "including" means including without limitation; and (c) the term "shall" means mandatory and imperative.

**21.9. Severability.** If any clause, sentence, or other portion of the terms and conditions of this Agreement becomes illegal, null, or void for any reason, the remaining portions will remain in full force and effect to the fullest extent permitted by law.

**21.10. Entire Agreement.** This Agreement and its exhibits are the entire agreement between the Parties with regard to the disposition and development of the Property. There is no other oral or written agreement between the Parties with regard to this subject matter.

**21.11. Amendments and Modifications.** Any modifications to this Agreement must be made in writing and executed by all Parties.

**21.12. Successors and Assigns.** Subject to this Section 21.12, the benefits conferred by this Agreement, and the obligations assumed hereunder, shall inure to the benefit of and bind the successors and permitted assigns of the Parties.

**21.13. No Partnership.** Nothing contained in this Agreement or any acts of the Parties shall be deemed or construed by the Parties, or by any third person, to create the relationship of principal and agent, or of partnership, or of joint venture, or of any association between any of the Parties other than that of independent contracting parties.

**21.14. Approval by County.** Except as provided for elsewhere in this Agreement, whenever consent or approval by the County is required under the terms of this Agreement, all such consents or approvals shall be given by the County Administrator or their designee in writing.

**21.15. Time of Essence.** Time is of the essence under this Agreement. However, if either Party fails to fulfill an obligation under this Agreement, such Party shall not be deemed to be in default until notice of such failure has been given in accordance with Section 15 above and any applicable cure period has passed without cure of the failure.

**21.16. No Third-Party Beneficiary Rights.** Subject to Section 19 (Mortgagee Protection Provisions) above, no person other than a Party is an intended beneficiary of this Agreement, and no person other than a Party shall have any right to enforce any term of this Agreement.

**21.17. Incorporation.** The exhibits and schedules attached to this Agreement are incorporated into and made a part of this Agreement.

**21.18. Termination.** Other than the terms and conditions that expressly survive substantial completion of the Project and Developer's receipt of a temporary certificate of occupancy therefor from the City, this Agreement shall automatically terminate and be of no further force or effect upon the occurrence of the same. Upon Developer's or a Mortgagee's request, a release and termination of this Agreement shall be executed by the County and recorded at Developer's expense, releasing the Project from the covenants of this Agreement that do not expressly survive such termination.

**21.19. Memorandum of Agreement.** Within five (5) Business Days of the Effective Date, Developer and the County shall execute and deliver to the Title Company a memorandum of this Agreement in the form attached hereto as Schedule 21.19, with instructions to Title Company to record the same.

**21.20. STATUTORY WARNING.** 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.

*(Remainder of page intentionally left blank;  
signatures appear on the following page)*

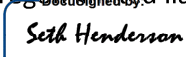
The Parties have executed this Agreement in multiple counterparts as of the Effective Date.

**COUNTY:** **CLACKAMAS COUNTY,**  
a political subdivision of the State of Oregon

By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Its: \_\_\_\_\_  
Date: \_\_\_\_\_

Approved for Legal Sufficiency:  
 \_\_\_\_\_ **9/9/2025**  
County Counsel

**DEVELOPER:** **LEVEL OCC-01 LLC,**  
an Oregon limited liability company

By:  \_\_\_\_\_  
Seth Henderson, Manager

Date: **9/9/2025**

**Exhibits and Schedules:**

- Exhibit A: Legal Description of Real Property
- Schedule 5.1: List of Due Diligence Materials
- Schedule 10.2.1: Form of Deed
- Schedule 10.2.2: Form of Assignment of Intangibles
- Schedule 10.2.1: Form of Bill of Sale
- Schedule 12: Site Plan
- Schedule 15.1: Schedule of Performance
- Schedule 21.19: Memorandum of Agreement

**EXHIBIT A**

**LEGAL DESCRIPTION OF REAL PROPERTY**

Parcel 1, Partition Plat No. 2012-016, City of Oregon City, Clackamas County, Oregon

**Schedule 5.1**

**List of Due Diligence Materials**

1. 2022 Appraisal from CBRE
2. 2015 MEP Building Assessment from PAE
3. 2015 Report of Geotechnical Engineering Services from GeoDesign, Inc.
4. 2015 ASCE 41-13 Seismic Evaluation Report from KPFF Consulting Engineers



**Schedule 10.2.1**

**Form of Deed**

After recording return to and until  
a change is requested send all tax  
statements to:

[\_\_\_\_\_]
[\_\_\_\_\_]
[\_\_\_\_\_]

**STATUTORY BARGAIN AND SALE DEED**

**CLACKAMAS COUNTY**, a political subdivision of the State of Oregon, as Grantor, conveys to **[LEVEL OCC-01 LLC, an Oregon limited liability company or its assignee, as applicable]**, as Grantee, the real property described on the attached Exhibit A (the "Property"), subject to the permitted encumbrances set forth on the attached Exhibit B.

The true consideration for this conveyance is other good and valuable consideration.

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.

*(Signature Page Follows)*

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

GRANTOR: **CLACKAMAS COUNTY,**  
a political subdivision of the State of Oregon

By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Its: \_\_\_\_\_

STATE OF OREGON                    )  
  ) ss.  
County of \_\_\_\_\_ )

The foregoing instrument was acknowledged before me on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_, by \_\_\_\_\_, as \_\_\_\_\_ of Clackamas County, a political subdivision of the State of Oregon.

\_\_\_\_\_  
Notary Public for \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_

**EXHIBIT A**

**LEGAL DESCRIPTION OF PROPERTY**

{01588763;3}

Schedule 10.2.1 – Disposition and Development Agreement – Main Street Courthouse (Oregon City)

**EXHIBIT B**  
**PERMITTED ENCUMBRANCES**

{01588763;3}

Schedule 10.2.1 – Disposition and Development Agreement – Main Street Courthouse (Oregon City)

**Schedule 10.2.2**

**Form of Assignment of Intangibles**

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, **CLACKAMAS COUNTY**, a political subdivision of the State of Oregon ("Assignor") hereby assigns, transfers, sets over, and delivers to **[LEVEL OCC-01 LLC, an Oregon limited liability company or its assignee, as applicable]**, ("Assignee") all of Assignor's right, title, and interest in and to all of the following: (a) all rights, privileges, licenses, and easements appurtenant to the real property described in the attached Exhibit A (the "Real Property"), including, without limitation, all minerals, oil, gas, and other hydrocarbon substances on and under the Real Property, as well as all development rights, air rights, and water rights; (b) all governmental approvals, entitlements, permits, warranties, guaranties, and development rights or credits related to the Real Property; and (c) all other intangible property owned by Assignor pertaining to the Real Property.

This Assignment of Intangibles shall be binding upon Assignor and shall inure to the benefit of Assignee and each of their respective successors and assigns.

IN WITNESS WHEREOF, Assignor has executed this Assignment of Intangibles effective as of \_\_\_\_\_, 20\_\_.

ASSIGNOR:

**CLACKAMAS COUNTY,**  
a political subdivision of the State of Oregon

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

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

Its: \_\_\_\_\_

ASSIGNEE:

**[LEVEL OCC-01 LLC,**  
**an Oregon limited liability company or its**  
**assignee, as applicable]**

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

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

Its: \_\_\_\_\_

EXHIBIT A TO ASSIGNMENT OF INTANGIBLES  
Legal Description

### **Schedule 10.2.3**

#### **Form of Bill of Sale**

For valuable consideration, the receipt and sufficiency of which are hereby acknowledged, **CLACKAMAS COUNTY**, a political subdivision of the State of Oregon ("Seller"), sells and conveys to **[LEVEL OCC-01 LLC, an Oregon limited liability company or its assignee, as applicable]** ("Buyer"), all of Seller's right, title, and interest in and to all appliances, fixtures, equipment, machinery, furniture, floor coverings, drapes and other tangible personal property owned by Seller (collectively "Personal Property") located in or on the real property located in the County of Clackamas, State of Oregon, more particularly described on Exhibit A attached hereto and made a part hereof for all purposes (the "Property"), but excluding the items listed on Exhibit B attached hereto and made a part hereof for all purposes.

SELLER REPRESENTS AND WARRANTS TO BUYER THAT SELLER HAS ALL LAWFUL RIGHT AND AUTHORITY TO SELL AND TRANSFER THE PERSONAL PROPERTY TO BUYER AND THAT IT SELLS AND TRANSFERS THE PERSONAL PROPERTY TO BUYER FREE AND CLEAR OF ALL LIENS AND ENCUMBRANCES. EXCEPT AS PROVIDED IN THE PRIOR SENTENCE, THE TANGIBLE PERSONAL PROPERTY IS TRANSFERRED TO BUYER "AS IS" AND "WHERE IS" AND WITH ALL FAULTS, DEFECTS OR OTHER ADVERSE MATTERS.

Seller and Buyer hereby covenant and agree as follows:

(i) This Bill of Sale shall bind and inure to the benefit of the parties and their respective successors, legal representatives and assigns.

(ii) Neither this Bill of Sale nor any term, provision, or condition hereof may be changed, amended or modified, and no obligation, duty or liability or any party hereby may be released, discharged or waived, except in a writing signed by all parties hereto.

(iii) This Bill of Sale may be executed in a number of identical counterparts that, taken together, shall constitute one (1) agreement. In making proof of this Bill of Sale, it shall not be necessary to produce or account for more than one such counterpart with each party's signature. Delivery of an executed counterpart of a signature page to this Bill of Sale by facsimile, email or other electronic method shall be as effective as delivery of an original executed counterpart of this Bill of Sale.

*[Signatures on following page.]*

IN WITNESS WHEREOF, Seller and Buyer have executed this Bill of Sale to be effective as of the \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_.

SELLER: **CLACKAMAS COUNTY,**  
a political subdivision of the State of Oregon

By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Its: \_\_\_\_\_

BUYER: **[LEVEL OCC-01 LLC,**  
**an Oregon limited liability company or its assignee, as**  
**applicable]**

By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Its: \_\_\_\_\_

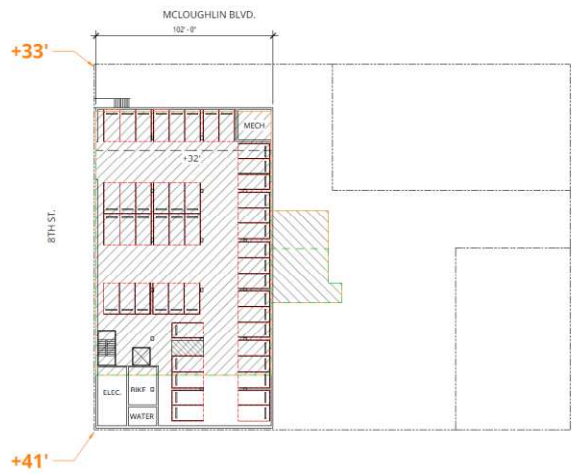


EXHIBIT A TO BILL OF SALE  
Legal Description

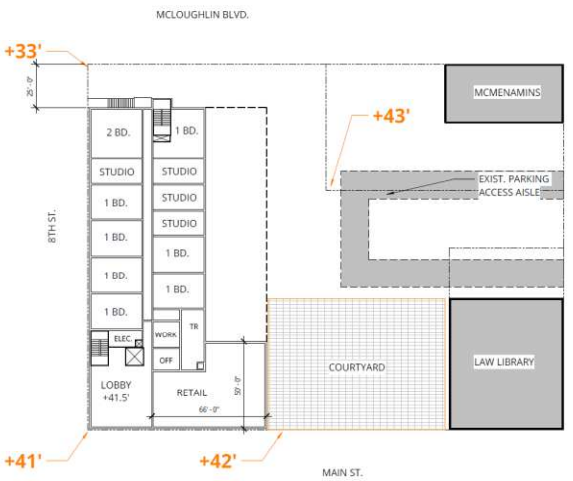
EXHIBIT B TO BILL OF SALE  
Excluded Property

Schedule 12

Site Plan



1 BASEMENT FLOOR PLAN  
1/32" = 1'-0"



2 LEVEL 1 FLOOR PLAN  
1/32" = 1'-0"

02.27.2025 - LEVEL DEVELOPMENT - OREGON CITY COURTHOUSE SITE

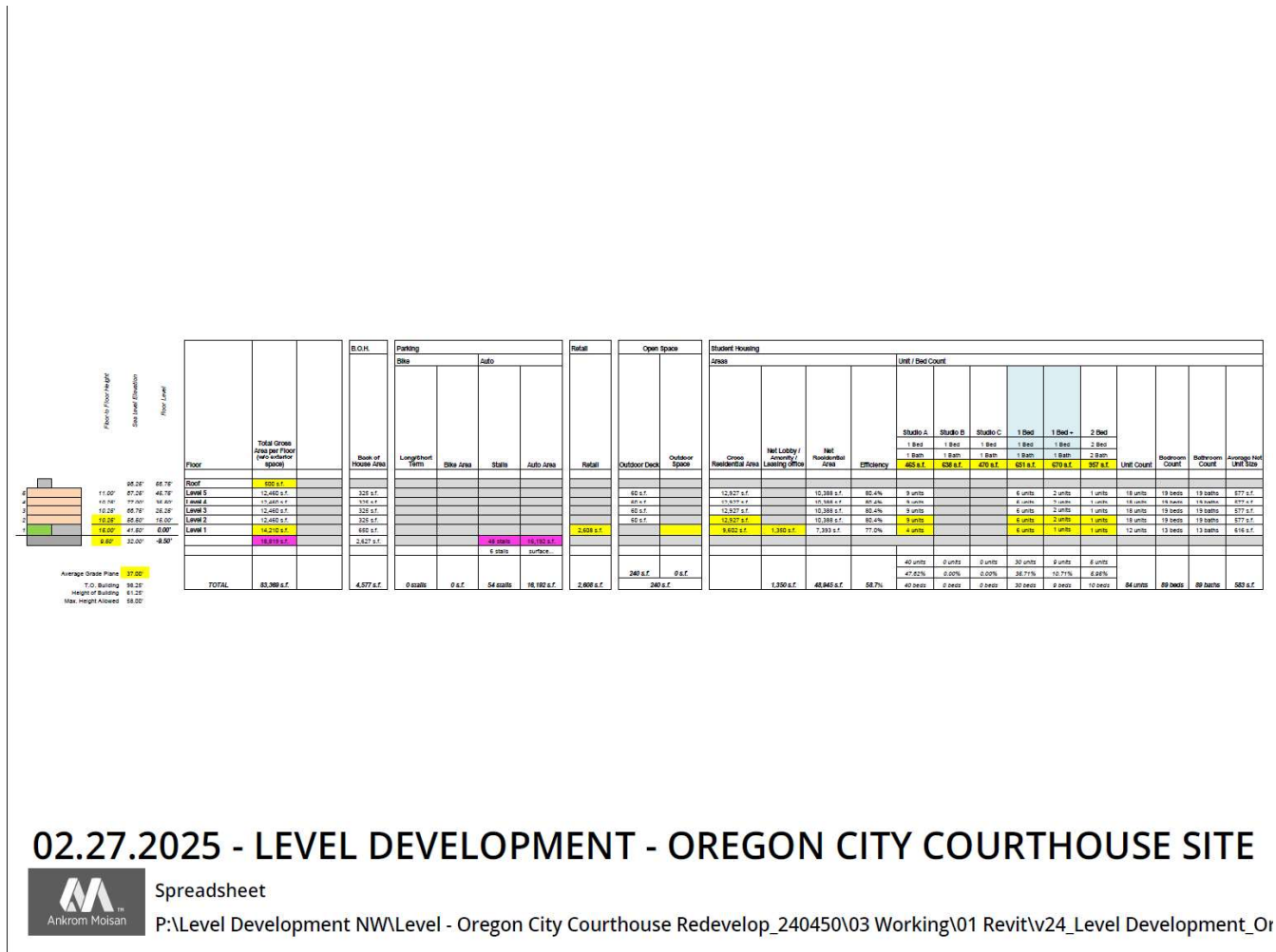


A1 - FLOOR PLANS

P:\Level Development NW\Level - Oregon City Courthouse Redevelop\_240450\03 Working\01 Revit\24\_Level Development\_Or

02.27.2025 - LEVEL DEVELOPMENT - OREGON CITY COURTHOUSE SITE





**Schedule 15.1****Schedule of Performance**

<b>Task</b>	<b>Deadline</b>	<b>DDA Section Reference</b>	<b>Responsible Party</b>
<b>Satisfy SHPO Requirements</b>	Expiration of Due Diligence Period	5.4	County
<b>Close of Acquisition</b>	Within 30 days of expiration of Due Diligence Period	10.1	Both Parties
<b>Outside Construction Commencement Date</b>	June 1, 2027	9.2	Developer
<b>Temporary Certificate of Occupancy</b>	December 31, 2028	NA	Developer

**Schedule 21.19**

**Form of Memorandum of Agreement**

RECORDING REQUESTED BY AND  
WHEN RECORDED RETURN TO:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

---

**MEMORANDUM OF DISPOSITION AND DEVELOPMENT AGREEMENT**

THIS MEMORANDUM OF DISPOSITION AND DEVELOPMENT AGREEMENT (this “Memorandum”) is dated as of \_\_\_\_\_, and executed by and between **CLACKAMAS COUNTY**, a political subdivision of the State of Oregon (the “County”), and **[LEVEL OCC-01 LLC, an Oregon limited liability company or its assignee, as applicable]** (“Developer”), as a memorandum of an unrecorded Disposition and Development Agreement dated \_\_\_\_\_, (the “Agreement”), between the County and Developer, concerning the real property described in Exhibit A attached hereto and incorporated herein (the “Property”).

1. **Sale.** For good and valuable consideration, the County has agreed to sell to Developer, and Developer has the right to purchase the Property from the County, upon the terms, conditions, and provisions set forth in the Agreement, which provisions are incorporated into this Memorandum by reference. The Agreement provides, among other things, for the Developer to make certain improvements to or for the Property, including construction of approximately eighty-four (84) residential units, approximately 2,600 square feet of ground floor retail space, and approximately forty-eight (48) off-street parking stalls in an approximately 18,815-square-foot garage.
2. **Miscellaneous.** This Memorandum is not a complete summary of the Agreement. Provisions in this Memorandum shall not be used in interpreting the Agreement provisions. In the event of a conflict between this Memorandum and the unrecorded Agreement, the unrecorded Agreement shall control.

*[Remainder of page intentionally left blank;  
signature pages follow.]*

IN WITNESS WHEREOF, this Memorandum was executed by the parties as of the date first above written.

**COUNTY:**

**CLACKAMAS COUNTY,**  
a political subdivision of the State of Oregon

By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Its: \_\_\_\_\_

STATE OF OREGON )  
 ) ss.  
County of \_\_\_\_\_ )

The foregoing instrument was acknowledged before me on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by \_\_\_\_\_, as \_\_\_\_\_ of Clackamas County, a political subdivision of the State of Oregon.

Notary Public for \_\_\_\_\_  
My commission expires \_\_\_\_\_

*[Signatures continue on following page.]*





**EXHIBIT A TO MEMORANDUM OF DISPOSITION AND DEVELOPMENT AGREEMENT**

**Legal Description**

{01588763;3}

Schedule 21.19 – Disposition and Development Agreement – Main Street Courthouse (Oregon City)