

OUTLINE OF PROPOSED TERMS
FOR AN EXCHANGE OF PROPERTIES BETWEEN
METRO AND THE PORT OF PORTLAND

	Metro (EXPO) Property	Port (Triangle) Property
Property	<p>Approximately 6.04-acres of land located on the westerly boundary of the Radio Tower property, as shown as "Parcel 1" on Exhibit B.</p> <p>Approximately 0.7-acre strip of land located on the northerly boundary of the Radio Tower site, that runs parallel to the north side of Metro's fence line, as shown as "Parcel 2" on Exhibit B.</p> <p>(collectively, Parcel 1 and Parcel 2 shall be referred to herein as the "Metro Transfer Parcel.")</p> <p>Both Parcels are subject to the City of Portland's approval of a lot line adjustment to create one parcel and a boundary survey, both to be conducted by the Port.</p>	<p>Approximately 3.46-acres of land located on the south side of the Burlington Northern Railroad, on the east side of the N. Marine Drive overpass in Rivergate Industrial District. This site is shown on Port drawing RG 2001-17, labeled Exhibit A (the "Triangle Transfer Parcel").</p> <p>Of the 3.46 acres, approximately 0.78 acres is a slope easement located in the westerly boundary as shown on Exhibit A. This easement is to the City of Portland, and Metro will be subject to this easement after taking title to the Triangle Transfer Parcel.</p> <p>The Triangle Transfer Parcel is currently a separate legal lot of record that can legally be conveyed as such.</p>
Seller	Metro	Port of Portland
Buyer	Port of Portland	Metro
Price/ Consideration	<p>It is the intent of both parties to agree to an even exchange. The value for the exchange will take into consideration the costs necessary to prepare land for development and limitations to development, including but not limited to survey, lot line adjustments, partitioning, wetlands, easements, and utility connections. <u>The consideration stated on the deed shall be "other value given."</u></p>	<p>It is the intent of both parties to agree to an even exchange. <u>The consideration stated on the deed shall be "other value given."</u></p>
Access	<p>Metro will grant to the Port a vehicular and pedestrian access easement <u>over and across both the private road that runs along the south end of the Expo parking lot ("Metro Access Road") and to the current access road on from the Metro Access Road to the north boundary of Parcel 1 of the Metro Transfer Parcel as shown on attached</u></p>	<p>At or prior to Closing, the Port will grant to Metro an access easement for vehicular and pedestrian access <u>over the vacated former N. Marine Drive from Metro's new Main Entry, then over the Port's private road from the Triangle Transfer Parcel, to the point on the private road directly north of the boat launch-launch, as</u></p>

Exhibit F from the private road that runs along the south end of the Expo parking lot ("Metro Access Road").

shown on attached Exhibit F, labeled as such on the map attached hereto as Exhibit F. The easement shall then continue, then for pedestrian and boat access only, down to Smith Lake across undeveloped Port property, also as shown on attached Exhibit F. If the parties seek to vacate the former N. Marine Drive ("~~Former N. Marine Dr.~~" or "Old Marine Drive") as provided below in the section of this Agreement entitled "Conditions Prior to Closing," then the Port's easement to Metro shall also include the area of Old Marine Drive from start at Metro's new Main Entry to the Port's private road, and shall be located at the site of the vacated former N. Marine Drive. The Easement Areas, with and without the addition of Old Marine Drive, isare labeled as such on the map attached hereto as Exhibit F. The access-easements shall include access for vehicles (as provided above), pedestrians, boats, trail and trail use, boat launch, conservation activities and associated recreational facilities. The access-easement shall be exclusive, with the exception of the Port's use and, the use by holders of prior recorded access easements, and by the railroad as hereinafter provided. Metro acknowledges that and use by the railroad has used and continues to use the easement area for access in connection with the railroad's operations, and Metro agrees that the easement granted by the Port shall be subject to the railroad's right to continue such use in accordance with the railroad's existing recorded rights. In addition, the easement from the Port to Metro shall include will grant to Metro under the easement the right for Metro to provide for provide for or allow parallel parking of approximately 10 cars on the North side of the Port's private road near the boat launch.

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		<p>Metro shall survey the easement area to create a legal description for the easement. <u>As between Metro and the Port, Metro shall be responsible for maintenance of all improvements within the easement area. As between Metro and the Port, Metro shall be responsible for routine maintenance of that portion of the 40-mile loop on which the easement is located. These provisions are not intended to alter the duties and obligations, if any, of third parties to maintain improvements and the 40-mile loop, as may be required in existing agreements.</u></p> <p>The Port shall use Metro's new Main Entry, and Metro shall provide the Port (and other easement owners and the railroad) with keys to that entry. The Port shall abandon the entry the Port is currently using (which is approximately 180 feet east of Metro's new Main Entry). The Port shall remove the <u>asphalt and concrete pad and the gate</u> at the Port's separate gated entry, and Metro shall plant screening vegetation and other improvements consistent with the facility plan.</p>
Use	Development of vegetative buffer and enhancements compatible with the adjacent Radio Tower (Vanport Wetlands) site. Said uses shall not compete nor interfere with Metro's or MERC's use of the adjacent Expo parking lot and exposition center.	Multiple recreational uses to include biking, walking, hiking, wildlife viewing, canoeing and kayaking (non-gas powered boats only), fishing, and environmental education, with a parking lot for public access, and public boat launch with access to Smith and Bybee Lakes. Said uses to be consistent with the "Smith and Bybee Lakes Wildlife Area Recreation Facility Plan" as adopted by the Metro Council in December, 1999 or as amended by the Metro Council.
Conditions Prior to Closing	The Port will have 90 days after execution of the Exchange Agreement by both parties to complete at its cost	Metro will have 90 days after execution of the Exchange Agreement by both parties to

	<p>any due diligence it wishes to conduct. IGA is being extended to provide continuing access for the due diligence work.</p> <p>The City of Portland's approval for lot line adjustments for the Metro Transfer Parcel, which takes approximately eight weeks to complete. Port will be responsible for applications and associated fees and survey costs.</p> <p>Based upon an analysis of the findings of the Phase II Assessment dated October 18, 2001, conducted by Hahn and Associates, Exhibit C, Metro agrees to complete the following prior to Closing:</p> <p>Demolish, remove, and dispose of two existing concrete covered areas located on the Metro Transfer Parcel, as indicated in green on Exhibit D. Demolition area shall be free from any debris resulting from such demolition, free from all litter, and in a naturally vegetated (grass) condition at time of transfer, hydro-seeded with a mixture of a quick germinating cover species and a native species.</p> <p>The Port agrees that the previous removal by Metro/MERC of soil at the storm water outfall area identified in the Phase II ESA, as documented in the "Report on Petroleum Contaminated Soil (PCS) Removal, Portland Expo Center," prepared by RMCAT Env. Services, dated 12/31/01, is complete. The Port shall not require any further action to be taken by Metro related to the storm water outfall site, and Metro shall not be required to remove any additional soil on the Metro Transfer Property. Metro will provide to the Port copies of past and all future annual publicpublic reports of storm water system inspection and maintenance activities at the Expo Center.</p>	<p>complete, at its cost, any due diligence it wishes to conduct. IGA is being extended to provide continuing access for the due diligence work.</p> <p>Prior to Closing, the Port shall review and approve Metro's preliminary development plan for the Triangle Transfer Parcel for issues related to access, <u>use</u>, and utility coordination. Metro will provide copies of all permits and approvals in connection with Metro's planned improvements on the Triangle Transfer Parcel and the related access easement to the Port, <u>to the extent such permits and approvals relate to the Port's access, utility coordination, or use of the easement area, to the extent such permits and approvals relate to the Port's access or utility coordination.</u></p> <p>The Port shall contribute Ten Thousand Dollars (\$10,000) towards the Recreation Facilities and Public Art design effort into relating to the Smith-Bybee Lake facility. This agreement shall be set forth in writing in the amendment extending the current IGA between the Port and Metro regarding access to the transfer properties during due diligence, which extension shall be executed simultaneously with executing this MOU.</p> <p>To facilitate the Smith-Bybee Lakes trail, <u>Metro will seek to obtain from the Portland Department of Transportation ("PDOT") a Revocable Permit to Use Dedicated Street Areas for Old Marine Drive ("Revocable Permit"), for the portion of the trail to be located on Former Old N. Marine Drive, from Metro's New Main Entry to the Triangle Property to the beginning of the Port's private road. The Port shall cooperate with Metro in</u></p>
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<p>Conditions After Closing (Within One Year)</p>	<p>Within one year after Closing, the currently existing sloped area located on the Expo Center on the sloped area of the gravel parking lot adjacent to and north and west of the Metro Transfer Parcel (as indicated on Exhibit E) shall have existing vegetation removed by Metro and shall be hydroseeded by Metro with a mixture of quick germinating cover species and a native species of seed. Erosion control shall be provided by Metro at the base of the sloped area. The Port will build a fence on the southern and eastern boundary of the Metro Access Road to limit access.</p>	<p><input type="checkbox"/></p>
<p>Sale "As Is"</p>	<p>Sale will be AS-IS with no representations or warranties regarding the condition of the Property.</p>	<p>Sale will be AS-IS with no representations or warranties regarding the condition of the</p>

		Property.
Deed	Bargain and Sale Special Warranty Bargain and Sale Deed with clause providing for reversion -if property ceases to be used for its intended purposes. Deed will be subject to rights of record as shown in title report.-	Bargain and Sale Special Warranty Bargain and Sale Deed with clause providing for reversion if property ceases to be used for its intended purposes. Deed will be subject to rights of record as shown in title report.
Brokerage	Metro and the Port represent that there are no brokers involved with this proposed exchange and will indemnify each other against any real estate brokerage fees or commissions due, or alleged to be due as a result of commitments that may have been made to other parties by Metro or the Port.	Metro and the Port represent that there are no brokers involved with this proposed exchange and will indemnify each other against any real estate brokerage fees or commissions due, or alleged to be due as a result of commitments that may have been made to other parties by Metro or the Port.
Closing Costs	Seller of each property will pay for a standard owner's insurance policy. The Closing Date shall occur no later than fifteen (15) days following the satisfaction or waiver of all conditions as described above, unless both parties agree to extend, but in no event later than August 31, 2003 The Exchange Agreement shall be closed in the downtown offices of Chicago Title Insurance Company of Oregon. Each party will pay one-half (1/2) of the escrow fee and any recording fees and other costs of closing.	Seller of each property will pay for a standard owner's insurance policy. The Closing Date shall occur no later than fifteen (15) days following the satisfaction or waiver of all conditions as described above, unless both parties agree to extend, but in no event later than August 31, 2003. The Exchange Agreement shall be closed in the downtown offices of Chicago Title Insurance Company of Oregon. Each party will pay one-half (1/2) of the escrow fee and any recording fees and other costs of closing.

By signing below, the parties indicate that the terms outlined above are acceptable in principle, provided that these terms outlined above are expressly limited to the purposes of negotiations only and are not intended to be binding or create any interest or right on behalf of Metro or the Port. The terms of a proposed exchange described above are contingent upon the execution of an agreement acceptable to the both parties and approved by the Port of Portland Commission, Metro Council, and Metropolitan Exposition-Recreation Commission. The agreement and deed form will contain additional and more detailed terms.

Read, Agreed, and Accepted by Metro and the Port.
METRO

By: _____
Charles Ciecko, Director
Date: _____

THE PORT

By: _____
Bill Wyatt, Executive Director
Date: _____