

EXCHANGE AGREEMENT

The City of Sweet Home, a political subdivision of the State of Oregon, hereinafter referred to as CITY and RELIABLE WELDING, INC., an Oregon corporation, hereinafter referred to as RELIABLE enter into this real property exchange agreement on the last date indicated below:

RECITALS:

WHEREAS, CITY is the owner of real property located at 1400 24th Avenue Sweet Home OR 97386;

WHEREAS, RELIABLE is the owner of real property located at 2324 Main Street Sweet Home OR 97386;

WHEREAS, Said two properties are in close proximity to each other and both parties desire to exchange a parcel of their property for a parcel of the other party's real property as set forth in the attached diagram marked Exhibit A (approximate area only) with the exact areas exchanged to be in accordance to the survey to be made for the parties;

WHEREAS, On Exhibit A, a parcel in gold color therein named Exchange Area is to be exchanged for Parcel 2 and Parcel 3 in green color which are to be created in this exchange along with an access easement from Parcel 2 over Parcel 3 to 24th Avenue;

WHEREAS, CITY is uniquely benefitted and the public interest furthered by this exchange in that CITY is acquiring real property that can be used to widen 24th Avenue to provide the needed street width to develop the large acreage at the end of 24th Avenue owned by the CITY;

WHEREAS, RELIABLE is benefitting by the exchange in acquiring real property that will enlarge its real property holdings near its current lot;

WHEREAS, RELIABLE needs to have access to its properties off of 24th Avenue;

WHEREAS, Until CITY or RELIABLE start to excavate their exchanged property the parties agree to keep the physical status quo concerning their exchanged property, in other words, the fence will remain in place, RELIABLE will continue to use Exchange Area as an access area and CITY will continue to park on Parcel 2 and Parcel 3 with no rent due either party for said usage.

WHEREAS, The parties have executed an agreement titled Environmental Indemnity Agreement which is attached hereto and marked Exhibit C.

NOW, THEREFORE, for the promises and consideration set forth herein the parties agree as follows:

1. RELIABLE will convey Exchange Area to CITY in exchange for CITY conveying to RELIABLE Parcel 2 and Parcel 3 plus \$1,750.00.
2. CITY will obtain the survey, process the necessary partition application with the City, prepare the access easement and deeds and record them for the transfers at its own cost and upon its own schedule.
3. CITY will pay one half of the appraisal cost which is \$1,750.00 and RELIABLE will pay one half of the appraisal cost which is \$1,750.00.
4. If a party wants title insurance that party will pay for their own title insurance.
5. This Agreement is personal to the parties and cannot be assigned and time is of the essence of this Agreement.
6. This Agreement can be terminated prior to the deeds being signed by either party without cause upon reimbursement to the other party for any above-described costs that the other party has incurred.
7. The Agreement is subject to the creation of Parcel 2 and Parcel 3 with the access easement which requires approval by the Sweet Home Planning Commission.
8. The parties agree that the physical status quo of the exchanged properties shall remain the same until CITY or RELIABLE (or its successors) start excavation on their respective property and that this provision survives the deed exchange.
9. CITY shall provide access via driveway curb cut along 24th Avenue for the properties of RELIABLE as shown on Exhibit B.
10. Exhibits A, B, and C are hereby made a part hereof.
11. This Agreement is subject to approval by Sweet Home City Council.

Date: _____

Date: _____

City of Sweet Home

Reliable Welding, Inc.

Raymond Towry, City Manager

Nickey B. Hutchins, President