

URA RESOLUTION NO. 141

A RESOLUTION OF THE URBAN RENEWAL AGENCY OF THE CITY OF WILSONVILLE CONSENTING TO VILLEBOIS LLC ASSIGNMENT OF ITS INTEREST IN THE DEVELOPMENT AGREEMENT BETWEEN VILLEBOIS LLC ET AL AND THE CITY OF WILSONVILLE AND THE URBAN RENEWAL AGENCY OF THE CITY OF WILSONVILLE FOR FINANCING SECURITY PURPOSES.

WHEREAS, the Development Agreement of May 24, 2004, between Villebois LLC et al and the City of Wilsonville and The Urban Renewal Agency of the City of Wilsonville, provides that Villebois LLC may make assignment of its interest and that The Urban Renewal Agency of the City of Wilsonville will not unreasonably withhold consent; and

WHEREAS, Villebois LLC has requested that the Agency consent to the Development Agreement being assigned to a financial institution for security purposes in a financing arrangement; and

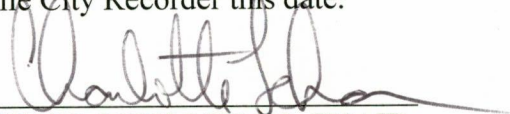
WHEREAS, the Assignment contains certain confidential financial information and it having been reviewed in executive session, the Agency Board finds that neither the terms of the Assignment nor the Consent of Assignee are unreasonable.

NOW, THEREFORE, THE CITY OF WILSONVILLE RESOLVES AS FOLLOWS:

1. Based on the above recitals, the Executive Director is authorized to execute on behalf of the Agency the Consent of Assignee in the form as attached hereto, marked Exhibit A, and incorporated herein to that certain Assignment of the Development Agreement of May 24, 2004, between Villebois LLC et al and the City of Wilsonville and The Urban Renewal Agency of the City of Wilsonville.

2. This resolution is effective upon adoption.

ADOPTED by the Wilsonville Urban Renewal Agency at a regular meeting thereof this 3rd day of October, 2005, and filed with the Wilsonville City Recorder this date.


CHARLOTTE LEHAN, CHAIR

ATTEST:


Sandra C. King, MMC, City Recorder

SUMMARY OF VOTES:

Chair Charlotte Lehan	<u>Yes</u>
Member Alan Kirk	<u>Yes</u>
Member Benny Holt	<u>Yes</u>
Member Sandra Scott-Tabb	<u>Yes</u>
Member Tim Knapp	<u>Yes</u>

EXHIBIT A

CONSENT TO ASSIGNMENT

This Consent (the "Consent") is made and executed by each of the City of Wilsonville, the Urban Renewal Agency for Wilsonville, and the State of Oregon (collectively "Parties") to and for the benefit of Zions First National Bank, a national banking association ("Lender").

Villebois, LLC, an Oregon limited liability company ("Borrower") and Parties entered into a Development Agreement dated May 24, 2004, in connection with the development of certain improvements on real property located in Clackamas County, State of Oregon (the "Collateral Agreement"). The Collateral Agreement is being assigned by Borrower to Lender pursuant to an Assignment of Development Agreement dated the Closing Date and entered into between Lender and Borrower (the "Assignment of Collateral Agreement") in connection with a revolving line of credit loan made by Lender to Borrower pursuant to a Land Development Loan Agreement dated the Closing Date and entered into between Lender and Borrower (the "Loan Agreement"). Capitalized terms not defined in this Consent shall have the meanings given them in the Loan Agreement.

Notwithstanding anything to the contrary in the Collateral Agreement, including, without limitation, any express prohibition to or limitation on any assignment of the Collateral Agreement by any party to the Collateral Agreement. Parties consent to the assignment by Borrower to Lender of the Collateral Agreement. Parties agree to recognize Lender and its assignees as assignee of the Collateral Agreement for the unexpired term of the Collateral Agreement upon the same terms and conditions as would apply to Borrower as set forth in the Collateral Agreement.

DATED: October ____, 2005.

**THE URBAN RENEWAL AGENCY FOR
THE CITY OF WILSONVILLE**

By: _____

Its: _____

WHEN RECORDED, RETURN TO:

Zions First National Bank
Real Estate Department
One South Main Street, Suite 470
Salt Lake City, Utah 84111
Attention: Real Estate Department Manager

ASSIGNMENT OF DEVELOPMENT AGREEMENT

The Assignment of Development Agreement (this "Agreement") is made and entered into this ____ day of October, 2005, by and between Villebois, LLC, an Oregon limited liability company ("Borrower"), and Zions First National Bank, a national banking association ("Lender").

RECITALS

A. Pursuant to a Promissory Note dated the Closing Date (the "Loan") in which Borrower appears as "Borrower", and Lender appears as "Lender", and which is in the original principal amount of Eighteen Million Four Hundred Thousand Dollars (\$18,400,000.00) (the "Note"), and pursuant to a Land Development Loan Agreement dated the Closing Date, wherein Borrower appears as "Borrower" and Lender appears as "Lender" (the "Loan Agreement"), Lender is loaning the proceeds of the Note to Borrower.

B. Pursuant to the Loan Agreement, the Loan is secured by a Land Development Loan Trust Deed, Assignment of Rents, Security Agreement and Fixture Filing dated the Closing Date, which encumbers the real property, together with the improvements thereon, located in Clackamas County, State of Oregon, and more particularly described in Exhibit A attached hereto and incorporated herein by this reference (the "Property").

C. Borrower and the City of Wilsonville, the Urban Renewal Agency for Wilsonville, and the State of Oregon (collectively "Parties") entered into a Development Agreement dated May 24, 2004 (the "Collateral Agreement"), wherein Borrower agrees to develop the Property.

D. As a condition to making the Loan, Lender requires an assignment of the Collateral Agreement.

AGREEMENT

In exchange for good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, Borrower and Lender agree as follows:

1. Assignment and Grant of Security Interest. Borrower hereby assigns, sells, and transfers to Lender and grants to Lender a security interest in all of Borrower's right, title and interest in and to the Collateral Agreement and all rents and proceeds thereof, if any, to secure all of Borrower's obligations to Lender under the Note and all other Loan Documents.

2. No Further Assignment. Borrower covenants not to further encumber the Collateral Agreement, or effect or attempt to effect any other assignment, pledge, mortgage, disposition or other transfer of the Collateral Agreement, and Borrower hereby undertakes to take all action necessary to keep the Collateral Agreement in full force and effect.

3. Representations and Warranties. Borrower represents and warrants to Lender the following: (a) there have been no assignments of the Collateral Agreement, except to Lender as set forth in this Agreement, (b) the Collateral Agreement is a valid and binding agreement, enforceable in accordance with its terms, (c) none of the parties to the Collateral Agreement are, or with the giving of notice of passage of time, or both, would be, in default under the Collateral Agreement, and (d) all covenants, conditions and agreements have been performed as required in the Collateral Agreement, except those not due to be performed until after the date of this Agreement.

4. Amendments. Borrower agrees that no change in the terms or modification of the Collateral Agreement shall be valid unless it is in writing and has been approved in advance in writing by Lender.

5. Attorney-in-Fact. Borrower hereby irrevocably constitutes and appoints Lender as its attorney-in-fact coupled with an interest to demand, receive, and enforce Borrower's rights with respect to the Collateral Agreement, to perform under the Collateral Agreement and give and receive appropriate payments, releases, satisfactions, notices for and on behalf of and in the name of Borrower or, at the option of Lender, in the name of Lender, with the same force and effect as Borrower could do if the assignment under this Agreement had not been made. However, Borrower agrees that Lender does not assume any of the obligations or duties of Borrower under or with respect to the Collateral Agreement. Lender shall not be authorized to act hereunder unless and until Lender shall have given to Borrower written notice that Lender is exercising its rights hereunder upon or after the occurrence of an Event of Default. The failure of Lender to so exercise its rights, however, shall not be deemed a waiver of its right to exercise same at any future time.

6. Indemnification. Borrower hereby agrees to indemnify and hold Lender harmless from and against any and all claims, demands, liabilities, losses, lawsuits, and judgments and expenses (including without limitation attorneys' fees and costs) to which Lender may become exposed, or which Lender may incur, in exercising any of its rights under this Agreement.

7. No Partnership. Borrower and Lender agree that this Agreement is not intended to create any partnership or joint venture between Borrower and Lender, and Borrower shall indemnify and hold Lender harmless, as set forth in this Agreement, if any such claim is made.

8. No Third Party Beneficiaries. Borrower and Lender further agree this Agreement is not intended to and does not create any derivative rights or claims in any third parties, including without limitation, Assignee.

9. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the heirs, legal representatives, assigns and successors in the respective interests of Borrower and Lender, subject to the limitation on assignment set forth in this Agreement.

10. Consent and Additional Documents. Borrower agrees to give notice of this Agreement to Assignee under the Collateral Agreement, and obtain the consent of Assignee in form and substance acceptable to Lender and substantively in the form set forth in the attached Exhibit B which is incorporated into this Agreement by this reference.

11. Further Assurances. Borrower agrees to execute a Financing Statement, which may be filed in order to provide other creditors with notice of this Agreement and to sign such further and additional documents and instruments as Lender may require to give further effect to this Agreement and the granting to Lender of a security interest in the Collateral Agreement and any modifications, extensions, revisions or replacements thereof.

***[SIGNATURE PAGE(S) AND EXHIBIT(S),
IF ANY, FOLLOW THIS PAGE]***

12. Defined Terms. Unless otherwise defined in this Agreement, capitalized terms hereinafter used have the meanings given them in the Loan Agreement.

DATED: September ____, 2005.

BORROWER

VILLEBOIS, LLC,
an Oregon limited liability company

By: _____
Wayne C. Rembold, Manager

LENDER

ZIONS FIRST NATIONAL BANK,
a national banking association

By: _____
Alan Black, Vice President

STATE OF OREGON)
 : ss.
COUNTY OF MULTNOMAH)

This instrument was acknowledged before me on September _____, 2005, by Wayne C. Rembold, as Manager of Villebois, LLC, an Oregon limited liability company.

(Signature of notarial officer)

(Seal, if any)

Title (and Rank)
My Commission Expires: _____

STATE OF OREGON)
 : ss.
COUNTY OF MULTNOMAH)

This instrument was acknowledged before me on September _____, 2005, by Alan Black, Vice President of Zions First National Bank, a national banking association.

(Signature of notarial officer)

(Seal, if any)

Title (and Rank)
My Commission Expires: _____

EXHIBIT A

REAL PROPERTY DESCRIPTION

The real property located in Clackamas County, State of Oregon, and more particularly described as follows:

Parcel 5, PARTITION PLAT NO. 2005-063, in the City of Wilsonville, County of Clackamas and State of Oregon.

EXHIBIT B

CONSENT TO ASSIGNMENT

This Consent (the "Consent") is made and executed by each of the City of Wilsonville, the Urban Renewal Agency for Wilsonville, and the State of Oregon (collectively "Parties") to and for the benefit of Zions First National Bank, a national banking association ("Lender").

Villebois, LLC, an Oregon limited liability company ("Borrower") and Parties entered into a Development Agreement dated May 24, 2004, in connection with the development of certain improvements on real property located in Clackamas County, State of Oregon (the "Collateral Agreement"). The Collateral Agreement is being assigned by Borrower to Lender pursuant to an Assignment of Development Agreement dated the Closing Date and entered into between Lender and Borrower (the "Assignment of Collateral Agreement") in connection with a revolving line of credit loan made by Lender to Borrower pursuant to a Land Development Loan Agreement dated the Closing Date and entered into between Lender and Borrower (the "Loan Agreement"). Capitalized terms not defined in this Consent shall have the meanings given them in the Loan Agreement.

Notwithstanding anything to the contrary in the Collateral Agreement, including, without limitation, any express prohibition to or limitation on any assignment of the Collateral Agreement by any party to the Collateral Agreement. Parties consent to the assignment by Borrower to Lender of the Collateral Agreement. Parties agree to recognize Lender and its assignees as assignee of the Collateral Agreement for the unexpired term of the Collateral Agreement upon the same terms and conditions as would apply to Borrower as set forth in the Collateral Agreement.

DATED: October ____, 2005.

CITY OF WILSONVILLE

By: _____

Its: _____

WILSONVILLE URBAN RENEWAL

By: _____

Its: _____

APPROVED AS TO FORM

_____, City Attorney
City of Wilsonville, Oregon

STATE OF OREGON
Dept of Administrative Services

By: _____

Its: _____

STATE OF OREGON)
 : ss.
COUNTY OF _____)

This instrument was acknowledged before me on September _____, 2005, by
_____, _____ of the State of Oregon,
Dept of Administrative Services.

(Signature of notarial officer)

(Seal, if any)

Title (and Rank)
My Commission Expires: _____