



Portland General Electric Company
Legal Department
121 SW Salmon Street • Portland, OR 97204
503-464-8858 • facsimile 503-464-2200

Barbara W. Halle
Assistant General Counsel

April 13, 2005

Via Electronic Filing and U.S. Mail

Oregon Public Utility Commission
Attention: Filing Center
PO Box 2148
Salem OR 97308-2148

Re: In the Matter of the Application of Portland General Electric Company For Approval of Transfer of Customers and Facilities

Attention Filing Center:

Enclosed for filing are three (3) copies of PGE's Application for Approval of Transfer of Customers and Facilities with regard to the City of Canby and the Canby Utility Board.

The changed pages to PGE's metes and bounds description that result from this transfer will be forwarded to Paul Rossow within a few days.

An extra copy of this cover letter is enclosed. Please date stamp the extra copy and return it to me in the envelope provided.

Thank you in advance for your assistance.

Sincerely,

A handwritten signature in black ink, appearing to read "Barbara W. Halle", written in a cursive style.

BWH:am

cc: Mike Porter, PGE
Debbie Naab, Canby Utility Board
Paul Rossow, OPUC

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

In the Matter of the Application of Portland)	
General Electric Company for Approval of)	UA_____
Modifications to a Contract Between the)	
CANBY UTILITY BOARD and)	APPLICATION; EXPEDITED
PORTLAND GENERAL ELECTRIC COMPANY)	CONSIDERATION REQUESTED
Allocating Utility Service Territory)	

Pursuant to ORS 758.430 and OAR 860-025-0015, Portland General Electric Company ("PGE") hereby applies for an order of the Oregon Public Utility Commission ("Commission") approving the transfer of customers and facilities pursuant to a contract between PGE and the City of Canby (the "City") allocating to the City certain service territory in Clackamas County. PGE also requests that the Commission set a schedule allowing for resolution of this application prior to June 30, 2005.

Part I.
BACKGROUND

On April 4, 1962, PGE and the City entered into an agreement concerning the allocation of electric service territory between them ("Agreement"), which was approved by the Commission pursuant to Order No. 62-38537; a copy of the Agreement is attached hereto as **Attachment 1**. Subsequent to the effective date of the Agreement, the City transferred all of the powers and duties possessed by the City to construct, acquire, expand and operate the electric system within the City to the Canby Utility Board (the "CUB") by Charter amendment, effective January 2, 1969.

PGE and CUB entered into an Amendment No. 1 to Territory Allocation Agreement ("Amendment") which makes certain modifications in the Agreement. Amendment No. 1 was approved by the Commission pursuant to Order No. 98-356, dated August 24, 1998. A copy of the Amendment is attached to this application as **Attachment 2**.

Under the terms of the Agreement, as amended, the CUB may provide electric service within any territory annexed to the City upon purchase of facilities used by PGE for the purpose of providing electric service to such territory and transfer of customers within the territory to the CUB upon mutually agreeable terms.

Part II.
DESCRIPTION

This application concerns two annexations of property that are subject to Commission approval and are listed below:

(1) Effective as of December 1, 2004, the City of Canby executed Resolution No. 886 accepting the results of the November 2, 2004 general election by voters of the City approving annexation of 4.98 acres of property, consisting of two separate tax lots (2300 and 3300 of Tax Map 3-1E-34), into its city boundary. Resolution No. 886, with attached Exhibits A and B thereto containing the legal description of each of the tax lots annexed and a map showing the location of the tax lots, is referenced in this Application as **Attachment 3**. The address of the parcel is 294 S. Walnut Street. This annexed parcel serves one customer and contains PGE facilities. Canby has paid \$1,799.56 for PGE's existing facilities. The net plant/undepreciated book cost of the facilities is \$2,301.87.

(2) Effective as of December 1, 2004, the City of Canby executed Resolution No. 887 accepting the results of the November 2, 2004 election by voters of the City approving annexation of approximately .97 acres of property. The parcel consists of tax lot 1500 of Tax Map 3-1E-28DD located at 1063 NE Territorial Road. Resolution No. 887 is referenced in this Application as **Attachment 4**. This annexed parcel serves one PGE customer and contains PGE facilities. Canby has paid \$95.96 for PGE's removal of its existing overhead facilities.

Commission approval is needed for PGE to transfer the customer and facilities to the CUB and for the service territory allocation to be adjusted.

OAR 860-025-0015 Requirements

A. As explained in Part 1 above, a copy of the contract between the CUB and PGE with regard to preventing duplication of electric utility facilities, and the amendment thereto, are attached as **Attachments 1 and 2**.

B. A new map showing the current City boundaries and legal description of the boundary are attached as **Attachments 5 and 6**. PGE will file with the Commission an updated legal description of its service territory reflecting the annexation of the subject properties to the City.

C. CUB can provide economical service. Pursuant to the Agreement, as amended, the CUB is the sole provider of electric service within the city limits of Canby. The CUB is best able to provide economical service to these territories because it will be providing exclusive electric utility service within those areas. Any project by a neighboring utility to construct new electric facilities or permit old facilities to remain in the area to service these customers would be duplicative and wasteful. Thus, the proposed allocation of exclusive service territory will prevent unnecessary duplication of facilities.

Part III.
CONCLUSION

As set out above, PGE has complied with the filing requirements or OAR 860-250-015.


PGE requests that the Commission issue an order approving the transfer of facilities and customer as described herein, and adjust the exclusive allocation of service territory to PGE in accordance with the terms of the Agreement, as amended.

Further, PGE and CUB jointly request an expedited consideration of this application, to be

resolved by June 30, 2005. If this application is not approved by that date, the CUB could be charged additional charges from Bonneville Power Administration. These charges apply to service territory added to the CUB's service territory after July 1, 2005.

Dated this 15th day of April, 2005.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "B. Halle", is written over a solid horizontal line.

Barbara W. Halle

Of Attorneys for Portland General Electric Company

ATTACHMENT 1

April 4, 1962

AGREEMENT

THIS AGREEMENT, made and entered into this _____ day of April 4, 1962, by and between the CITY OF CANBY, a municipal corporation of the State of Oregon, hereinafter referred to as the "Municipality", and PORTLAND GENERAL ELECTRIC COMPANY, an Oregon corporation, hereinafter referred to as the "Company":

WITNESSETH:

WHEREAS, the Municipality and the Company each provide utility service to users by and through the distribution of electricity; and

WHEREAS, the Municipality and the Company each desire to prevent duplication of electric utility facilities within the territory hereinafter described by the allocation of service territories and customers between them, and by limiting the right of each to extend electric power distribution lines within the boundaries hereinafter established;

NOW, THEREFORE, the parties hereto in consideration of the covenants and agreements hereinafter set forth and the performance thereof do agree:

1. ALLOCATION OF SERVICE TERRITORY: From and after the date hereof and subject to the provisions hereinafter set forth, unless request in writing by the Municipality, the Company will not serve new customers within the area shown within red lines on the attached map marked Exhibit "A" and which

this date and the Municipality will not serve any new customers outside the lines marked in green on Exhibit "A" which are more particularly described in Exhibit "B" both of said exhibits being attached hereto and by this reference made a part hereof. In the area between the red lines and the green lines marked on Exhibit "A", the Company and the Municipality shall continue to serve their existing customers. ~~New construction and/or facilities within this area requiring electric service shall be served by the party hereto who can provide such service with the least addition to its physical plant.~~ Physical plant as used herein means the poles, wire, transformers and such similar and related appliances necessarily required to provide such electric service. The Company shall provide electric service to any premises outside of the area marked on Exhibit "A" by green lines requiring such service and in connection therewith the Company shall make all line extensions necessary in said area, all in accordance with the Company's published tariffs on file with the PUC, the State of Oregon. The Company will not certify under Section 8, Chapter 691, Oregon Laws 1961, any of the area within the green lines.

2. NEW ALLOCATION OF TERRITORY:

The Municipality at its option may provide electric service within any territory now outside the area shown within red lines or the green lines on the attached map marked Exhibit "A" if and when said territory is added to or annexed to the Municipality. In so doing, the Municipality shall purchase from the Company the plant, facilities and equipment of the Company used solely for the purpose of serving such area so annexed or added to the Municipality. Such purchase and the transfer of customers from the Company service to Municipality service shall be made under terms and conditions

said equipment, plant or facilities shall be the then present value of said property considered mutually acceptable to the parties hereto. In determining price, the parties will give consideration to the cost of the facilities, depreciation, fair market value, reproduction cost new and any other pertinent factors. If the value of said property cannot be mutually agreed upon between the Municipality and the Company, the purchase price for the same shall be settled by a Board of Arbitration in the manner hereinafter provided.

3. ARBITRATION: In the event of differences arising between the Municipality and the Company as to the construction of any clause of this Agreement, or as to the rights or obligations of the Municipality or the Company hereunder, all such questions shall be determined by arbitration in the manner hereinafter set forth, to-wit: Either party may, by written notice to the other, appoint an arbitrator. Thereupon, within ten (10) days after the giving of such notice, the other shall by written notice to the former, appoint another arbitrator, and in the default of such second appointment the arbitrator first appointed shall be the sole arbitrator. When any two arbitrators have been appointed as aforesaid, they shall, if possible, agree upon a third arbitrator and shall appoint him by notice in writing signed by both of them in triplicate, one of which triplicate notices shall be given to each party hereto; but if ten (10) days shall elapse after the appointment of the second arbitrator without notice of appointment of the third arbitrator being given as aforesaid, then either party hereto or both may in writing request the presiding Judge of the Circuit Court of the State of Oregon for the County of Clackamas to appoint the third arbitrator, and upon

give opportunity to each party thereto to present its case and witnesses, if any, in the presence of the other, and shall then make their award; and the award of the majority of the arbitrators shall be binding upon the parties hereto and judgment may be entered thereon in any Court having jurisdiction. Such award shall include the fixing of the expense of arbitration and the assessment of the same against either or both parties.

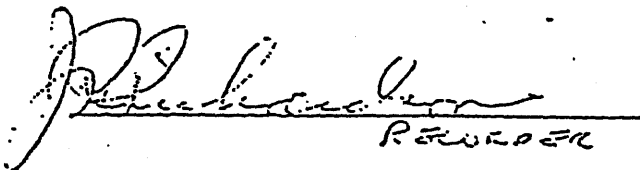
4. TERMINATION: This Agreement may be terminated at any time by the mutual consent of the parties hereto; provided, however, that prior to such termination, arrangements, approved under order of the PUC of the State of Oregon shall be made by the parties to this agreement to provide electric service without duplication within any area affected by such termination.

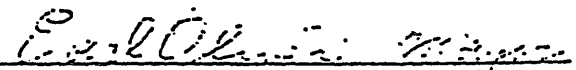
5. SUCCESSORS AND ASSIGNS: This Agreement shall bind the successors and assigns of the parties hereto.

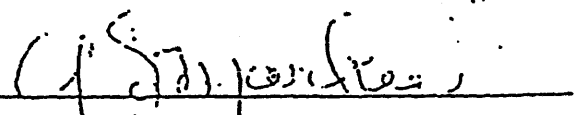
6. ABROGATION OF PRIOR AGREEMENT: The Agreement between the parties hereto dated the 20th day of February, 1962, relating to the allocation of service territories, is hereby superseded by this agreement and said prior agreement shall be of no further force and effect.

ATTEST:

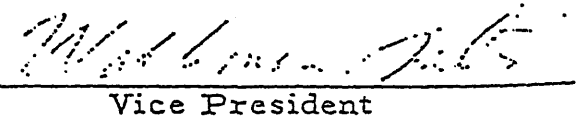
CITY OF CANBY

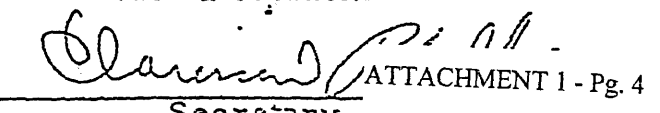

Richard A. Peterson
Recorder

By: 
Carl Olsen, Mayor

By: 
J. J. Porter

PORTLAND GENERAL ELECTRIC COMPANY

By: 
William J. ...
Vice President

By: 
Clarence ...
Secretary

TERRITORIAL ALLOCATION AGREEMENT
CITY OF CANBY BOUNDARY LINE DESCRIPTION
OF GREEN LINE SHOWN ON EXHIBIT "A"

1 Beginning in the center of the Molalla River on the north line of the
2 Champing Pendleton DLC No. 58 in Section 29, T. 3 S., R. 1 E., W.M.,
3 Clackamas County, Oregon; running thence East along said north line of
4 said DLC to the N.E. Corner thereof; thence continuing East along the
5 center line of that street known as Bouncy Boulevard, said street being
6 between tracts 6 & 7, 22 & 23, 33 & 34 and 51 & 52 of the plat of Pruneland
7 as duly recorded in deed record Clackamas County, Oregon, to the West
8 line of the tract of land conveyed to Mary Collins et al, by deed recorded
9 September 26, 1946, in Deed Book 377 page 429; running thence North along
10 the west line of said Collins tract to the most westerly corner of that tract
11 of land conveyed to Crown Zellerbach Corporation by deed recorded
12 May 23, 1946, in Deed Book 368 page 33, which corner bears South $8^{\circ}30'$
13 West 1, 100 feet from a post on the meander line of the right bank of the
14 Willamette River; thence South $45^{\circ}26'$ East along the southerly line of the
15 said Crown Zellerbach tract to an intersection with the southerly right of
16 way line of the Molalla Forest Road as said roadway is described in deed
17 recorded January 5, 1946, in Deed Book 358 page 92; thence Southeasterly
18 and Southerly along the said right of way line to the northerly right of way
19 line of the Southern Pacific Company, thence Westerly along said northerly
20 right of way line to the east line of Section 33, T. 3 S., R. 1 E., W.M.;
21 thence South along the east line of said Section 33 and the east line of

1 Section 4, T. 4 S., R. 1 E., W.M., to the north line of the Howards
2 Mill and Canby Road (County Road No. 562); thence West along the north
3 line of said Howards Mill and Canby Road and the north line of the Ed
4 Rackleff Road (County Road No. 1494), but not excluding said roads, to
5 the west line of the O.R. Mack Road, (County Road No. 1288); thence South
6 along the west line of said O.R. Mack Road, but not excluding said road,
7 to the north line of the S.E. 1/4 of the S.E. 1/4 of the S.W. 1/4 of said
8 Section 4; thence East 120 feet; thence South to the north line of that certain
9 strip of land obtained by Clackamas County from Cazadero Real Estate
10 Company by tax foreclosure certificate No. 4500 as recorded in Book 281
11 on Page 467, Deed Records, Clackamas County, Oregon; thence North-
12 westerly along the north line of said strip of land to the south line of the
13 N.W. 1/4 of the S.W. 1/4 of said Section 4; thence West to the center of the
14 Molalla River; thence Northerly down the center of said Molalla River to
15 the south line of the Wesley Joslyn DLC No. 59; thence West along the said
16 south line to the S.W. corner of said Joslyn DLC; thence North along the
17 west line of said Joslyn DLC to the N.W. corner thereof; thence East along
18 the north line of said Joslyn DLC to the center of the Molalla River; thence
19 Northerly down the center of said Molalla River to the place of beginning.

ATTACHMENT 2

AMENDMENT NO. 1 TO TERRITORY ALLOCATION AGREEMENT

This Amendment No. 1 is dated as of February 24, 1998 and is made to the Agreement dated April 4, 1962 ("the Agreement") between The City of Canby ("Municipality"), a municipal corporation of the State of Oregon and Portland General Electric Company ("Company"), an Oregon corporation.

WHEREAS, Municipality and Company entered into the Agreement concerning the allocation of electric utility service territory between them, which was approved by the Oregon Public Utility Commission pursuant to Order No.62-38537; and

WHEREAS subsequent to the effective date of the Agreement, Municipality transferred all of the powers and duties possessed by the City to construct, acquire, expand and operate the electric system within the Municipality to the Canby Utility Board ("CUB") by Charter amendment effective January 2, 1969; and

WHEREAS, the CUB and Company wish to make certain modifications to the Agreement; and

WHEREAS, the CUB warrants that it has the authority to enter into this Amendment No. 1 to the Agreement on behalf of Municipality;

NOW, THEREFORE, CUB and Company agree as follows:

1. The Agreement dated April 4, 1962 is hereby amended as follows:

(a) All references in the Agreement to "Exhibit 'A'" shall be revised to "Exhibit 'A Rev. 1'". Exhibit "A Rev. 1" is attached hereto and incorporated herein by reference.

(b) All references in the Agreement to "Exhibit 'B'" shall be revised to "Exhibit 'A Rev. 1'".

(c) Section 1 shall be revised to read in its entirety as follows:

"1. ALLOCATION OF SERVICE TERRITORY: From and after the Effective Date of Amendment No. 1 and subject to the provisions hereinafter set forth, unless requested in writing by the Municipality, the Company will not serve new customers within the area shown within the red lines on the attached map marked Exhibit 'A Rev. 1', which area is more particularly described as that area within the Canby City limits as of the Effective Date of Amendment No. 1, and the Municipality will not serve any new customers outside the lines marked in red on Exhibit 'A Rev. 1', said exhibit being attached hereto and by this reference made a part hereof."

(d) In the first sentence of Section 2, the words "or the green lines" shall be deleted.

(e) The following paragraph shall be inserted at the end of Section 2:

"With respect to each such area annexed or added to the Municipality for which the Municipality exercises the foregoing option, the Municipality and the Company agree to file with the Oregon Public Utilities Commission ("OPUC") for approval of the transfer of any exclusively allocated service territory from the Company to the Municipality. Municipality and the Company agree to act in good faith to obtain such approval. Upon the receipt of such OPUC approval and the consummation of the transfer of property and customers, the Municipality and the Company shall promptly revise Exhibit 'A Rev. 1' to account for the subject change."

(f) The following language shall be added to the end of Section 5:

"Municipality has the right to assign all rights and responsibilities under this Agreement to the Canby Utility Board ("CUB"), as long as the CUB has exclusive jurisdiction, control and management of the operations and facilities of the Utility Department of Electric Services of the Municipality."

2. Except as provided in Section 3 below, this Amendment No. 1 to Territory Allocation Agreement shall be effective as of the date it is approved by the OPUC pursuant to ORS 758.410 through ORS 758.425 ("the Effective Date of Amendment No. 1").

3. Subsection 1.(c) and 1.(f) of this Amendment No. 1 to Territory Allocation Agreement shall be effective as of the execution of this Amendment.

CANBY UTILITY BOARD

PORTLAND GENERAL ELECTRIC
COMPANY

By: Robert D. Wentzell

By: Peggy Fowler *BJF*

Title: Chair

Title: President and Chief Operating Officer
Distribution Operations

Date: February 24th, 1998

Date: February 12, 1998

RESOLUTION NO. 886

A RESOLUTION ACCEPTING THE RESULTS OF NOVEMBER 2, 2004 ELECTION, PROCLAIMING ANNEXATION INTO THE CITY OF 4.98 ACRES DESCRIBED AS TAX LOTS 2300 AND 3300 OF TAX MAP 3-1E-34 LOCATED ON THE EAST SIDE OF SOUTH WALNUT STREET, BETWEEN SOUTH WALNUT AND SOUTH MULINO ROAD, AND SETTING THE BOUNDARIES OF THE PROPERTY TO BE INCLUDED WITHIN THE CITY LIMITS.

WHEREAS, on November 2, 2004, at a general election, the voters of the City of Canby approved by a vote of 3,610 to 3,076, Measure No. 3-139 which called for the annexation of 4.98 acres into the City of Canby. Clackamas County Elections Department certified the above election results as accurate on November 19, 2004. Applicant for the property was Sprague Joint Venture. The property is more particularly described as Tax Lots 2300 and 3300 of Tax Map 3-1E-34. A complete legal description of each tax lot is attached hereto as Exhibit "A", and a map showing the location of the tax lots is attached hereto as Exhibit "B" and by this reference all are incorporated herein; and

WHEREAS, pursuant to CMC 16.84.080, the City of Canby must proclaim by resolution, the annexation of said property into the City and set the boundaries of the new property by legal description;

NOW THEREFORE, IT IS HEREBY RESOLVED by the City Council of the City of Canby that the Election Results as set forth in the abstract dated November 19, 2004, are official and accepted by the Council of Canby; and it is hereby

PROCLAIMED by the Council of Canby that 4.98 acres of property described in Exhibit "A" and shown on Exhibit "B" is annexed into the corporate limits of the City of Canby, Oregon. Said boundaries of the property are set by the legal descriptions set forth in Exhibit "A".

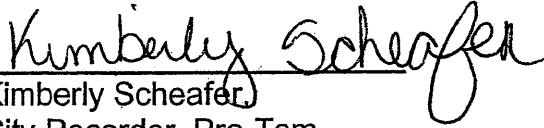
This resolution shall take effect on December 1, 2004.

ADOPTED this 1st day of December, 2004, by the Canby City Council.



Melody Thompson - Mayor

ATTEST:



Kimberly Scheafer
City Recorder, Pro-Tem



CHICAGO TITLE INSURANCE COMPANY

10001 SE Sunnyside Road

Clackamas, OR 97015

Phone (503) 786-3940 Fax (503) 653-7833

**= METROSCAN PROPERTY PROFILE =
Clackamas (OR)**

OWNERSHIP INFORMATION

Parcel Number : 00798088 TRSQ : 03S -01E -34 - -
Reference Parcel : 31E34 02300
Owner : Sprague Joint Venture
CoOwner :
Site Address : 294 S Walnut St Canby 97013
Mail Address : PO Box 848 Canby Or 97013
Telephone : Owner : Tenant :

SALES AND LOAN INFORMATION

Transferred : 03/26/1998 Loan Amount : \$85,000
Document # : 0098-24817 Lender : Keybank National Association
Sale Price : \$295,000 Loan Type : Conventional
Deed Type : Warranty Interest Rate : Fixed
% Owned : 100 Vesting Type :

ASSESSMENT AND TAX INFORMATION

Market Land : \$126,948 Exempt Amount :
Market Structure : Exempt Type :
Market Total : \$126,948 Levy Code : 086020
% Improved : M-5 Millage Rate : 13.8889
04-05 Taxes : \$1,514.01
Assessed Land : Max Assd Land :
Assessed Strctr : Max Assd Strctr :
Assd Fire Patrol : Max Assd FirePtl :
Assessed Total : \$109,008 Max Assd Total :

PROPERTY DESCRIPTION

Census : Tract : 229.01 Block : 1
Map Grid : 746 F6
Neighborhood Cd :
Sub/Plat :
Improvement : 131 Sgl Family,R1-3,1-story
Land Use : 401 Tract,Tract Land,Improved
Legal : SECTION 34 TOWNSHIP 3S RANGE 1E TAX
: LOT 02300
:



CHICAGO TITLE INSURANCE COMPANY

10001 SE Sunnyside Road

Clackamas, OR 97015

Phone (503) 786-3940 Fax (503) 653-7833

= **METROSCAN PROPERTY PROFILE** =
Clackamas (OR)

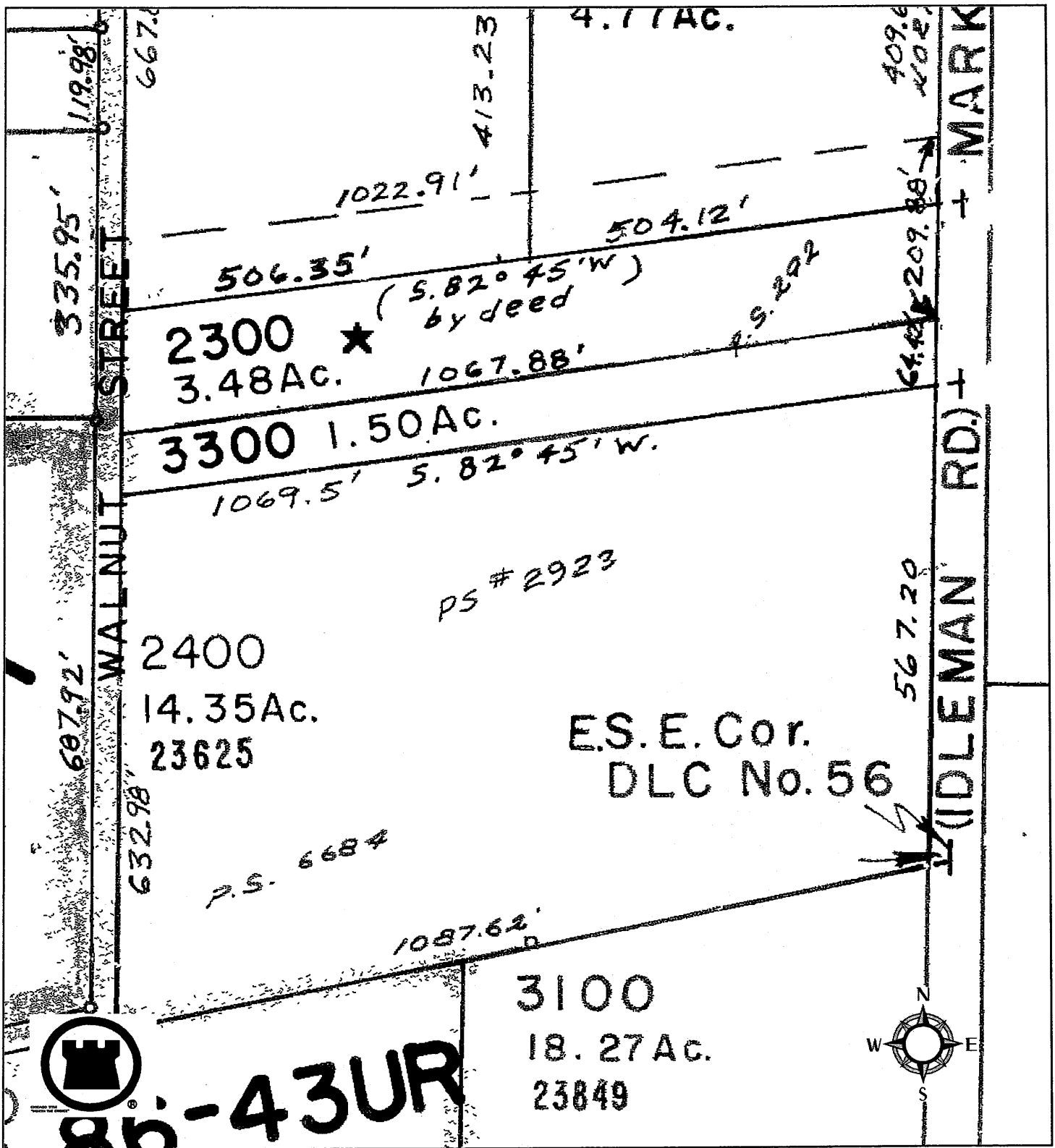
Parcel Number : 00798088

Reference Parcel : 31E34 02300

PROPERTY CHARACTERISTICS

<i>Bedrooms</i>	: 5	<i>Stories</i>	: 1
<i>Bathrooms</i>	: 1.00	<i>Garage SF</i>	:
<i>Fireplace</i>	:	<i>Building SF</i>	: 1,598
<i>Heat Type</i>	: Stove	<i>Lot Acres</i>	: 3.48
<i>Interior Material</i>	: Drywall	<i>Lot SF</i>	: 151,589
<i>Exterior Finish</i>	: Rustic	<i>1st Floor SF</i>	: 1,086
<i>Floor Cover</i>	: Fir	<i>Above Ground SF</i>	: 1,598
<i>Roof Type</i>	: Composition	<i>Upper Finished SF</i>	: 512
<i>Roof Shape</i>	: Gable	<i>Unfin Upper Story</i>	:
<i>Foundation</i>	: Post Pier	<i>Upper Total SF</i>	: 512
<i>School District</i>	: 086	<i>Finished SF</i>	: 1,598
<i>Utility District</i>	:	<i>Basement Fin SF</i>	:
<i>Year Built</i>	: 1900	<i>Basement Unfin SF</i>	:
<i>Year Appraised</i>	:	<i>Basement Total SF</i>	:
<i>Appraisal Area</i>	:		

Profile-Page 2 of 2



CHICAGO TITLE

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.

Map No. 31E34 02300
 CHICAGO TITLE INSURANCE COMPANY
 10001 S.E. SUNNYSIDE ROAD
 CLACKAMAS, OREGON 97015



CHICAGO TITLE INSURANCE COMPANY

10001 SE Sunnyside Road

Clackamas, OR 97015

Phone (503) 786-3940 Fax (503) 653-7833

**= METROSCAN PROPERTY PROFILE =
Clackamas (OR)**

OWNERSHIP INFORMATION

Parcel Number : 01750313 TRSQ : 03S -01E -34 - -
Reference Parcel : 31E34 03300
Owner : Sprague Joint Venture
CoOwner :
Site Address : *no Site Address*
Mail Address : PO Box 848 Canby Or 97013
Telephone : Owner : Tenant :

SALES AND LOAN INFORMATION

Transferred : 03/01/1998 Loan Amount :
Document # : 98-24817 Lender :
Sale Price : \$295,000 Loan Type :
Deed Type : Warranty Interest Rate :
% Owned : Vesting Type :

ASSESSMENT AND TAX INFORMATION

Market Land : \$27,467 Exempt Amount :
Market Structure : Exempt Type :
Market Total : \$27,467 Levy Code : 086020
% Improved : M-5 Millage Rate : 13.8889
04-05 Taxes : \$275.17
Assessed Land : Max Assd Land :
Assessed Strctr : Max Assd Strctr :
Assd Fire Patrol : Max Assd FirePtl :
Assessed Total : \$19,812 Max Assd Total :

PROPERTY DESCRIPTION

Census : Tract : Block :
Map Grid :
Neighborhd Cd :
Sub/Plat :
Improvmnt : 900 Contiguous Property
Land Use : 101 Res, Residential Land, Improved
Legal : SECTION 34 TOWNSHIP 3S RANGE 1E TAX
: LOT 03300
:



CHICAGO TITLE INSURANCE COMPANY

10001 SE Sunnyside Road

Clackamas, OR 97015

Phone (503) 786-3940 Fax (503) 653-7833

= METROSCAN PROPERTY PROFILE =
Clackamas (OR)

Parcel Number : 01750313

Reference Parcel : 31E34 03300

PROPERTY CHARACTERISTICS

<i>Bedrooms</i>	:	<i>Stories</i>	:
<i>Bathrooms</i>	:	<i>Garage SF</i>	:
<i>Fireplace</i>	:	<i>Building SF</i>	:
<i>Heat Type</i>	:	<i>Lot Acres</i>	: 1.50
<i>Interior Material</i>	:	<i>Lot SF</i>	: 65,340
<i>Exterior Finish</i>	:	<i>1st Floor SF</i>	:
<i>Floor Cover</i>	:	<i>Above Ground SF</i>	:
<i>Roof Type</i>	:	<i>Upper Finished SF</i>	:
<i>Roof Shape</i>	:	<i>Unfin Upper Story</i>	:
<i>Foundation</i>	:	<i>Upper Total SF</i>	:
<i>School District</i>	: 086	<i>Finished SF</i>	:
<i>Utility District</i>	:	<i>Basement Fin SF</i>	:
<i>Year Built</i>	:	<i>Basement Unfin SF</i>	:
<i>Year Appraised</i>	:	<i>Basement Total SF</i>	:
<i>Appraisal Area</i>	:		

Profile-Page 2 of 2

NLY. N.W. Cor.
DLC No 56
400
31.21Ac.
2035

300
20.21 Ac.

100
23.40Ac.

N.E. Cor
Philander Lee
DLC No 56

P. P.

PARCEL 2

1990 - 67

86-02

301
3.42Ac. PARCEL 1
185

200
0.51

2101
2.00Ac.

2100
12.58Ac.
23391

2000
9.82Ac.
211

86-43UR

1900

1800
8.30Ac.

2200
4.77Ac.

2300
3.48Ac.

2300 1.50Ac.

1700
22.19Ac.

2400
14.55Ac.
23623

86-20

S.E. Cor.
DLC No. 56

1600
1.82Ac.

3100
18.27Ac.
2419

2500
4.90Ac.
2419

1500
14.14Ac.
2435

86-20

2700
5.55Ac.

2600
1.07Ac.

LOT 8

3778

2800
4.80Ac.

UR

86-43

1200
1.22Ac.

1300
1.39Ac.

1400
1.39Ac.

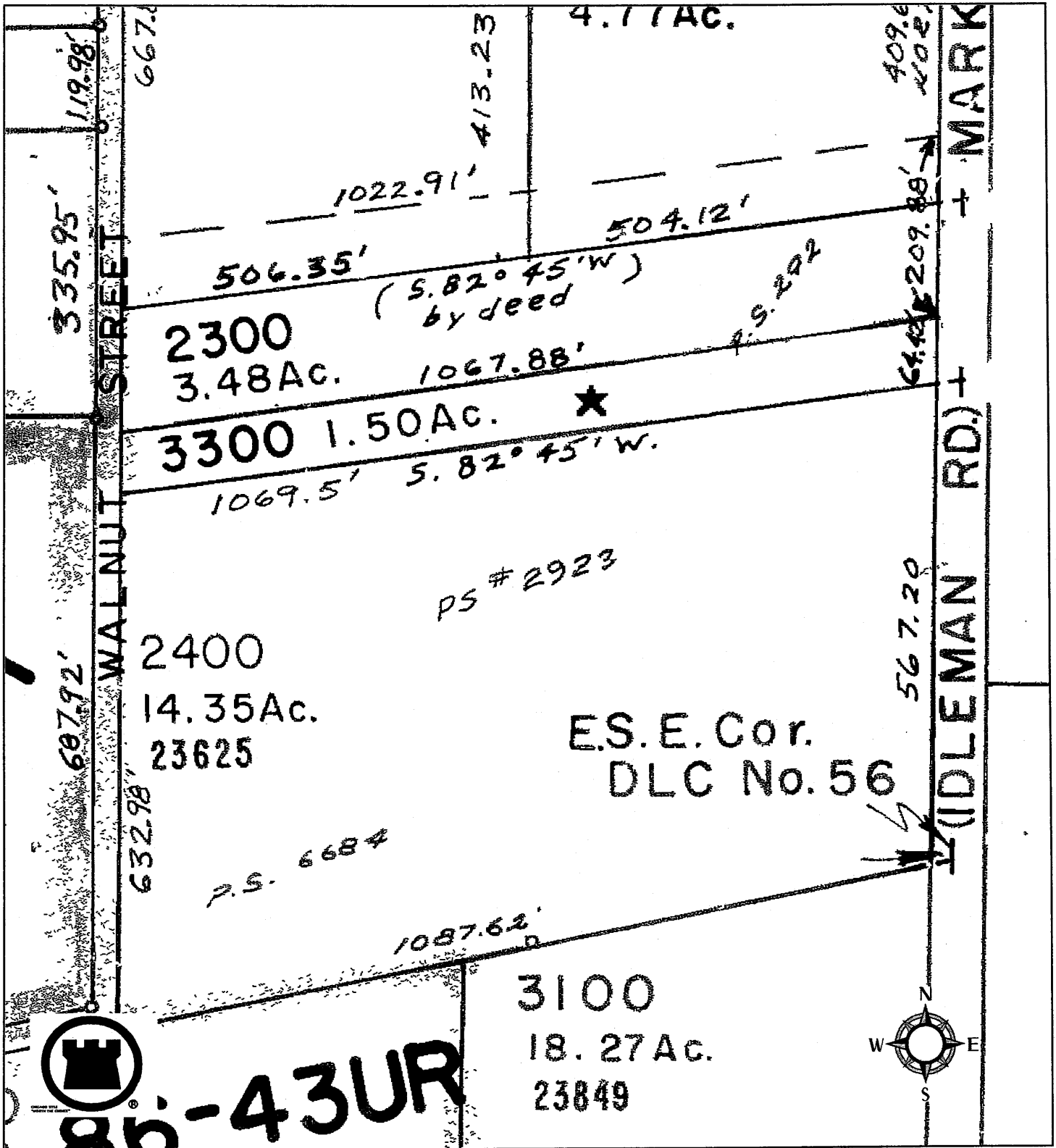
*Description
does go to
center*

23500

SEE MAP 3 IE 35

JUN 16 2004

3 IE 34
& INDEX



CHICAGO TITLE

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.

Map No. 31E34 03300
 CHICAGO TITLE INSURANCE COMPANY
 10001 S.E. SUNNYSIDE ROAD
 CLACKAMAS, OREGON 97015



STATUTORY WARRANTY DEED

CYNTHIA A. FORD _____ Grantor,
 conveys and warrants to Sprague Joint Venture, consisting of Roger S. Sprague, Scott Sprague and Douglas R. Sprague _____ Grantee,
 the following described real property free of liens and encumbrances, except as specifically set forth herein:
 SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

This property is free of liens and encumbrances, EXCEPT: The rights of the public in and to that portion of the premises herein described lying within the limits of roads, streets or highways---

THIS INSTRUMENT WILL 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 APPROVED USES AND TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES AS DEFINED IN ORS 30.930.

The true consideration for this conveyance is \$ 295,000.00 (Here comply with the requirements of ORS 93.030)

Dated this 23rd day of March 1998

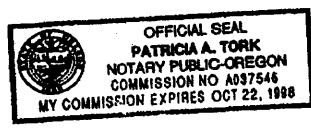
Cynthia A Ford 3-23-98
 Cynthia A. Ford

Recorded By
 First American Title Insurance Company of Oregon
 No. 825241

STATE OF OREGON }
 County of Wackamas } ss.

BE IT REMEMBERED, That on this 23rd day of March 1998, before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named CYNTHIA A. FORD

known to me to be the identical individual described in and who executed the within instrument and acknowledged to me that SHE executed the same freely and voluntarily.
 IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.



Patricia A. Torik
 Notary Public for Oregon.
 My Commission expires 10-22-98

Title Order No. 825241
 Escrow No. 98070181

THIS SPACE RESERVED FOR RECORDER'S USE
98-024817

After recording return to:
Douglas R. Sprague
P.O. Box 848
Canby, OR 97013
 Name, Address, Zip
 Until a change is requested all tax statement shall be sent to the following address.
Douglas R. Sprague
P.O. Box 848
Canby, OR 97013
 Name, Address, Zip

EXHIBIT "A"

PARCEL I:

Part of the Philander Lee Donation Land Claim No. 56 in Section 34, Township 3 South, Range 1 East, of the Willamette Meridian, in the County of Clackamas and State of Oregon, described as follows:

Beginning at the East Donation Land Claim line, North 631.62 feet from the Southeast corner thereof; thence South 82° 45' West 1067.88 feet; thence North 209.88 feet; thence North 82° 45' East 1062.88 feet to the East Donation Land Claim line; thence South along said claim line 209.88 feet to the point of beginning.

EXCEPT the following:

A tract of land in the Philander Lee Donation Land Claim Number 56 in the Southeast one-quarter of Section 34, Township 3 South, Range 1 East, of the Willamette Meridian, in the County of Clackamas and State of Oregon, being more particularly described as follows:

Beginning at a point on the East line of said Lee Donation Land Claim line that is North a distance of 841.50 feet from the Southeast corner of said Lee Donation Land Claim; thence South 82° 45' 00" West a distance of 30.24 feet to a point on the Westerly line of Market Road Number 25 (Mullino Road) and being the true point of beginning of the tract to be described herein, with said point of beginning also being the Northeast corner of that tract of land conveyed to Robert E. Ford and Rebecca Ford, husband and wife, by deed recorded as Fee No. 81-28095, Clackamas County Deed Records; thence South 82° 45' West, along the North line of said Ford Tract, a distance of 1022.91 feet to a point on the Easterly line of County Road Number 540 with said point being the Northwest corner of said Ford Tract; thence South 0° 02' 04" East, along the Easterly line of said county road, a distance of 65.51 feet to a point in an existing wire fence line; thence North 83° 01' 31" East along said wire fence line, a distance of 506.35 feet to a stone in said fence line; thence North 82° 28' 28" East, along said wire fence line, a distance of 518.58 feet to a point on the Westerly line of said Market Road Number 25; thence North, along the Westerly line of said Market Road Number 25, a distance of 65.16 feet returning to the true point of beginning.

PARCEL II:

A tract of land in the Philander Lee Donation Land Claim, in Section 34, Township 3 South, Range 1 East, of the Willamette Meridian, in the County of Clackamas and State of Oregon, and more particularly described as follows:

Beginning at a point on the East line of the Philander Donation Land Claim, Township 3 South, Range 1 East, of the Willamette Meridian, that is North 631.62 feet from the Southeast corner of said claim (marked with an "X" in the pavement in the center line of Market Road 25); said beginning point is the Northeasterly corner of the grantor's land as described in Book 81, page 402, Deed Records of Clackamas County. Said corner is also the Southeast corner of the 5 acre tract of land conveyed by Herman Lee to Hannah Halverson by deed recorded in Book 76, page 285 said deed records; thence from said beginning point South 82° 45' West 1067.88 feet, along the South line of said 5 acre tract to the Southwest corner thereof; thence South 0° 32' West along the grantor's West line 77.32 feet; thence North 82° 03 1/2' East 1069.5 feet to the East line claim and the center of Market Road 25; thence North 64.42 feet to the place of beginning.

STATE OF OREGON 98-024817
CLACKAMAS COUNTY
Received and placed in the public
records of Clackamas County
RECEIPT# AND FEE: 66881 640.00
DATE AND TIME: 03/26/98 11:28 AM
JOHN KAUFFMAN, COUNTY CLERK

2

RESOLUTION NO. 887

A RESOLUTION ACCEPTING THE RESULTS OF NOVEMBER 2, 2004 ELECTION, PROCLAIMING ANNEXATION INTO THE CITY OF .97 ACRES DESCRIBED AS TAX LOT 1500 OF TAX MAP 3-1E-28DD LOCATED AT 1063 NE TERRITORIAL ROAD ON THE SOUTHWEST CORNER OF N. PINE STREET AND NE TERRITORIAL ROAD, AND SETTING THE BOUNDARIES OF THE PROPERTY TO BE INCLUDED WITHIN THE CITY LIMITS.

WHEREAS, on November 2, 2004, at a general election, the voters of the City of Canby approved by a vote of 3,417 to 3,242 Measure No. 3-143 which called for the annexation of .97 acres into the City of Canby. Clackamas County Elections Department certified the above election results as accurate on November 19, 2004. Applicant for the property was S.T.J., LLC. The property is more particularly described as Tax Lot 1500 of Tax Map 3-1E-28DD. A complete legal description of Tax Lot 1500 is attached hereto as Exhibit "A", and a map showing the location of the tax lot is attached hereto as Exhibit "B" and by this reference all are incorporated herein; and

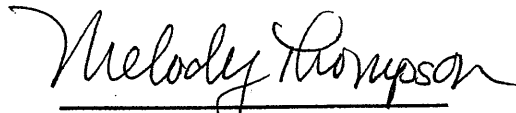
WHEREAS, pursuant to CMC 16.84.080, the City of Canby must proclaim by resolution, the annexation of said property into the City and set the boundaries of the new property by legal description;

NOW THEREFORE, IT IS HEREBY RESOLVED by the City Council of the City of Canby that the Election Results as set forth in the abstract dated November 19, 2004, are official and accepted by the Council of Canby; and it is hereby

PROCLAIMED by the Council of Canby that .97 acres of property described in Exhibit "A" and shown on Exhibit "B" is annexed into the corporate limits of the City of Canby, Oregon. Said boundaries of the property are set by the legal descriptions set forth in Exhibit "A".

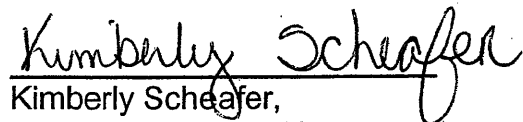
This resolution shall take effect on December 1, 2004.

ADOPTED this 1st day of December, 2004, by the Canby City Council.

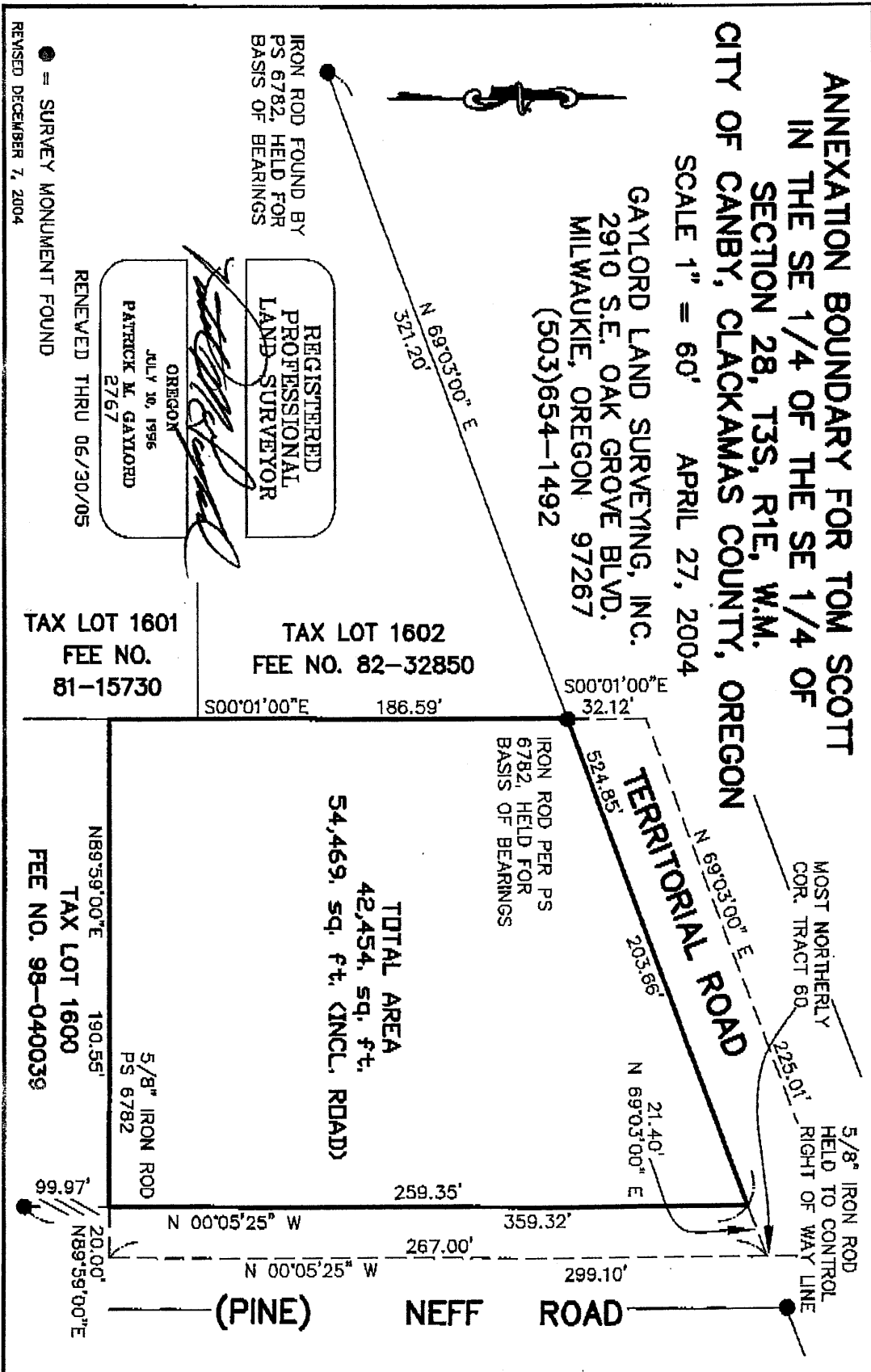


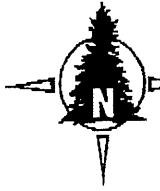
Melody Thompson - Mayor

ATTEST:



Kimberly Scheafer,
City Recorder, Pro-Tem





GAYLORD
LAND SURVEYING, INC.

- Surveying Oregon Since 1970 -

2910 S.E. Oak Grove Blvd. • Milwaukie, OR 97267

Phone 503-654-1492 • Fax 503-654-7878

E-mail: pat@gaylordlandsurveying.com

December 8, 2004

LEGAL DESCRIPTION FOR ANNEXATION

LEGAL DESCRIPTION FOR A TRACT OF LAND IN THE SOUTHEAST ONE QUARTER OF SECTION 28, T3S, R1E, W.M., CLACKAMAS COUNTY, OREGON, BEING A PART OF TRACT 60, CANBY GARDENS, A DULY RECORDED PLAT IN CLACKAMAS COUNTY. THE BOUNDARY OF THE HEREIN DESCRIBED PARCEL BEING AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE CENTERLINE OF TERRITORIAL ROAD AND NEFF ROAD WHICH BEARS N 00°05'25" W 29.10 FEET FROM THE MOST NORTHERLY CORNER OF SAID TRACT 60; THENCE S69°03'00"W ALONG THE CENTERLINE OF TERRITORIAL ROAD 225.01 FEET TO A POINT ON THE NORTHERLY EXTENSION OF THE EAST LINE OF THAT TRACT OF LAND DESCRIBED BY DEED RECORDED AS FEE NO. 82-32850, CLACKAMAS COUNTY DEED RECORDS; THENCE S 00°01'00" E 218.71 FEET TO A POINT AT THE NORTHWEST CORNER OF FEE NO. 98-040039, CLACKAMAS COUNTY DEED RECORDS; THENCE ALONG THE NORTH LINE OF THE SAID DEED AND ITS EASTERLY EXTENSION N 89°59'00" E 210.55 FEET TO THE CENTERLINE OF NEFF ROAD; THENCE N 00°05'25" W 299.10 FEET TO THE POINT OF BEGINNING. CONTAINING 54,469 SQUARE FEET.

REGISTERED
PROFESSIONAL
LAND SURVEYOR



OREGON
JULY 10, 1996
PATRICK M. GAYLORD
2767

RENEWED THROUGH 6/30/05



CHICAGO TITLE INSURANCE COMPANY

10001 SE Sunnyside Road

Clackamas, OR 97015

Phone (503) 786-3940 Fax (503) 653-7833

= METROSCAN PROPERTY PROFILE = Clackamas (OR)

OWNERSHIP INFORMATION

Parcel Number : 00778126 *TRSQ* : 03S -01E -28 -SE -SE
Reference Parcel : 31E28DD01500
Owner : S T J 12 Llc
CoOwner :
Site Address : 1063 NE Territorial Rd Canby 97013
Mail Address : 214 SW 2nd Ave Canby Or 97013
Telephone : *Owner* : *Tenant* :

SALES AND LOAN INFORMATION

Transferred : 02/04/2004 *Loan Amount* :
Document # : 04-010491 *Lender* :
Sale Price : \$320,000 *Loan Type* :
Deed Type : *Interest Rate* :
% Owned : 100 *Vesting Type* :

ASSESSMENT AND TAX INFORMATION

Market Land : \$88,069 ~~*Exempt Amount*~~ :
Market Structure : \$153,390 *Exempt Type* :
Market Total : \$241,459 *Levy Code* : 086020
% Improved : 64 *M-5 Millage Rate* : 13.8889
04-05 Taxes : \$2,475.04
Assessed Land : *Max Assd Land* :
Assessed Strctr : *Max Assd Strctr* :
Assd Fire Patrol : *Max Assd FirePtl* :
Assessed Total : \$178,203 *Max Assd Total* :

PROPERTY DESCRIPTION

Census : *Tract* : 229.02 *Block* : 3
Map Grid : 746 D4
Neighborhd Cd :
Sub/Plat : Canby Gardens
Improvmnt : 141 Sgl Family,R1-4,1-story
Land Use : 101 Res,Residential Land,Improved
Legal : 230 CANBY GARDENS PT LT 60
:
:

Profile-Page 1 of 2

The Information Provided Is Deemed Reliable, But Is Not Guaranteed.



CHICAGO TITLE INSURANCE COMPANY

10001 SE Sunnyside Road

Clackamas, OR 97015

Phone (503) 786-3940 Fax (503) 653-7833

= METROSCAN PROPERTY PROFILE = Clackamas (OR)

Parcel Number : 00778126

Reference Parcel : 31E28DD01500

PROPERTY CHARACTERISTICS

<i>Bedrooms</i>	: 3	<i>Stories</i>	: 1
<i>Bathrooms</i>	: 2.00	<i>Garage SF</i>	:
<i>Fireplace</i>	: Single Fireplce	<i>Building SF</i>	: 2,664
<i>Heat Type</i>	: Forced Air-oil	<i>Lot Acres</i>	:
<i>Interior Material</i>	: Plaster	<i>Lot SF</i>	:
<i>Exterior Finish</i>	: Concrete Blk	<i>1st Floor SF</i>	: 2,202
<i>Floor Cover</i>	: Hardwd	<i>Above Ground SF</i>	: 2,202
<i>Roof Type</i>	: Composition	<i>Upper Finished SF</i>	:
<i>Roof Shape</i>	: Hip	<i>Unfin Upper Story</i>	:
<i>Foundation</i>	: Concrete	<i>Upper Total SF</i>	:
<i>School District</i>	: 086	<i>Finished SF</i>	: 2,202
<i>Utility District</i>	:	<i>Basement Fin SF</i>	:
<i>Year Built</i>	: 1956	<i>Basement Unfin SF</i>	: 462
<i>Year Appraised</i>	:	<i>Basement Total SF</i>	: 462
<i>Appraisal Area</i>	:		

Profile-Page 2 of 2

1-1051
30



After recording return to:
S.T.J. 12, LLC
214 SW 2nd Avenue
Canby, OR 97013

Until a change is requested all tax statements
shall be sent to the following address:
S.T.J. 12, LLC
214 SW 2nd Avenue
Canby, OR 97013

File No.: 7071-311425 (DEW)
Date: February 04, 2004

Recorded By
First American Title Insurance Company of Oregon
No. 311425-06

Clackamas County Official Records 2004-010491
Sherry Hall, County Clerk

00636507200400104910030038

02/10/2004 10:49:53 AM

D-D Cnt=1 Stn=3 BEVERLY
\$15.00 \$11.00 \$10.00

\$36.00

STATUTORY WARRANTY DEED

David D. Dodge, Grantor, conveys and warrants to **S.T.J. 12, LLC, a Oregon Limited Liability Company**, Grantee, the following described real property free of liens and encumbrances, except as specifically set forth herein:

See Legal Description attached hereto as Exhibit A and by this reference incorporated herein.

This property is free from liens and encumbrances, EXCEPT:

1. Covenants, conditions, restrictions and/or easements, if any, affecting title, which may appear in the public record, including those shown on any recorded plat or survey.

THIS INSTRUMENT WILL 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 APPROVED USES AND TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES AS DEFINED IN ORS 30.930.

The true consideration for this conveyance is **\$320,000.00**. (Here comply with requirements of ORS 93.030)

APN: 00778126

Statutory Warranty Deed
- continued

File No.: 7071-311425 (DEW)
Date: 02/04/2004

EXHIBIT A

LEGAL DESCRIPTION:

Part of Tract 60, CANBY GARDENS, in the County of Clackamas and State of Oregon, described as follows:

Beginning at the Northeast corner of said Tract 60 in CANBY GARDENS, which point is the intersection of the centerline of Neff Road, a 40 foot dedicated county road, and the Southerly boundary of Territorial Road; thence South 69°03' West along the Southerly boundary of Territorial Road, a distance of 225.30 feet; thence South 00°01' East 188.59 feet; thence North 89°59' East 210.88 feet to the East line of said Tract 60 on the center line of said Neff Road; thence North 00°07' West along the East line of said Tract 60 and the center of said Neff Road a distance of 267.10 feet to the point of beginning.

③

Page 3 of 3

SE 1/4 SE1/4 SEC. 28 T3S. R1E. W.M.

3 IE 28DD
CANBY

This map was prepared for
assessment purpose only.

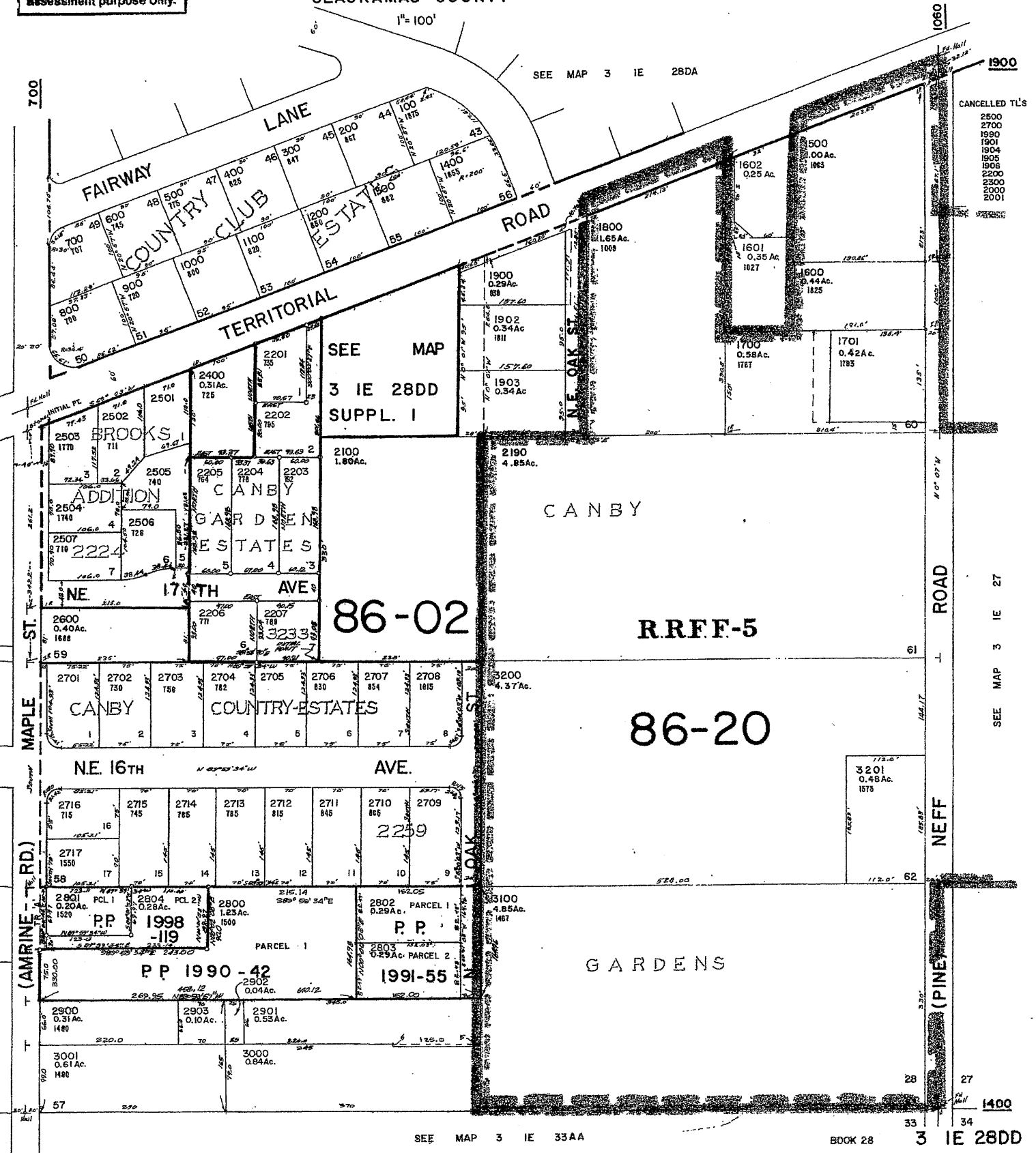
CLACKAMAS COUNTY

1"=100'

SEE MAP 3 IE 28DA

CANCELLED TL'S

2500
2700
1990
1901
1904
1905
1908
2200
2300
2000
2001



SEE MAP
3 IE 28DD
SUPPL. I

CANBY

86-02

RRFF-5

86-20

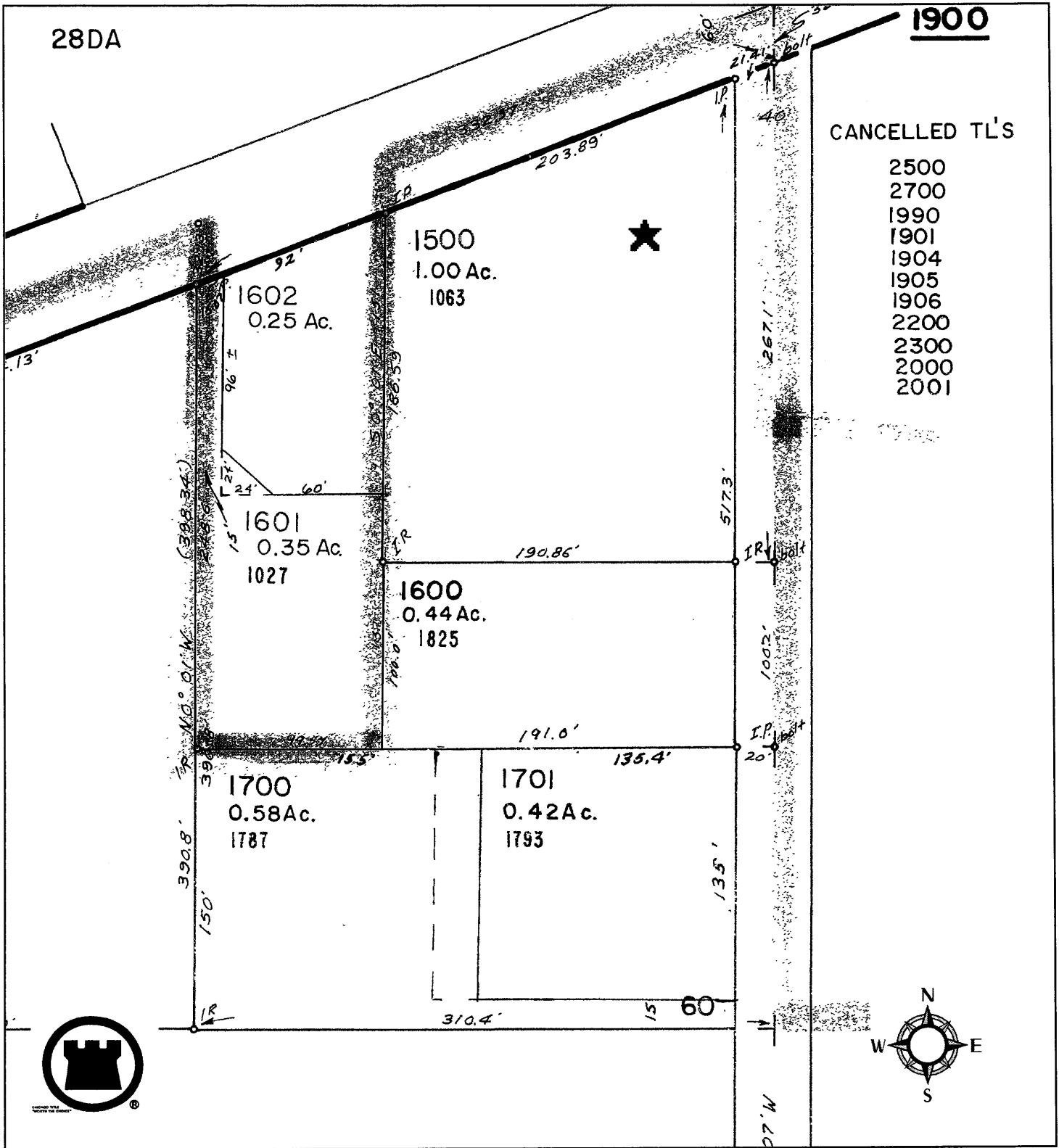
GARDENS

SEE MAP 3 IE 27

SEE MAP 3 IE 33AA

BOOK 28

3 IE 28DD



ATTACHMENT 5

CITY OF CANBY
DESCRIPTION OF CITY LIMITS

Revised January 31, 2005

Beginning at the centerline of the Molalla River and Highway 99E in Section 5, Township 4 South, Range 1 East, Willamette Meridian; thence northerly along the centerline of the Molalla River approximately 8,000 feet to a point approximately 250 feet north of the intersection of the projection of the centerline of Northwest Territorial Road; thence easterly along the existing property line approximately 1,000 feet to the centerline of Northwest Territorial Road at the intersection of North Birch Street; thence northeasterly along the centerline of Northwest Territorial Road approximately 2,870 feet to a point approximately 420 feet west of the centerline of North Juniper Street; thence southerly approximately 200 feet along the existing property line; thence easterly approximately 100 feet along the existing property line; thence northerly approximately 210 feet along the existing property line to the centerline of Northwest Territorial Road; thence easterly along the centerline of Northwest Territorial Road approximately 675 feet to the centerline of North Locust Street; thence northerly along the centerline of North Locust Street approximately 590 feet; thence westerly approximately 15 feet to the west right-of-way line of North Locust Street; thence northerly along the west right-of-way line of North Locust Street approximately 960 feet; thence easterly approximately 40 feet along the projection of the existing property line; thence northerly approximately 310 feet to the south right-of-way line of NE 22nd Avenue; thence easterly approximately 1,270 feet along the south right-of-way line of NE 22nd Avenue to the centerline of North Maple Street; thence northerly along the centerline of North Maple Street 50 feet to the projection of the north right-of-way line of Northeast 22nd Avenue; thence westerly along the north right-of-way line of Northeast 22nd Avenue 180 feet to an existing property line; thence northerly along the existing property line approximately 510 feet to an existing property line; thence easterly along the existing property line approximately 150 feet to the west right-of-way of North Maple Street; thence northerly

ATTACHMENT 6

along the west right-of-way of North Maple Street approximately 4,325 feet to the northwesterly corner of that tract of land conveyed to Crown Zellerbach Corporation as recorded in Book 368 page 33, Clackamas County deed records; thence southeasterly along the boundary of said parcel and the projection of the boundary to an intersection with the centerline of the Molalla Forest Road; thence southeasterly and southerly along the centerline of the Molalla Forest Road approximately 3,700 feet to the northwest corner of that tract of land owned by the City of Canby; thence northeasterly approximately 885 feet along the existing property line to the northeast corner of said tract; thence southerly approximately 2,470 feet to the centerline of Northeast Territorial Road; thence easterly along the centerline of Northeast Territorial Road approximately 2,454 feet to the existing property line; thence southwesterly approximately 407 feet along the existing property line; thence northwesterly approximately 304 feet along the existing property line; thence southwesterly approximately 628 feet along the existing property line; thence southeasterly approximately 520 feet along the existing property line to the north boundary of the Union Pacific Railroad right-of-way; thence southwesterly along the Union Pacific Railroad approximately 575 feet; thence northwesterly approximately 479 feet along the existing property line; thence northerly approximately 370 feet along the existing property line; thence westerly approximately 441 feet along the existing property line; thence northerly approximately 242 feet along the existing property line; thence westerly approximately 405 feet along the existing property line; thence southerly approximately 242 feet along the existing property line; thence westerly along the existing property line approximately 458 feet to the centerline of North Redwood Street; thence northerly along the centerline of North Redwood Street approximately 320 feet; thence westerly approximately 200 feet along the existing property line; thence northerly approximately 320 feet along the existing property line to the centerline of Northeast Territorial Road; thence southwesterly along the centerline of Northeast Territorial Road approximately 490 feet to the east right-of-way of the Molalla Forest Road; thence southerly along the east right-of-way of the Molalla Forest Road approximately 380 feet; thence easterly approximately 640 feet along the existing property line to the west right-of-way of North Redwood Street; thence southerly approximately 429 feet along the west right-of-way of North Redwood Street; thence westerly approximately 183 feet along the existing property line; thence southerly approximately 119 feet along the existing property line; thence easterly approximately

183 feet along the existing property line; thence southerly along the west right-of-way of North Redwood Street approximately 1,861 feet; thence easterly along the existing property line approximately 624 feet to the north right-of-way of the Southern Pacific Railroad; thence southwesterly along the north right-of-way of the Southern Pacific Railroad approximately 948 feet to the east right-of-way line of North Redwood Street; thence northerly along the east right-of-way of North Redwood Street approximately 330 feet; thence westerly along the existing property line approximately 680 feet to the east right-of-way line of the Molalla Forest Road; thence southerly approximately 935 feet along the east right-of-way of the Molalla Forest Road to the north boundary of the Union Pacific Railroad; thence southerly approximately 200 feet to the south right-of-way line of Highway 99E; thence northeasterly approximately 600 feet along the south right-of-way line of Highway 99E to the south right-of-way line of SE First Avenue; thence northeasterly approximately 250 feet to the intersection of the north right-of-way line of SE First Avenue and the south right-of-way line of Highway 99E; thence northeasterly approximately 2,060 feet along the south right-of-way line of Highway 99E; thence southerly approximately 1,030 feet along the existing property line to the south right-of-way line of SE First Avenue; thence easterly approximately 2,605 feet along the south right-of-way of SE First Avenue, and the easterly projection, thereof, along the existing property line to the west right-of-way line of S Mulino Road; thence southerly approximately 2,000 feet along the west right-of-way line of S Mulino Road to the existing property line; thence westerly approximately 1,070 feet along the existing property line to the west right-of-way of South Walnut Street; thence southerly along the west right-of-way line of South Walnut Street approximately 630 feet to the southern right-of-way of South Walnut Street; thence easterly along the existing property line approximately 500 feet; thence southerly approximately 260 feet along the existing property line; thence westerly approximately 750 feet along the existing property line to the east right-of-way line of South Walnut Street; thence northerly approximately 260 feet along the east right-of-way line of South Walnut Street; thence westerly approximately 820 feet to the southeast corner of the right-of-way for Southeast 4th Avenue; thence southerly approximately 940 feet along the existing property line to the centerline of Township Road; thence westerly approximately 400 feet along the centerline of Township Road to the west right-of-way of the Molalla Forest Road; thence southeasterly approximately 785 feet along the west right-of-way of the Molalla Forest

Road; thence northerly crossing the Molalla Forest Road and continuing approximately 640 feet along the existing property line to the center line of Township Road; thence easterly approximately 570 feet along the centerline of Township Road, thence southerly approximately 1285 feet along the existing property line crossing the Molalla Forest Road to the west right-of-way of the Molalla Forest Road; thence westerly approximately 785 feet along the existing property line; thence southerly approximately 440 feet along the existing property line, thence westerly approximately 495 feet along the existing property line; thence southerly approximately 906 feet along the existing property line to the south right-of-way line of SE 13th Avenue; thence westerly approximately 1,340 feet along the south right-of-way line of SE 13th Avenue; thence northerly approximately 20 feet along the projection of the existing property line to the centerline of SE 13th Avenue; thence westerly along the centerline of 13th Avenue approximately 146 feet; thence southerly approximately 240 feet along the existing property line; thence easterly approximately 137 feet along the existing property line; thence southerly approximately 1,100 feet along the existing property line; thence westerly approximately 1,300 feet along the existing property line; thence northerly approximately 165 feet along the existing property line; thence westerly approximately 2620 feet along the existing property line to the centerline of South Fir Street; thence northerly approximately 825 feet along the centerline of South Fir Street; thence westerly along the existing property line approximately 350 feet; thence southerly approximately 425 feet along the existing property line; thence westerly approximately 430 feet along the existing property line; thence southerly approximately 840 feet along the existing property line; thence northwesterly approximately 230 feet along the existing property line to the north right-of-way of South Elm Street; thence westerly approximately 390 feet along the north right-of-way of South Elm Street; thence westerly approximately 1,800 feet to the centerline of the Molalla River; thence northerly along the centerline of the Molalla River approximately 3,000 feet to the point of beginning.

EXCEPTIONS:

1. Beginning at a point on the centerline of North Holly Street which is approximately 500 feet south from the centerline of Territorial Road; thence easterly approximately 300 feet along the existing property line; thence northerly approximately 150 feet along the existing property line; thence westerly along the existing property line approximately 300 feet to the centerline of North Holly Street; thence southerly along the centerline of North Holly Street approximately 150 feet to the point of beginning.

2. Beginning at a point on the west right-of-way line of the Molalla Forest Road which is approximately 780 feet south from the centerline of Northeast Territorial Road; thence southerly approximately 660 feet along the west right-of-way of Molalla Forest Road; thence westerly approximately 600 feet along the existing property line to the centerline of North Pine Street; thence southerly approximately 350 feet along the centerline of North Pine Street; thence westerly approximately 650 feet along the existing property line; thence northerly approximately 1,000 feet along the projection of the east right-of-way of North Oak Street; thence easterly approximately 150 feet to the east right-of-way of North Oak Street; thence northerly approximately 350 feet to the centerline of Northeast Territorial Road; thence northeasterly approximately 200 feet along the centerline of Northeast Territorial Road; thence southerly approximately 250 feet along the existing property line; thence easterly approximately 100 feet along the existing property line; thence northerly approximately 110 feet along the existing property line; thence easterly approximately 190 feet along the existing property line to the centerline of North Pine Street; thence southerly approximately 270 feet along the centerline of North Pine Street; thence easterly approximately 660 feet to the point of beginning.

3. Beginning at a point on the centerline of Township Road which is also along the projection of the west right-of-way line of South Redwood Street; thence southerly approximately 30 feet to the south right-of-way of Township Road; thence westerly

approximately 145 feet along the southerly right-of-way of Township Road; thence southerly approximately 275 feet along the existing property line; thence westerly approximately 295 feet along the existing property line; thence northerly approximately 300 feet along the existing property line to the centerline of Township Road; thence easterly along the centerline of Township Road approximately 430 feet to the point of beginning.

4. Beginning at a point on the centerline of SW 13th Avenue that is approximately 362 feet from the centerline of South Ivy Street; thence easterly approximately 430 feet along the centerline of SW 13th Avenue; thence southerly approximately 992 along the existing property line; thence westerly approximately 580 feet along the existing property line; thence northerly approximately 17 feet along the existing property line; thence westerly approximately 215 feet to the centerline of South Ivy Street along the existing property line; thence northerly approximately 610 feet along the centerline of South Ivy Street; thence easterly approximately 362 feet along the existing property line; thence northerly approximately 362 feet along the existing property line to the point of beginning.
5. Beginning at a point on the centerline of Northeast Territorial Road which is approximately 180 feet from the centerline of the Molalla Forest Road; thence southerly approximately 400 feet along the existing property line; thence westerly approximately 210 feet along the existing property; thence northerly approximately 300 feet to the centerline of Northeast Territorial Road; thence northeasterly along the centerline of Northeast Territorial Road to the point of beginning.
6. Beginning at a point on the west right-of-way line of South Walnut Street that is approximately 1,715 feet south of the intersection of the south right-of-way line of SE First Avenue, thence southerly approximately 118 feet along the west right-of-way line of South Walnut Avenue, thence westerly approximately 566 feet along the existing property line, thence northerly approximately 118 feet along the existing property line, thence easterly approximately 566 feet along the existing property line to the point of

beginning.

7. Beginning at a point on the west right-of-way line of South Walnut Street that is approximately 980 feet south of the intersection of the south right-of-way line of SE First Avenue, thence southerly approximately 180 feet along the west right-of-way line of South Walnut Avenue, thence westerly approximately 145 feet along the existing property line, thence northerly approximately 180 feet along the existing property line, thence easterly approximately 145 feet along the existing property line to the point of beginning.

NOTES:

1. Legal descriptions include the abutting portion of the Molalla Forest Road.