



Chicago Title Insurance Company

FIRST SUPPLEMENTAL TITLE REPORT
December 10, 2003

To: Chicago Title Insurance Co.
888 S.W. Fifth Ave., #930
Portland, OR 97204

Order No: 221664
Escrow No: 5000-15418-CE
Ref: Port of
Portland

Attention: Cheryle Stahel-Eastman
Phone No: 503/973-7400

Extended Owners Coverage	\$ 460,000.00	Premium	\$2,095.50
Service Fee			\$ 50.00

Read and Approved

[Signature]

We are prepared to issue a title insurance policy in ALTA (1992) form and amount shown above insuring the title to the property described herein. This report is preliminary to the issuance of a policy of title insurance and shall become null and void unless a policy is issued, and the full premium therefore paid.

Vestee: THE PORT OF PORTLAND, a Port District of the State of Oregon

Dated as of: November 28, 2003 at 8:00 A.M.

Subject to the exceptions, exclusions, conditions and stipulations which are part of said policy, and to exceptions as shown herein.

CHICAGO TITLE INSURANCE COMPANY OF OREGON

By: *Emmett Brennan*
Emmett Brennan
Commercial Title Officer
10001 S.E. Sunnyside Road
Clackamas, OR 97015
phone 503-653-7300 fax 503-653-7763

QUESTIONS CONCERNING THE CLOSING OF THIS TRANSACTION SHOULD BE DIRECTED TO YOUR
ESCROW OFFICER, Cheryle Stahel-Eastman, at phone 503/973-7400 and fax number
503/471-0509.

Order No: 221664

DESCRIPTION

(Continued)

GENERAL EXCEPTIONS (Standard Coverage Policies only)

1. a. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.
 - b. Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.
 2. a. Easements, liens, encumbrances, interests or claims thereof which are not shown by the public records.
 - b. Any facts, rights, interests or claims which are not shown by the public records but which could be ascertained by an inspection of the land or by making inquiry of persons in possession thereof.
 3. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.
 4. a. Unpatented mining claims;
 - b. Reservations or exceptions in patents or in Acts authorizing the issuance thereof;
 - c. Water rights, claims or title to water;
- whether or not the matters excepted under (a), (b), or (c) are shown by the public records.
5. Any lien or right to a lien, for services, labor or material heretofore or hereafter furnished, imposed by law and not shown by the public records.

Order No: 221664

SPECIAL EXCEPTIONS

6. Taxes, including the current fiscal year, not assessed because of Port of Portland and Tri-Met Exemption. If the exempt status is terminated under the statute prior to the date on which the assessment roll becomes the tax roll in the year in which said taxes were assessed, an additional tax may be levied.

Code: 001
Property ID No.: R521886
Alternate Account No.: R649821380
Map No.: 2N1E32B
Tax Lot No.: 01104

7. City liens, if any, of the City of Portland.
(None as of August 15, 2001).

7a. ADDED

Rights of the public and of governmental bodies in and to that portion of the premises herein described lying below the high water mark of Smith Lake.
(Affects Parcel II)

7b. ADDED

Any adverse claims based upon the assertion that Smith Lake has changed in location.
(Affects Parcel II)

7c. ADDED

Any adverse claim based on the assertion that any portion of said land has been created by artificial means or has accreted to such portions so created.
(Affects Parcel II)

7d. ADDED

Rights established pursuant to ORS 274.905, et seq to all or any portion of the herein described premises created by artificial means.
(Affects Parcel II)

8. Easement for ingress and egress above and below the surface of the land as implied by reservation of mineral rights in deed,

Dated: June 20, 1967
Recorded: June 28, 1967
Book: 568
Page: 1121
From: State of Oregon
To: Port of Portland

(Continued)

SPECIAL EXCEPTIONS (Continued)

9. An easement created by instrument, including terms and provisions thereof;
Dated: September 5, 1979
Recorded: February 14, 1980
Book: 1419
Page: 1743
In Favor Of: City of Portland, a municipal corporation of the State of Oregon
For: Water main, Service Vault
Affects: Southeasterly portion
10. Covenants, conditions, restrictions and easements, but omitting restrictions, if any, based on race, color, religion, sex, handicap, familial status or national origin, unless and only to the extent that said covenant, (a) is exempt under Chapter 42, Section 3607 of the United States Code or (b) relates to handicap but does not discriminate against handicapped persons, as contained in CU 21-87
Recorded: April 21, 1987
Book: 1997
Page: 555
11. Covenants, conditions, restrictions and easements, but omitting restrictions, if any, based on race, color, religion, sex, handicap, familial status or national origin, unless and only to the extent that said covenant, (a) is exempt under Chapter 42, Section 3607 of the United States Code or (b) relates to handicap but does not discriminate against handicapped persons, as contained in Ordinance No. 159790
Recorded: July 16, 1987
Book: 2024
Page: 1577
12. Covenants, conditions, restrictions and easements, but omitting restrictions, if any, based on race, color, religion, sex, handicap, familial status or national origin, unless and only to the extent that said covenant, (a) is exempt under Chapter 42, Section 3607 of the United States Code or (b) relates to handicap but does not discriminate against handicapped persons, as contained in Ordinance No. 159791
Recorded: July 16, 1987
Book: 2024
Page: 1583
13. Restrictive Covenants regarding storm sewer improvements, including the terms and provisions thereof and including among other things a waiver of right of remonstrance;
Recorded: December 16, 1987
Book: 2065
Page: 1694
14. Restrictive Covenants regarding sewer waiver improvements, including the terms and provisions thereof and including among other things a waiver of right of remonstrance;
Recorded: December 16, 1987
Book: 2065
Page: 1696

(Continued)

SPECIAL EXCEPTIONS (Continued)

15. An easement created by instrument, including terms and provisions thereof;
Dated: December 23, 1987
Recorded: May 31, 1988
Book: 2108
Page: 153
In Favor Of: Pacific Northwest Bell Telephone Company, a Washington corporation
For: Communication lines and above ground structures
Affects: Southeasterly portion

The above document was re-recorded by instrument,
Recorded: September 4, 1990
Book: 2340
Page: 256

15a. ADDED

An easement created by instrument, including terms and provisions thereof;
Dated: August 10, 1982
Recorded: October 29, 1992
Book: 1625
Page: 1991
In Favor Of: United States of America by and through its Fish and Wildlife Service
For: Flowage
Affects: Parcel II

16. Covenants, conditions, restrictions and easements, but omitting restrictions, if any, based on race, color, religion, sex, handicap, familial status or national origin, unless and only to the extent that said covenant, (a) is exempt under Chapter 42, Section 3607 of the United States Code or (b) relates to handicap but does not discriminate against handicapped persons, imposed by instrument, including the terms and provisions thereof.

Recorded: March 20, 1995
Recorder's Fee No.: 95-31707

And also recorded: October 4, 1995
Recorder's Fee No.: 95-121994

17. An easement created by instrument, including terms and provisions thereof;
Dated: October 27, 1998
Recorded: November 2, 1998
Recorder's Fee No.: 98198434
In Favor Of: The City of Portland, a municipal corporation of the State of Oregon
For: Slopes
Affects: Northwesterly portion

(Continued)

SPECIAL EXCEPTIONS (Continued)

18. Covenants, conditions, restrictions and easements, but omitting restrictions, if any, based on race, color, religion, sex, handicap, familial status or national origin, unless and only to the extent that said covenant, (a) is exempt under Chapter 42, Section 3607 of the United States Code or (b) relates to handicap but does not discriminate against handicapped persons, as contained in Land Use Document No. 01-00426 MP VZ
Recorded: October 8, 2001
Recorder's Fee No.: 2001-159158
19. Covenants, conditions and restrictions as shown on the recorded Partition Plat No. 2002-35.
20. Covenants, conditions, restrictions and easements, but omitting restrictions, if any, based on race, color, religion, sex, handicap, familial status or national origin, unless and only to the extent that said covenant, (a) is exempt under Chapter 42, Section 3607 of the United States Code or (b) relates to handicap but does not discriminate against handicapped persons, as contained in Land Use Review Document No. LU 03-109957 EN AD
Recorded: November 4, 2003
Recorder's Fee No.: 2003-263446
21. Any encroachments, unrecorded easements, violations of covenants, conditions and restrictions, and any other matters which would be disclosed by a correct survey.
22. Proof that there are no parties in possession, or claiming to be in possession, other than above vestees.
23. Any statutory liens for labor or material, including liens for contributions due to the State of Oregon for unemployment compensation and for workmen's compensation, which have now gained or hereafter may gain priority over the lien of the insured mortgage, which liens do not now appear of record.

END OF REPORT

EB/bjr
December 10, 2003

Order No: 221664

LEGAL DESCRIPTION

PARCEL I:

Parcel 2 of PARTITION PLAT NO. 2002-35, in the City of Portland, County of Multnomah and State of Oregon.

EXCEPT all minerals and all mineral rights in said property, which said rights were retained by the State of Oregon in Deed Recorded June 28, 1967, Book 568, Page 1121.

PARCEL II:

TOGETHER WITH easement rights over the following described parcel of land:

A tract of land being a portion of those tracts of lands as described by Deed to the City of Portland recorded April 10, 1961 as Book 2056, Page 500, Deed to the Port of Portland recorded April 3, 1968 as Book 612, Page 649, Deed to the Port of Portland recorded June 28, 1967 as Book 568, Page 1121, and that tract of land acquired by the Port of Portland by Condemnation Suit No. 350279 on July 30, 1969 as described by Deed to Moore Dry Kiln Company of Oregon recorded December 24, 1941 as Book 655, Page 578, Multnomah County Deed Records, being located in Section 32, Township 2 North, Range 1 East, of the Willamette Meridian, in the City of Portland, County of Multnomah and State of Oregon, being more particularly described as follows:

Beginning at a point on the Southeast line of Parcel 2 of Partition Plat No. 2002-35, Multnomah County Plat Records, said point bears South 55°29'30" West 16.00 feet as measured along said South line, from the most Easterly corner of said Parcel 2, said point being the beginning of a 5699.58 foot radius non-tangent curve to the right, having a central angle of 1°06'18", the radius point of which bears South 55°27'08" West 5699.58 feet; thence along the arc of said curve, parallel to and 16.00 feet Southwesterly as measured at right angles to the South line of the Burlington Northern Rail Road as shown on Record of Survey recorded as SN 36,907, Multnomah County Survey Records, (the long chord of which bears South 33°59'43" East 109.91 feet) 109.91 feet; thence continuing along said parallel line, South 33°26'34" East, 116.87 feet; thence South 49°22'06" West, 17.09 feet to the beginning of a 1139.00 foot radius non-tangent curve to the right, having a central angle of 7°11'20", the radius point of which bears South 49°22'06" West 1139.00 feet; thence along the arc of said curve (the long chord of which bears South 37°02'14" East, 142.82 feet) 142.91 feet to a point 24.00 feet Southwesterly as measured at right angles to the said South line of the Burlington Northern Rail Road; thence South 33°26'34" East, parallel with said South line 283.51 feet to the beginning of a 5691.58 foot radius curve to the right, having a central angle of 2°23'01"; thence along the arc of said curve parallel with said South line (the long chord of which bears South 32°15'03" East, 236.76 feet) 236.78 feet; thence South 31°03'33" East parallel with said South line 269.10 feet; thence North 58°56'27" East, 6.00 feet to a point 18.00 feet Southwesterly as measured at right angles to said South line; thence South 31°03'33" East, parallel with said South line, 281.17 feet; thence South 18°57'36" East, 42.20 feet; thence South 30°06'41" East, 172.92 feet to the beginning of a 40.00 foot radius curve to the left, having a central angle of 39°56'40"; thence along the arc of said curve, (the long chord of which bears South 50°05'01" East, 27.33 feet) 27.89 feet to the beginning of a 35.00 foot radius curve to the right, having a central angle of 100°39'15", the radius point of which bears South 19°56'39" West, 35.00 feet; thence along the arc of said curve (the long chord of which bears South 19°43'44" East, 53.88 feet) 61.49 feet; thence South 29°34'53" East, 18.15 feet; thence South 60°25'07" West, 36.00 feet; thence North 29°34'53" West, 18.86 feet to the beginning of a 35.00 foot radius non-tangent curve to the right, having a central angle of 97°19'18", the radius point

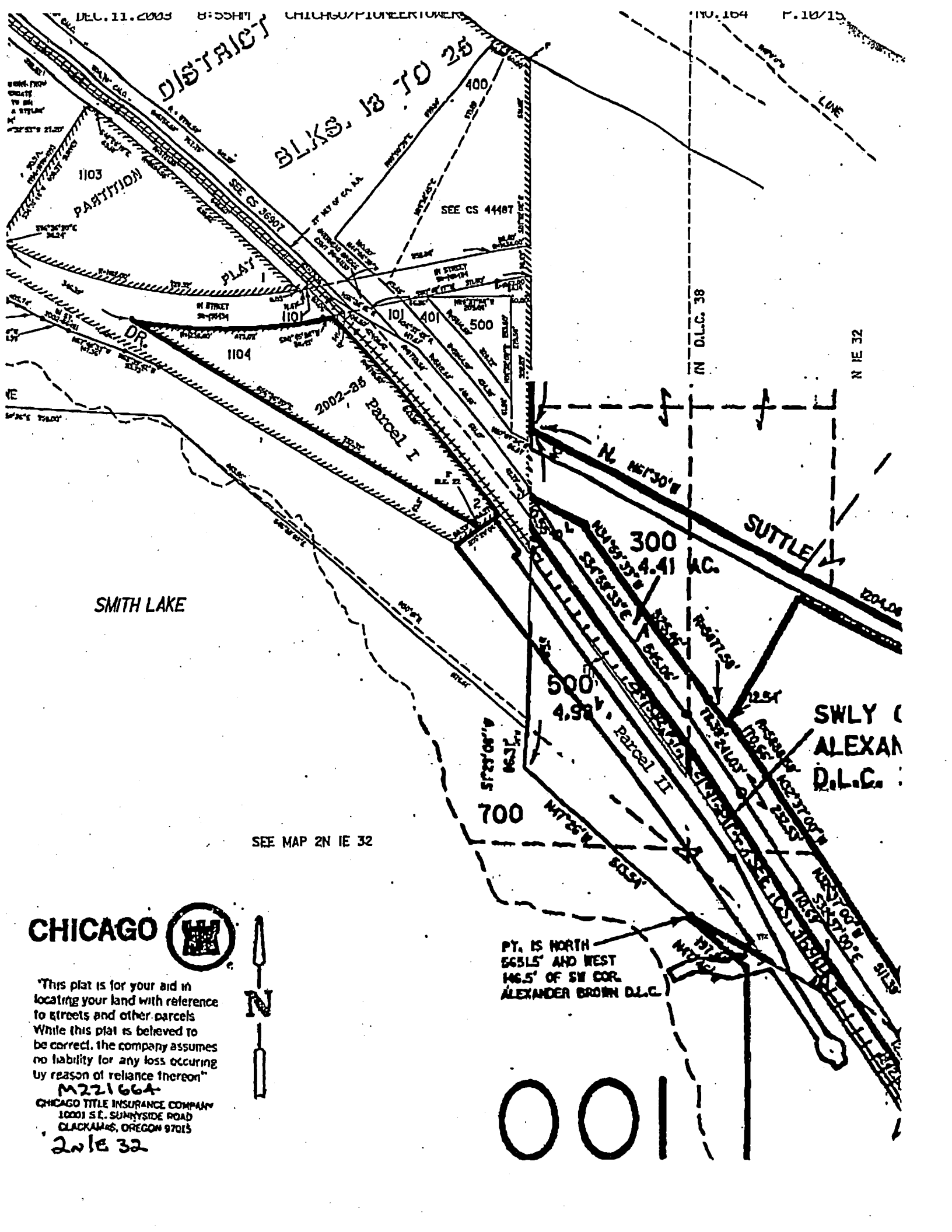
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LEGAL DESCRIPTION

of which bears North $02^{\circ}30'41''$ East 35.00 feet; thence along the arc of said curve (the long chord of which bears North $38^{\circ}49'40''$ West, 52.56 feet) 59.45 feet to the beginning of a 40.00 foot radius curve to the left, having a central angle of $39^{\circ}56'40''$; thence along the arc of said curve (the long chord of which bears North $10^{\circ}08'21''$ West, 27.33 feet) 27.89 feet; thence North $30^{\circ}06'41''$ West, 195.03 feet to the beginning of a 10.00 foot radius curve to the left, having a central angle of $71^{\circ}44'29''$; thence along the arc of said curve (the long chord of which bears North $65^{\circ}58'56''$ West, 11.72 feet) 12.52 feet; thence South $78^{\circ}08'50''$ West, 85.13 feet to the beginning of a 80.00 foot radius curve to the right, having a central angle of $45^{\circ}13'47''$; thence along the arc of said curve (the long chord of which bears North $79^{\circ}14'17''$ West, 61.53 feet) 63.15 feet to the beginning of a 50.00 foot radius curve to the left, having a central angle of $60^{\circ}33'31''$; thence along the arc of said curve (the long chord of which bears North $86^{\circ}54'09''$ West, 50.42 feet) 52.85 feet; thence South $62^{\circ}49'05''$ West, 45.41 feet; thence North $27^{\circ}10'55''$ West, 34.00 feet; thence North $62^{\circ}49'05''$ East, 58.02 feet to the beginning of a 65.00 foot radius curve to the right, having a central angle of $44^{\circ}44'41''$; thence along the arc of said curve (the long chord of which bears North $85^{\circ}11'26''$ East, 49.48 feet) 50.76 feet to the beginning of a 100.00 foot radius curve to the left, having a central angle of $23^{\circ}35'27''$; thence along the arc of said curve (the long chord of which bears South $84^{\circ}13'57''$ East, 40.88 feet) 41.17 feet to the beginning of an 8.00 foot compound curve to the left, having a central angle of $63^{\circ}01'47''$; thence along the arc of said curve (the long chord of which bears North $52^{\circ}27'26''$ East, 8.36 feet) 8.80 feet; thence North $20^{\circ}56'32''$ East, 12.60 feet; thence South $75^{\circ}38'17''$ East, 11.47 feet; thence North $04^{\circ}52'05''$ East, 29.92 feet; thence North $27^{\circ}06'21''$ East, 21.42 feet; thence North $28^{\circ}29'05''$ West, 31.02 feet; thence North $48^{\circ}26'38''$ East, 18.03 feet to a point 63.00 feet Southwesterly as measured at right angles to the said South line of the Burlington Northern Rail Road; thence North $31^{\circ}03'33''$ West, parallel with said South line, 404.88 feet to the beginning of a 5652.58 foot radius curve to the left, having a central angle of $2^{\circ}23'01''$; thence along the arc of said curve parallel with said South line (the long chord of which bears North $32^{\circ}15'03''$ West, 235.14 feet) 235.16 feet; thence North $33^{\circ}26'34''$ West, parallel with said South line, 283.51 feet to the beginning of a 1100.00 foot radius curve to the left, having a central angle of $19^{\circ}37'22''$; thence along the arc of said curve (the long chord of which bears North $43^{\circ}15'15''$ West 374.89 feet) 376.73 feet to a point in the Southeast line of Block 22, Plat of Rivergate Industrial District Blocks 13 to 25, Multnomah County Plat Records, also being the Southwesterly extension of the Southeast line of said Parcel 2 of Partition Plat No. 2002-35; thence North $55^{\circ}29'30''$ East, along said Southeast lines, 109.84 feet to the point of beginning.

DISTRICT

BLKS. 13 TO 25



1103 PARTITION

PLAY

1104

2002-25

Parcel I

300

4.41 AC.

500

4.98

Parcel II

700

SWLY (ALEXANDER BROWN D.L.C.)

SEE MAP 2N 1E 32

PT. IS NORTH 5655' AND WEST 1465' OF SW COR. ALEXANDER BROWN D.L.C.



"This plat is for your aid in locating your land with reference to streets and other parcels. While this plat is believed to be correct, the company assumes no liability for any loss occurring by reason of reliance thereon."

M221664
CHICAGO TITLE INSURANCE COMPANY
10001 S.E. SUNNYSIDE ROAD
CLACKAMAS, OREGON 97015



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