



01800310201300126420110114

I, Richard Hobernicht, Director of Assessment and Taxation and Ex-Officio County Clerk for Washington County, Oregon, do hereby certify that the within instrument of writing was received and recorded in the book of records of said county.

Richard Hobernicht, Director of Assessment and Taxation, Ex-Officio County Clerk



Union Pacific Railroad Company
1400 Douglas Street, MS 1690
Omaha, Nebraska 68179
Grantor's name and address

City of Sherwood
~~20 NW Washington Street~~ 22560 SW PINE STREET
Sherwood, Oregon 97140
Grantee's name and address

KSU

After recording, return to:

City of Sherwood
~~20 NW Washington Street~~ 22560 SW PINE STREET
Sherwood, Oregon 97140

KSU

Until a change is requested, all tax statements shall be sent to:

City of Sherwood
~~20 NW Washington Street~~ 22560 SW PINE STREET
Sherwood, Oregon 97140

KSU

Space Above for Recorder's Use Only

2696-05

QUITCLAIM DEED

UNION PACIFIC RAILROAD COMPANY, a Delaware corporation (formerly known as Southern Pacific Transportation Company, a Delaware corporation, successor in interest through merger with Union Pacific Railroad Company, a Utah corporation), Grantor, releases and quitclaims to **CITY OF SHERWOOD**, a municipal corporation of the State of Oregon, Grantee, and unto its successors and assigns, all of Grantor's right, title and interest in and to:

- the real property (hereinafter the "Property") situated in the City of Sherwood, Washington County, State of Oregon, as more particularly described in **Exhibit A**, hereto attached and hereby made a part hereof; and
- the SW Washington Street right-of-way adjoining the Property.

EXCEPTING from this quitclaim and RESERVING unto Grantor, its successors and assigns, forever, all minerals and all mineral rights of every kind and character now known to exist or hereafter discovered underlying the Property, including without limiting the generality of the foregoing, oil and gas and rights thereto, together with the sole, exclusive and perpetual right to explore for, remove and dispose of said minerals by any means or methods suitable to the

Grantor, its successors and assigns, but without entering upon or using the surface of the Property, and in such manner as not to damage the surface of the Property, or to interfere with the use thereof by the Grantee, its successors and assigns; PROVIDED, HOWEVER, that Grantor, its successors or assigns, without the prior written permission of Grantee, its successors or assigns, shall not conduct any mining activities of whatsoever nature above a plane five hundred feet (500') below the surface of the Property. As used in the foregoing sentence, "mining activities" encompasses the exploration, removal and disposal of minerals as described in this reservation.

The true and actual consideration for this quitclaim is \$231,601.00.

Post-Closing Covenants.

The Property is transferred by Grantor subject to the following covenants, conditions and restrictions, which Grantee by the acceptance of this Deed covenants for itself, its successors and assigns, faithfully to keep, observe and perform:

1. Fence Covenant. Within ninety (90) days after the date of delivery of this Deed, Grantee, at its sole cost and expense, shall remove the existing fencing located on Grantor's adjacent right-of-way and install on Grantee's property line, and thereafter maintain, fencing to prevent access to or encroachment on the railroad right-of-way of Grantor adjacent to the trackside boundary of the Property. The new fencing shall extend from the sidewalk on the southwest end of the Property to the sidewalk along NW Pine Street (as shown from "Fence Start" to "Fence End" on the print attached hereto as **Exhibit C**). The fencing shall be constructed of black powder coated chain link, be a minimum of six feet (6') in height, and must be of a design and type satisfactory to Grantor, and in compliance with applicable building codes. Grantee shall submit the plans for the fencing construction to:

Union Pacific Railroad Company
Attn: Kevin Kohler, Manager-Real Estate (Folder No. 2696-05)
1400 Douglas Street, Mail Stop 1690
Omaha, Nebraska 68179

for review and approval. Grantor shall complete such review and make appropriate response to Grantee within twenty (20) days after receipt of such plans by Grantor. In the event Grantor does not timely review and approve such plans in the 20-day time period, any additional time over 20 days will be added to the 90 day timeframe for construction of the fence. Grantor shall not unreasonably withhold its approval of such plans. Such approval does not constitute a guarantee or warranty that such plans comply with applicable governmental laws, rules, regulations or ordinances, or that the fence as constructed will be structurally sound.

2. Railroad Proximity Covenant.

(a) Grantee acknowledges that the property abutting the northern boundary line of the Property is dedicated and used for railroad purposes, that railroad operations may create noise, vibrations, emissions, fumes and odors twenty-four (24) hours a day, and that the

amount, nature and intensity of railroad operations may increase or change (collectively, the "Permitted Effects"). Grantee accepts the Property subject to the existence of the Permitted Effects. By acceptance of the Property, Grantee agrees that, at Grantee's sole cost and expense, as part of the development of the Property, Grantee shall design and install and/or construct and thereafter maintain improvements to reduce or limit the Permitted Effects on the Property and to comply with all governmental requirements, if any, which may be imposed as a condition to the development and use of the Property because of the Permitted Effects. In no event is Grantee responsible for maintaining, constructing or installing any improvements not located on the Property to reduce or limit the Permitted Effects.

(b) Grantee shall not, and hereby waives all rights to institute legal proceedings against Grantor to reduce or lessen the Permitted Effects.

(c) If Grantee sells or leases all or any portion of the Property, Grantee shall require all purchasers and tenants to acknowledge the location of the railroad operations abutting the Property and the existence of the Permitted Effects.

3. Restriction on Use. Grantee, its successors and assigns, may only use the Property for industrial, office, and retail-oriented commercial business (for example, shopping center, filling station, restaurant) purposes, public uses and related parking). Without limitation of the foregoing, the Property must not be used for any of the following purposes: (i) residential, (ii) lodgings or accommodations (including, without limitation, hotels, motels, boarding houses, dormitories, hospitals, nursing homes, or retirement centers), or (iii) cultural, educational, recreational or child-care facilities (including, without limitation, schools, kindergartens, day-care centers, gymnasiums, athletic fields, picnic grounds or parks).

4. Covenants To Run With Land. The foregoing covenants, conditions and restrictions shall run with the Property, the burdens of which will be binding on the successors and assigns of Grantee, and the benefits of which will inure to the successors and assigns of Grantor. A breach of the foregoing covenants, conditions and restrictions, or the continuance thereof, may, at the option of Grantor, its successors or assigns, be enjoined, abated or remedied by appropriate proceedings.

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, AND SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009. 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, AND SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009.

DATED this 30th day of November, 2012.

Attest:



Assistant Secretary




**UNION PACIFIC RAILROAD COMPANY,
a Delaware corporation**

By: 
Name: TONY K. LOVE
Title: Assistant Vice President - Real Estate

Grantee hereby accepts this Deed and agrees for itself, its successors and assigns, to be bound by the covenants set forth herein.

Dated this 4th day of ~~November~~ ^{DECEMBER}, 2012.

**CITY OF SHERWOOD, a municipal
corporation of the State of Oregon**

By: 
Name: KEITH S. MARTIN
Title: Mayor

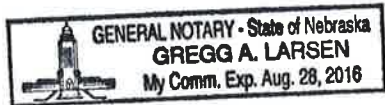
Attest:


City Clerk

STATE OF NEBRASKA)
) ss.
COUNTY OF DOUGLAS)

On November 30th, 2012, before me, Gregg A. Larsen,
Notary Public in and for said County and State, personally appeared
Tony K. Love and BJ Kubat who are the
AVP Real Estate and the Assistant Secretary, respectively, of Union
Pacific Railroad Company, a Delaware corporation, and who are personally known to me (or
proved to me on the basis of satisfactory evidence) to be the persons whose names are subscribed
to in the within instrument, and acknowledged to me that they executed the same in their
authorized capacities, and that by their signatures on the instrument the persons, or the entity
upon behalf of which the persons acted, executed the instrument.

WITNESS my hand and official seal.



Gregg A. Larsen
Notary Public

(Seal)

STATE OF OREGON)
) ss.
COUNTY OF WASHINGTON)

On ~~November~~ ^{DECEMBER} 4th, 2012, before me, KRISTINA OUELLETTE,
Notary Public in and for said County and State, personally appeared
KEITH MAYS and SYLVIA MURPHY who are the
MAYOR and the City Clerk, respectively, of the City of Sherwood,
an Oregon municipal corporation, and who are personally known to me (or proved to me on the
basis of satisfactory evidence) to be the persons whose names are subscribed to in the within
instrument, and acknowledged to me that they executed the same in their authorized capacities,
and that by their signatures on the instrument the persons, or the entity upon behalf of which the
persons acted, executed the instrument.

WITNESS my hand and official seal.

(Seal)



Kristina Ouellette
Notary Public



**Harper
Houf Peterson
Righellis Inc.**

ENGINEERS • PLANNERS
LANDSCAPE ARCHITECTS • SURVEYORS

Exhibit "A"

LEGAL DESCRIPTION

Sherwood Cannery Machine Works Building ANK-116

Railroad Parking Lot

November 19, 2012

Page 1 OF 1

A tract of land which is a portion of the Southern Pacific Railroad property located in the Northwest One-Quarter of Section 32, Township 2 South, Range 1 West, Willamette Meridian, City of Sherwood, Washington County, Oregon. Said Tract lies northeast of SW Main Street (the centerline of which is described by Deed Book 861 Page 655, Washington County Deed Records), southeast of the Southern Pacific Railroad 60 foot wide corridor, southwest of a license agreement for SW Washington Street per Book 113 Page 315-318, Washington County Deed Records, and northwest of those properties described in Washington County Document Numbers 96047143 and 2002-109898, and is more particularly described as follows:

Beginning at a 1/2" iron rod at the northerly most corner of said Document 96047143 on the southwesterly right of way line of SW Washington Street; thence South 48°56'30" West along the northwesterly boundaries of said document numbers 96047143 and 2002-109898 (each in part) a distance of 262.30 feet to the northeasterly right of way line of SW Main Street (being located 25.00 feet easterly when measured at right angles to the centerline of SW Main Street as described by Deed Book 861 Page 655); thence along said right of way the following one (1) course and one (1) curve: North 08°55'45" West a distance of 40.50 feet to the beginning of a 209.80 foot radius curve to the left, having a central angle of 8°25'25"; thence northerly along said curve to the left (the long chord of which bears North 13°08'27" West a distance of 30.82 feet) 30.84 feet; thence leaving said right of way line, North 48°57'30" East, being 60 feet southeasterly of and parallel with the northwesterly right of way of said Southern Pacific Railroad, a distance of 225.57 feet to the southwesterly right of way line of said SW Washington Street license agreement; thence South 41°45'40" East along said southwesterly right of way line a distance of 61.47 feet to said point of beginning.

Contains 14,944 square feet, more or less.

See attached Exhibit "B" entitled "Railroad Parking Lot" hereby incorporated by reference.

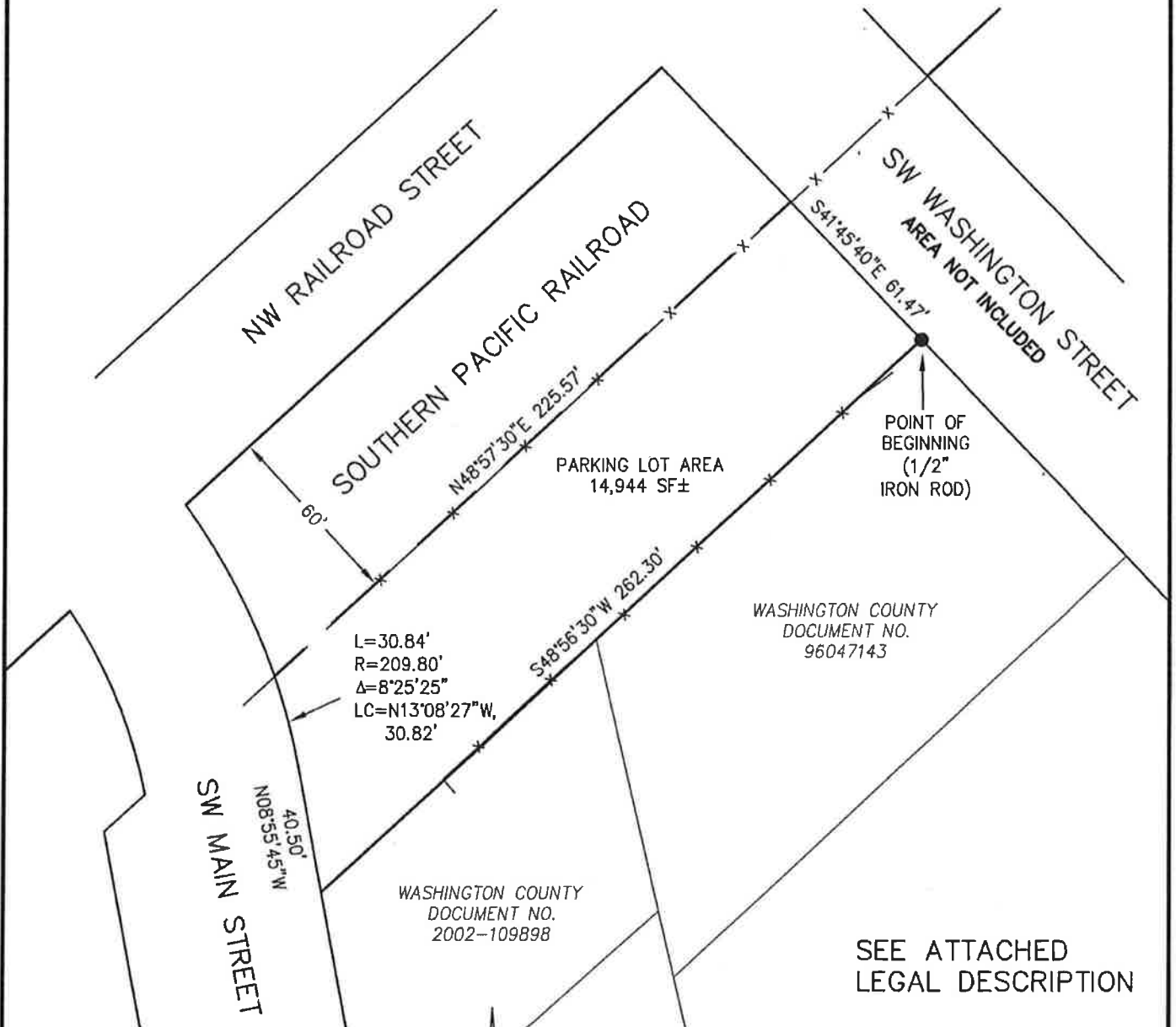
This description does not include any area in the apparent S.W. Washington Street right-of-way per said license agreement.



EXHIBIT "B"

RAILROAD PARKING LOT

LOCATED IN THE NORTHWEST ONE-QUARTER OF SECTION 32, T.2S., R.1W., W.M.,
CITY OF SHERWOOD, WASHINGTON COUNTY, OREGON



REGISTERED
PROFESSIONAL
LAND SURVEYOR

John T. Campbell
OREGON
JULY 15, 2003
JOHN T. CAMPBELL
60070 LS

EXP. 12-31-13



1" = 50'



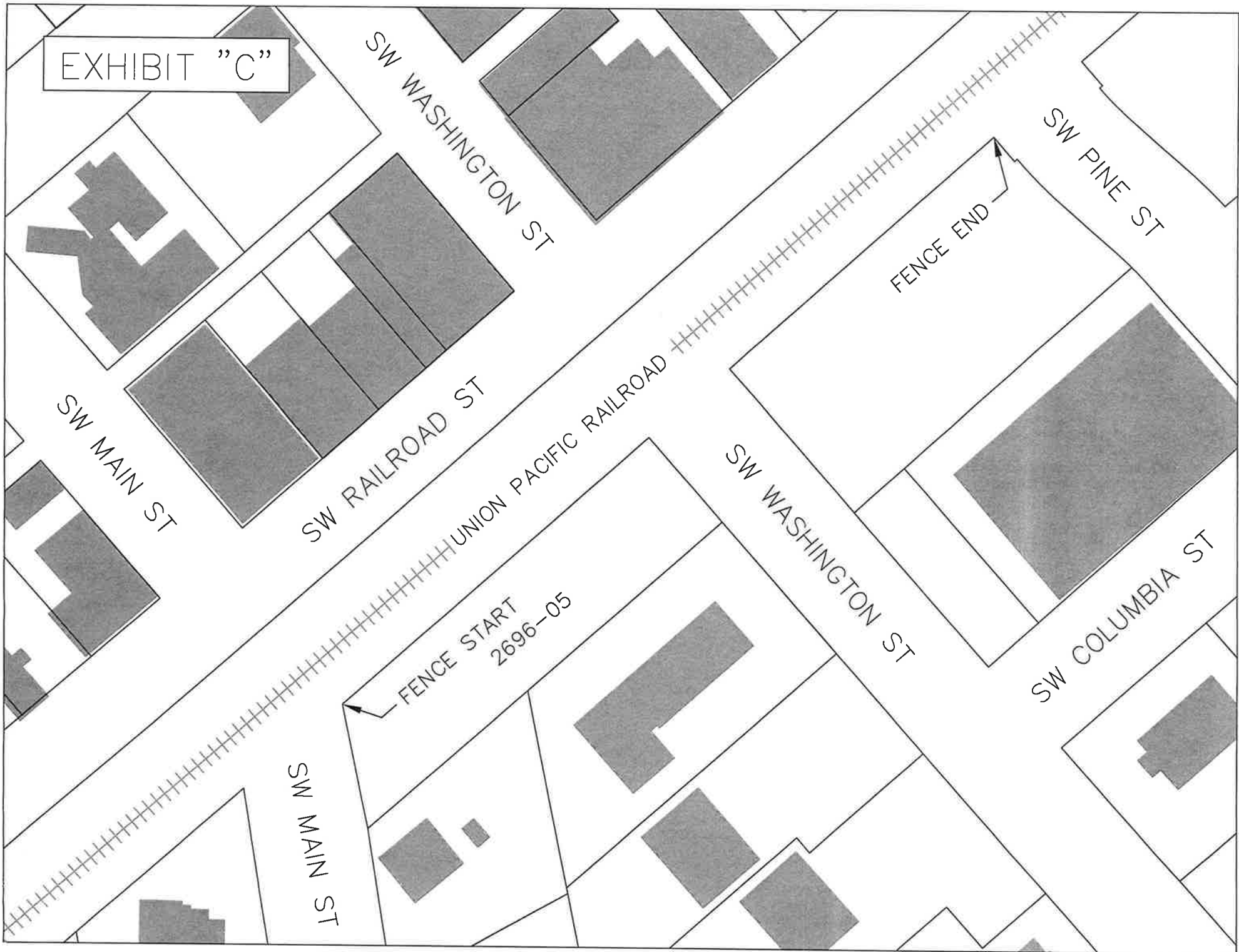
**Harper
Houf Peterson
Righellis Inc.**

ENGINEERS • PLANNERS
LANDSCAPE ARCHITECTS • SURVEYORS

205 SE Spokane Street, Suite 200, Portland, OR 97202
phone: 503.221.1131 www.hhpr.com fax: 503.221.1171

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EXHIBIT "C"



CERTIFICATION OF NON-FOREIGN STATUS

Under Section 1445(e) of the Internal Revenue Code, a corporation, partnership, trust, or estate must withhold tax with respect to certain transfers of property if a holder of an interest in the entity is a foreign person. To inform the transferee, CITY OF SHERWOOD, a municipal corporation of the State of Oregon, that no withholding is required with respect to the transfer of a U.S. real property interest by UNION PACIFIC RAILROAD COMPANY, the undersigned hereby certifies the following on behalf of UNION PACIFIC RAILROAD COMPANY:

1. UNION PACIFIC RAILROAD COMPANY is not a foreign corporation, foreign partnership, foreign trust, or foreign estate (as those terms are defined in the Internal Revenue Code and Income Tax Regulations);
2. UNION PACIFIC RAILROAD COMPANY is not a disregarded entity as defined in Section 1.445.2(b)(2)(iii) of the Internal Revenue Code;
3. UNION PACIFIC RAILROAD COMPANY'S U.S. employer identification number is 94-6001323; and
4. UNION PACIFIC RAILROAD COMPANY'S office address is 1400 Douglas Street, Omaha, Nebraska 68179, and place of incorporation is Delaware.

UNION PACIFIC RAILROAD COMPANY agrees to inform the transferee if it becomes a foreign person at any time during the three year period immediately following the date of this notice.

UNION PACIFIC RAILROAD COMPANY understands that this certification may be disclosed to the Internal Revenue Service by the transferee and that any false statement contained herein could be punished by fine, imprisonment, or both.

Under penalties of perjury I declare that I have examined this Certification and to the best of my knowledge and belief it is true, correct and complete, and I further declare that I have authority to sign this document on behalf of UNION PACIFIC RAILROAD COMPANY.

**UNION PACIFIC RAILROAD COMPANY,
a Delaware corporation**

By: Tommy Lane
Title: Assistant Vice President - Real Estate
Date: 11/30/2012