



August 10, 2016

Mr. Scott MacLean
Colliers International
851 SW Sixth Avenue, Suite 1200
Portland, OR 97204

**RE: Terminal 1 Site
Portland, OR**

Dear Scott:

The purpose of this Letter of Intent is to express the interest of Lincoln Property Company Commercial, Inc. ("Purchaser") in acquiring the entire fee simple interest in the building, dock, and land known as Terminal 1, all easements and appurtenances thereto, and all personal property, ("the Property") consisting of an existing warehouse totaling approximately 91,000 square feet of net rentable area within 14.48 acres of land, and an additional 3.6 acres of dock, located at 2400 NW Front Street in Portland, OR.

The following is a summary of some of the major points with respect to this proposed sale:

1) **PURCHASE PRICE:**

Ten Million Dollars (\$10,000,000.00).

2) **INSPECTION PERIOD:**

Purchaser shall have thirty (30) days after mutual execution of a Purchase and Sale Agreement to (i) inspect any documents related to the Property including, without limitation, the site plan, zoning approvals, building permits, leases and other agreements, and (ii) inspect, examine, survey, obtain engineering inspections, appraise and otherwise do that which, in the opinion of Purchaser, is necessary to determine the condition and value of the Property for the uses intended by Purchaser. Purchaser must be satisfied in all respects, in its sole and absolute discretion, with the results of such inspections and investigations. If Purchaser is not so satisfied, it may terminate the Purchase Agreement and shall have no obligation or liability with respect to Seller or the Property.

Purchaser understands and agrees that the information obtained pursuant to such inspections shall be kept in confidence and shall not be revealed to outside parties other than to its lenders, principals, affiliates, or clients or as otherwise required by law.

3) **DEPOSITS:**

Upon mutual execution of the Purchase and Sale Agreement ("Purchase Agreement"), Purchaser shall place into escrow, with an agreed upon title company, a refundable deposit ("Security Deposit"), of \$100,000 Upon expiration of the Inspection Period and Purchaser's satisfaction of all inspections and investigations, the Security Deposit shall be increased to a

total of \$1,000,000 and shall become non-refundable. The Security Deposit shall be applicable in full towards the Purchase Price.

4) **CLOSING DATE:**

The closing date of the Purchase and Sale shall be thirty (30) days after the Inspection Period.

5) **REAL ESTATE COMMISSION:**

Purchaser and Seller each represent and warrant to the other that neither has employed any real estate agent, broker, or finder in connection with the contemplated transaction other than Colliers International.

6) **CLOSING COSTS:**

All closing costs shall be borne in accordance with custom prevailing in Portland, OR for similar transactions.

7) **PRORATIONS:**

Purchaser will receive a credit against the purchase price to be paid at closing on account of security deposits, prepaid rents, property taxes and assessments, and other items of income and expense as of midnight of the day preceding closing.

8) **DOCUMENTS TO BE DELIVERED:**

Upon execution of this Letter of Intent, Seller will promptly make available to Purchaser copies of the following items:

- a) The most current survey and building plans of the Property;
- b) The most recent title insurance policy or commitment for the Property;
- c) All leases and service contracts relating to the Property;
- d) The most recent tax and utility bills relating to the Property;
- e) Any additional environmental and property condition reports relating to the Property,
- f) Such other documents as Purchaser may reasonably request.

Purchaser and seller each acknowledge that (i) a transaction of this type involves many essential and nonessential terms and conditions and that there has not yet been a definitive statement of all the terms and conditions of the proposed transaction, and (ii) this letter is not intended to constitute an agreement to execute the Purchase Agreement or any real estate agreement in the future. It is the intention and understanding of Purchaser and Seller that the only instrument executed between Purchaser and Seller with respect to the Property shall be

the Purchase Agreement and that the Purchase Agreement, if executed, will contain all of the terms and conditions deemed essential by Purchaser and Seller with respect to the purchase and sale of the Property contemplated by this letter.

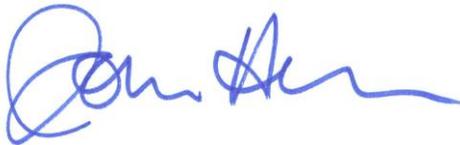
In consideration of the time and expenses to be expended by Purchaser in connection with the inspections of the Property and the preparation of the Purchase Agreement, Seller hereby agrees that through September 15, 2016 or if the Purchase Agreement is executed and delivered, through the closing date or earlier termination of Purchase Agreement, neither Seller or its agents or representatives will show the Property or negotiate for or accept any offers to purchase the Property or any part thereof from any party other than Purchaser.

Notwithstanding (a) anything contained in this letter to the contrary, (b) subsequent negotiation, (c) any actions taken hereafter by either Purchaser or Seller, or (d) any actual or claimed reliance, it is understood that, except for the obligations set forth in the immediately preceding paragraph, neither Purchaser nor Seller will be legally bound in any manner unless and until the Purchase Agreement has been prepared, executed and delivered by both Purchaser and Seller.

Please confirm that the forgoing accurately sets for the understanding between Seller and Purchaser by countersigning a copy of this letter and returning it to me.

Sincerely,

LINCOLN PROPERTY COMPANY COMMERCIAL, INC.



John S. Herr
Executive Vice President

ACCEPTED AND AGREED:

SELLER:

By: _____

Date: _____

Cc: Patrick Gilligan,