



COPY

**Resolution No. 2000-851**

**A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE  
A PURCHASE AGREEMENT ACQUIRE REAL PROPERTY FOR THE  
CITY'S POLICE DEPARTMENT.**

**WHEREAS**, the City of Sherwood recognizes that the present Police Department facility is not large enough to house staff and resources for optimum service to the citizens; and

**WHEREAS**, there is presently property available within the Sherwood City limits which could meet the need for larger facilities for the Police Department; and

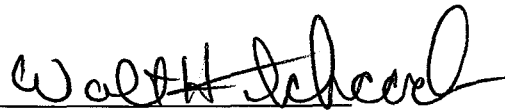
**WHEREAS**, the City wishes to proceed at the earliest possible time to acquire the property for the police facility.

**NOW THEREFORE BE IT RESOLVED AS FOLLOWS:**

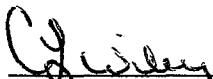
Section 1. Authorization. The City Manager is hereby authorized to execute the purchase agreement, shown here are Exhibit A, for the acquisition of property for the Police Department.

Section 2. Effective Date. This resolution shall become effective upon adoption.

Duly passed by the City Council this 25<sup>th</sup> day of January 2000.

  
Walt Hitchcock, Mayor

ATTEST:

  
C.L. Wiley, City Recorder

## REAL ESTATE PURCHASE AGREEMENT

The City of Sherwood ("Buyer") offers to purchase from JERRY D. BOND and JUDITH A. BOND (collectively, "Seller"), subject to the terms, provisions, conditions, exceptions and reservations hereof, the real property including buildings and improvements (except as otherwise specified herein), in the City of Sherwood, County of Washington, State of Oregon, located at 20481 and 20495 SW Borchers Drive, Sherwood, Oregon 97140, respectively known as Tax Lot 11300 ("Parcel I") and Tax Lot 11400 ("Parcel II"), Washington County Assessor's Map 2S130AD, and more particularly described on Exhibit A (collectively, the "Property").

Buyer and Seller intend to close the sale of Parcel I immediately after the end of the inspection/review period described below. Seller intends to qualify the sale of Parcel II for Section 1031 treatment and requires eighteen months to locate and construct improvements upon replacement property. Seller acknowledges Buyer's intent to close the sale of Parcel II at any time within eighteen months of closing Parcel I, in Seller's sole discretion.

### PURCHASE PRICE

The agreed purchase price shall be the sum of \$900,000, and all earnest money paid prior to closing shall be applied toward the purchase price. The purchase price is allocated \$220,000 for Parcel I, and \$680,000 for Parcel II.

### SECTION 1031 TREATMENT

Buyer acknowledges Seller's intent to qualify the sale of Parcel II for Section 1031 tax treatment and hereby agrees to execute all documents and enter into all lawful agreements necessary to effect that purpose, **AT NO EXPENSE TO BUYER**

*[Handwritten signature]* 12/1/99

### INSPECTION/REVIEW PERIOD

During the review period, Buyer shall have the right to enter into the Property at reasonable times during business hours to inspect the land, building, and improvements to determine, to the Buyer's satisfaction, its feasibility for use as intended by Buyer, and to conduct, at Buyer's expense, a Level One environmental study and obtain a Level One environmental report. If the report so obtained is not satisfactory to Buyer, Buyer may give written notice to Seller that the sale contemplated herein is being canceled and Buyer shall be refunded the earnest money. The review period shall extend 60 days from the date of the Seller's acceptance of this offer. If Buyer has not notified Seller of cancellation within that time or if Buyer notifies Seller that the review has been satisfactorily completed, the earnest money shall become nonrefundable. Seller agrees to provide Buyer copies of any environmental studies or reports it has for the Property, and further represents that Seller has no knowledge that toxic or hazardous materials have been discharged or deposited on the property or have seeped, flowed, or otherwise migrated into the property from adjacent properties.

### EARNEST MONEY

Upon Seller's acceptance of this offer, Buyer will execute a promissory note for \$100,000 in a form acceptable to Seller (the "Note"), to be deposited in escrow with a copy of this Agreement at Ticor Title Insurance Company. The Note will be redeemed with cash within three business days after Buyer's satisfactory completion of its inspection and review or three days after the 60-day renewal period, if Buyer has not given notice of cancellation within the review period, whichever first occurs.

### TITLE INSURANCE

Seller shall furnish within ten days after Seller's acceptance, at Seller's expense, a preliminary title report from Ticor Title Insurance Company, showing its willingness to insure title to the Property in the Seller, free and clear of all encumbrances except zoning and use restrictions, rights of the public in roads, other easements, conditions and restrictions of public record, highway access restrictions, if any, the usual printed exceptions of title policies and any other exceptions acceptable to Buyer (the "Title Report"). Upon receipt of the Title Report, Buyer shall have ten days thereafter in which to state in writing to Seller any objections to the title, which are not hereinabove excepted and which are not capable of being removed by application of the purchase money, and Seller shall have 20 days from the receipt of such statement to remove any such encumbrances not excepted herein and not acceptable to Buyer. Closing will be subject to the title company's commitment to insure title in the Buyer in accordance with the foregoing upon closing.

### CLOSING

The purchase and sale of each parcel shall be closed in escrow by Seller and Buyer executing a deed and other instruments necessary to close the transaction in conformity with the terms and provisions set forth herein. Seller and Buyer shall each pay one-half of the escrow fee and taxes shall be prorated as of the date of closing. Seller and Buyer shall each pay one-half of the Washington County transfer tax imposed under County ordinance, if applicable.

The closing on Parcel I shall take place within ten days of Buyer's completing or waiving the review period. Buyer will close by paying cash for Parcel I.

The closing of Parcel II shall take place at such time as Seller elects in its sole discretion to close the sale, but in no event later than 18 months following the closing of Parcel I. Seller

shall provide written notice to Buyer at least one week prior to the date on which Seller elects to close the sale of Parcel II. The purchase price for Parcel II shall be paid in cash at the Parcel II closing. Buyer shall be entitled to possession of Parcel I after closing of that parcel and payment of the purchase price for that parcel. Buyer shall be entitled to possession of Parcel II after the end of the six-month tenancy described below.

Seller shall remove all vehicles, debris, and other personal property from each parcel prior to closing for that parcel. Seller and Buyer agree that the vehicle hoists or lifts in the shop building are personal property of Seller and will be removed prior to closing. Except for removal according to this paragraph, the Property shall be in the same general condition as on the date of execution of this Agreement.

#### **LEASEBACK**

For a period of six months following the closing of Parcel II, Buyer shall permit Seller to retain possession of Parcel II for the continued conduct of Seller's business. Seller shall not be required to pay rent or other fees to Buyer during this six-month tenancy. If Seller fails to vacate Parcel II on or before the end of the six-month tenancy, Buyer may commence eviction proceedings against Seller without further notice to Seller, and Seller shall pay all costs, including reasonable attorney fees, incurred in connection with the eviction.

#### **COMMISSIONS**

Jomar Properties, through Joe Broadhurst, is representing Buyer and will be paid a brokerage fee equal to fifty percent of the gross fee paid to Norris & Stevens for its services in sale of this property on behalf of Sellers, out of sale proceeds at closing.

This offer of purchase should be held open for Sellers' written acceptance delivered to Buyer or Buyer's agent at any time before December 1, 1999, which shall be the expiration date of the offer.

**MISCELLANEOUS**

The risk of loss, damage or destruction to any of the Property shall be borne by Seller to closing, and thereafter by Buyer.

All notices required or permitted to be given under this Agreement shall be in writing. Notices may be served by certified or registered mail, postage paid with return receipt requested; by private courier, prepaid; by telex, facsimile, or other telecommunication device capable of transmitting or creating a written record; or personally. Mailed notices shall be deemed delivered five (5) days after mailing, properly addressed. Couriered notices shall be deemed delivered on the date that the courier warrants that delivery will occur. Telex or telecommunicated notices shall be deemed delivered when receipt is either confirmed by confirming transmission equipment or acknowledged by the addressee or its office. Personal delivery shall be effective when accomplished. Unless a party changes its address by giving notice to the other party as provided herein, notices shall be delivered to the parties at the addresses set forth below their respective signatures.

The section headings in this Agreement are for convenience only; they do not give full notice of the terms of any portion of this Agreement and are not relevant to the interpretation of any provision of this Agreement.

All schedules and exhibits referenced in and attached to this Agreement are by this reference incorporated into and made a part of this Agreement.

Any claim arising under this Agreement shall be governed by and construed in accordance with the laws of the State of Oregon, without regard to conflict of laws principles.

This Agreement constitutes the entire agreement of the parties relating to the subject matter of this Agreement. There are no promises, terms, conditions, obligations, or warranties other than those contained in this Agreement. This Agreement supersedes all prior communications, representations, or agreements, verbal or written, among the parties relating to the subject matter of this Agreement. This Agreement may not be amended except in writing executed by the parties.

No provision of this Agreement shall be waived unless the waiver is in writing signed by the waiving party. No failure by any party to insist upon the strict performance of any provision of this Agreement, or to exercise any right or remedy consequent upon a breach thereof, shall constitute a waiver of any such breach, of such provision or of any other provision. No waiver of any provision of this Agreement shall be deemed a waiver of any other provision of this Agreement or a waiver of such provision with respect to any subsequent breach, unless expressly provided in writing.

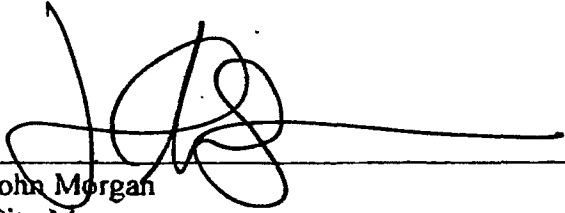
If any suit or action arising out of or related to this Agreement is brought by any party, the prevailing party or parties shall be entitled to recover the costs and fees including without limitation reasonable attorneys' fees, the fees and costs of experts and consultants, copying, courier and telecommunication costs, and deposition costs and all other costs of discovery incurred by such party or parties in such suit or action, including without limitation any post-trial or appellate proceeding, or in the collection or enforcement of any judgment or award entered or made in such suit or action.

This Agreement shall bind and inure to the benefit of, and be enforceable by, the parties and their respective successors, heirs, and permitted assigns.

Neither party may assign this Agreement, in whole or in part, without the express, written consent of the other party.

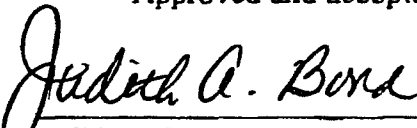
No person not a party to this Agreement is an intended beneficiary of this Agreement, and no person not a party to this Agreement shall have any right to enforce any term of this Agreement.

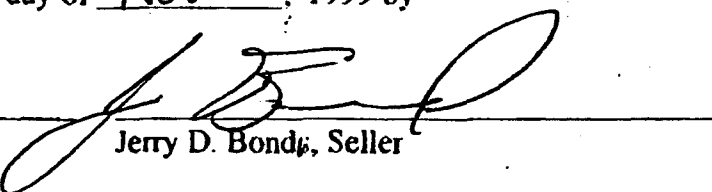
This Agreement may be executed in any number of counterparts, all of which when taken together shall constitute one agreement binding on all parties, notwithstanding that all parties are not signatories to the same counterpart. This Agreement may be executed by signature transmitted by facsimile and the parties hereby deem such signatures to be as binding as original signatures.

  
\_\_\_\_\_  
John Morgan  
City Manager  
City of Sherwood

Seller's Acceptance

Approved and accepted this 30 day of Nov, 1999 by

  
\_\_\_\_\_  
Judith A. Bonds, Seller

  
\_\_\_\_\_  
Jerry D. Bonds, Seller