

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AGREEMENT (“**Agreement**”) is made effective the last date written on the signature page (Effective Date) by and between **DESCHUTES COUNTY, a political subdivision of the State of Oregon**, (“**Seller**”) and [**Buyers info here**] (“**Buyer**”), collectively referred to as party or parties (“**Party or Parties**”) hereinafter.

RECITALS

A. Seller is the owner of certain property located in the City of La Pine, Oregon, more particularly described and defined in this Agreement.

B. Seller desires to sell the property described and defined in this Agreement to Buyer, and Buyer desires to purchase such property from Seller, upon the terms set forth in this Agreement and summarized for ease of reference by the following (the “**Basic Provisions**”):

- I. Buyer: [Buyer’s info here]
- II. Seller: Deschutes County
c/o Deschutes County Property Management
PO Box 6005
Bend, Oregon 97708-6005
- III. Buyer’s Tax ID No.:
- IV. Title Company: TBD
- V. Purchase Price: TBD
- VI. Earnest Money Deposit: TBD
- VII. Contingency Period: TBD
- VIII. Scheduled Closing Date: TBD

NOW, THEREFORE, incorporating the foregoing recitals and the defined terms in the Basic Provisions, and in consideration of the mutual covenants and agreements contained herein and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged, Seller and Buyer agree that the terms and conditions of this Agreement and the instructions to the Title Company with regard to the escrow created pursuant hereto are as follows:

1. Sale and Purchase. Seller agrees to sell to Buyer, and Buyer agrees to buy from Seller, the following (collectively, the “**Property**”), subject to and on the terms of this Agreement:

1.1. Land. The land located at _____, in the City of La Pine, Oregon and legally described on attached **Exhibit A** (the “**Land**”), and any hereditaments, tenements, easements, leases and other rights and interests benefiting or appurtenant to the Land.

1.2. Improvements. The buildings and other improvements and fixtures located on the Land, if any (collectively, the “**Improvements**”). “**Real Property**” means, collectively, the Land and the Improvements.

1.3. All equipment, machinery, furnishings and other tangible personal property other than inventory, owned and transferrable by Seller and located on, or used in connection with the operation of the Real Property, if any, to the extent owned and transferable by Seller (the “**Personal Property**”).

The Property specifically excludes any award, tax rebate, refund, judgment, recovery or the like to the extent related to periods prior to the Closing as described in Sections 6 and 7.

2. Purchase Price. The “**Purchase Price**” for the Property, as defined in the Basic Provisions is payable as follows:

2.1. Earnest Money. Within _____ Business Days from the Effective Date, Buyer will deposit the Earnest Money into escrow with the Title Company of immediately available funds. The Earnest Money is non-refundable, except as expressly provided in this Agreement, and will be credited against the Purchase Price at Closing.

2.2. Balance of Purchase Price. On or before _____ Business Days before the Scheduled Closing Date, Buyer will deliver the balance of the Purchase Price, subject to adjustments and prorations provided in this Agreement to the Title Company.

3. Due Diligence.

3.1. Records. Within _____ days of the Effective Date, Seller shall deliver to Buyer if available, any documents the Seller has on record that may include reports, surveys, maps, studies, or assessments regarding the Property (“**Records**”).

Seller specifically disclaims and makes no warranties or representations regarding any Records provided or not provided to Buyer or its agents by or on behalf of Seller, and has no liability or responsibility regarding any matters disclosed or not disclosed in the Records, including, without limitation, any statement, warranty or representation made in or in connection with the Records. Buyer acknowledges that Seller has made no representations or warranties of any kind whatsoever to Buyer as to the accuracy or completeness of the content of any Records or any other information delivered to or made available to Buyer pursuant to this Agreement and its reliance on any Records is at its own risk. By executing this Agreement, Buyer acknowledges that it has no right to review any of the Excluded Records.

3.2. Entry; Inspections/Environmental Health Conditions. Seller grants to Buyer and its officers, directors, employees, shareholders, members, partners, consultants, contractors and agents (the “**Buyer Parties**”) a license to enter the Real Property, from the Effective Date until the expiration of the Contingency Period, for the purpose of completing its inspections and/or environmental assessment as Buyer deems necessary at its sole cost and expense. Any entry, inspection and related activities by Buyer and Buyer parties are at their own respective risk. Prior to any such entry, Buyer and its invitees will have on file commercial general liability insurance with at least a \$1 million single combined limit with \$2 million aggregate covering such entry and naming Seller as an additional insured. Buyer will restore any damage to the Property caused by entry, activities and inspections by Buyer or the Buyer parties. Further, Buyer will indemnify, defend (using counsel selected by Seller and reasonably acceptable to Buyer) and hold Seller and its successors and assigns harmless against and from all liabilities, demands, claims, actions or causes of action, assessments, losses, fines, penalties, costs, damages and expenses, including reasonable attorneys’ and expert witness fees, sustained or incurred by Seller or its successors or assigns as a result of or arising out of or by virtue of: any entry, investigations, examinations, inspections and tests on or to the Real Property, and any mechanics’ liens arising out of those entries, investigations, examinations, inspections and tests. Buyer’s obligations under this section survive Closing, termination of this Agreement, and the recordation on the conveyance deed.

3.3. Land Use Approvals. Buyer shall at its own cost and expense, seek approval for such permits, licenses, zoning, variances, entitlements and development rights desired by Buyer for Buyer’s intended use of the Property (collectively, the “**Land Use Approvals**”). Seller will reasonably cooperate with Buyer in connection with the Land Use Approvals, including executing such documents as are reasonably necessary to permit Buyer to submit application materials in its name in connection with the Land Use Approvals. Notwithstanding the foregoing:

- a) Land Use Approvals will not result in a change of zoning, or cause or create any liens or encumbrances against any portion of the Property, unless and until the Closing occurs;
- b) Land Use Approvals will not result in any liability whatsoever to Seller; and
- c) Seller will not be obligated to incur any out-of-pocket expenses in connection with any of the Land Use Approvals.

4. Conditions Precedent. Buyer’s obligations under this Agreement are contingent upon the satisfaction (or waiver by Buyer) of the conditions precedent listed below by the Contingency Date, or such later date if applicable as provided in the section captioned “Title Matters”. Buyer may unilaterally waive any or all of the conditions. Prior to the Contingency Date, Buyer’s waiver of any condition shall not be effective unless placed in writing and signed by Buyer’s authorized representative. If any of the conditions described in this section (other than title matters if there

are any Title Objections (defined below) as set forth in the section captioned “Title Matters”) are not satisfied by the Contingency Date, *unless* the conditions have not been satisfied by reason of willful default, neglect or bad faith on the part of Buyer, Buyer has the option to terminate this Agreement and receive a refund of its Earnest Money pursuant to the section captioned “Termination by Buyer” as its sole remedy, which option automatically expires on the General Contingency Date. If Buyer fails to timely deliver the Termination Documents (defined below) to Seller in accordance with the section captioned “Termination by Buyer” below, then the conditions set forth in this section will be deemed to be satisfied or waived.

- a) **Inspections and General Satisfaction.** Buyer will have in good faith determined that it is satisfied (in its sole discretion) with the results and matters disclosed by Buyer’s inspection of the Property, the Reports, and all other aspects of the Property.
- b) **Title.** Buyer has accepted the condition of title pursuant to the terms of the section captioned “Title Matters”, on or before the dates specified in such section.
- c) **Land Use Approvals.** Buyer will have in good faith sought and obtained the Land Use Approvals.

5. Title Matters.

5.1. Examination of Title. Upon the Effective Date of this Agreement, Seller will order a preliminary title report from the Title Company, which will be delivered to Buyer along with copies of all instruments shown as exceptions or referred to in the commitment (collectively, the “**Title Documents**”). Buyer has the right to perform a current land survey (“**Current Survey**”) and obtain an ALTA extended coverage policy of title insurance, along with any endorsements or additional coverage that Buyer may desire, provided that neither such Current Survey, extended coverage nor endorsements will be a condition precedent to, or otherwise excuse or delay any of Buyer’s obligations under this Agreement. Buyer may make any objections to the title to the Property as reflected by the Title Documents, any other matters of record, or such Current Survey in writing to Seller on or before the Contingency Date. If such objections are not made by the Contingency Date, then Buyer will be deemed to have waived any objections to title. “**Title Objection**” means any timely and properly made objection to title under this Section.

5.2. Correction of Title and Title Condition. Seller will have the right, but not the obligation, to cure any Title Objection by delivering written notice of its intent whether or not to cure within Ten (10) Business Days after receipt of a Title Objection. Notwithstanding the General Contingency Date, if Seller elects not to cure the Title Objection, Buyer shall have the option to terminate this Agreement and receive a refund of its Earnest Money pursuant to the section captioned “Termination by Buyer” as its sole remedy, which option may be exercised only by Buyer giving written notice to Seller within five (5) Business Days after receipt of Seller’s notice. If Seller elects to cure, Seller will be allowed thirty (30) days to cure any Title Objections. The Closing will be postponed as necessary under this section.

Seller may revoke its intent to cure by giving Buyer notice during that thirty (30) business day period that it is not curing any Title Objection. If Seller gives notice that it elects not to cure, or if any Title Objection is not corrected by Seller within thirty (30) days after the date on which Buyer gives written objections to title as provided in the section captioned "Examination of Title", then notwithstanding the Contingency Date, Buyer has the option to terminate this Agreement and receive a refund of its Earnest Money pursuant to the section captioned "Termination by Buyer" as its sole remedy, which option may be exercised only by Buyer giving written notice to Seller within five (5) business days after the end of the 30 day period. Buyer is automatically deemed to have waived all uncured Title Objections if Buyer does not give Seller notice of its Title Objection. Upon curing or waiver of all Title Objections, the Closing will occur on the later of the Scheduled Closing Date or five (5) business days after all Title Objections are cured, waived or deemed waived.

6. Closing. The consummation of the purchase and sale of the Property and other transactions contemplated by this Agreement (the "**Closing**") will occur on the Closing Date, or such earlier date as Seller and Buyer may agree in writing, as the same may be extended for curing Title Objections or for any reason mutually agreed upon by the Parties as expressly provided in this Agreement. The Closing will occur through the deposit of documents, deliveries and funds into an escrow established with the Title Company pursuant to Seller's and Buyer's respective closing instructions to the Title Company, which must be consistent with the terms of this Agreement.

7. Closing Deliveries.

7.1. By the Closing Date, Seller and Buyer (or by the Title Company) shall provide the following documents and deposit funds with Title Company, and the Title Company shall close escrow in accordance with the instructions of Seller and Buyer.

- a) The conveyance documents to convey property by Bargain and Sale Deed, duly executed and acknowledged;
- b) A duly executed affidavit certifying that Seller is not a foreign person, trust, partnership, or corporation in compliance with the requirements of IRC § 1445;
- c) Such documents as Buyer or the Title Company may require to evidence the authority of Seller to consummate this transaction; and
- d) Such other documents and funds, including, without limitation, escrow instructions, as are required of Seller to close the sale in accordance with this Agreement.
- e) Purchase shall deposit cash payment for the Purchase Price less the Earnest Money payment;
- f) Such documents as Seller or the Title Company may require to evidence the

authority of Buyer to consummate the transaction contemplated;

- g) Such other documents and funds, including, without limitation, escrow instructions as are required of Buyer to close the sale and purchase of the Property in accordance with this Agreement;

7.2 Closing Costs. Seller and Buyer will each pay fifty percent (50%) of any closing costs payable to the Title Company in connection with the transaction contemplated by this Agreement.

7.3 Transfer Taxes. If applicable, Seller will pay all state deed tax regarding the Deed. Buyer will pay any mortgage registry tax regarding any mortgage given by Buyer on the Real Property in connection with this transaction.

7.4 Proration. All real property taxes and assessments payable with respect to the tax year in which Closing occurs shall be prorated between Seller and Buyer as of the Closing Date.

7.4 Effect of Closing on Conditions. Closing and conveyance of Title to the Property to Buyer shall conclusively establish satisfaction or waiver of respective conditions precedent for Buyer and Seller to close unless expressly stated otherwise in writing at the time of conveyance.

exercises its option to restore, then Buyer's exercise of the termination option is reversed. If such damage has not been substantially restored prior the Scheduled Closing Date but Seller is diligently proceeding to restore, then Seller will diligently complete the repair ~~after the Closing, provided, however, that~~ and Buyer has the right to delay the Closing until restoration is substantially completed.

10. Takings. If prior to Closing, eminent domain proceedings are commenced against all or a material part of the Property, then Buyer has the option to terminate this Agreement and receive a refund of its Earnest Money pursuant to the section captioned "Termination by Buyer" as its sole remedy, which option automatically expires at the end of ten (10) business days after Buyer receives notice of the condemnation, or at Closing, whichever comes first. If Buyer does not timely and properly exercise the option, or less than a material part of the Property is subject to such proceeding, then this Agreement remains in effect, the remaining Property will be conveyed at Closing subject to the eminent domain proceeding, Seller has no obligation to restore the Real Property or reduce the Purchase Price, and Seller will give to Buyer at Closing either (a) a credit against the Purchase Price in the amount of the award received by Seller in the case of a completed condemnation, or (b) an assignment of all of Seller's rights in the eminent domain proceeding in the case of a pending proceeding. For purposes of this section "material" means a value equal to twenty percent (20%) of the Purchase Price.

11. Representations and Warranties

11.1. Representations and Warranties by Seller. Seller represents and warrants to Buyer that:

(a) **Authority.** Seller (i) is a political subdivision of the State of Oregon, acting by and through the Board of County Commissioners and is qualified to do business under the laws of the State of Oregon; (ii) has the requisite power and authority to enter into and perform this Agreement and the closing documents to be signed by Seller; (iii) this Agreement and the closing documents have been, or will be duly authorized by all necessary action on the part of Seller and have been, or will be duly executed and delivered; (iv) the execution, delivery and performance by Seller of this Agreement and the closing documents do not conflict with or result in a violation of Seller's operating or governing documents, or any judgment, order, or decree of any court or arbiter to which Seller is subject or a party; and (v) this Agreement and the closing documents are valid and binding obligations of Seller, and are enforceable in accordance with their terms.

(c) **Prior Relationships.** Neither Seller nor any of its affiliates, or any of the members of its Board of County Commissioners is affiliated with the Buyer, nor with any current or prior borrower or guarantor with respect to any loan made by Buyer or its affiliates and secured by all or any portion of the Property. For purposes of this provision, the term "affiliated with" means controlled by, controlling or in common control of the other entity, and the term "control" or similar means the ownership of any equity interest in the other entity, serving as an officer, director or in any similar capacity in connection with the other entity, or the ability to control or influence the decision-making process of the other entity.

(e) **Counsel, No Reliance.** The Buyer acknowledges and agrees that the Buyer has received, or has had the opportunity to receive, the advice of independent counsel, appraisers and accountants selected by the Buyer, or the opportunity to obtain such advice, before entering into this Agreement, and has not relied upon the Seller or any of its officers, directors, employees, agents or attorneys concerning any aspect of the transactions contemplated by this Agreement.

(f) **Representations as of the date of Closing.** By delivering the items specified in the section captioned Closing Deliveries By Buyer, Buyer will be deemed to have reaffirmed the representations and warranties made in this section captioned "Representations and Warranties by Buyer" as of the date of Closing

11.2. Representations and Warranties by Seller. Buyer represents and warrants to Seller that:

(a) **Authority.** Buyer (i) is a _____ corporation and is qualified to do business under the laws of the State of Oregon; (ii) has the requisite power and authority to enter into and perform this Agreement and the closing documents to be signed by Buyer; (iii) this Agreement and the closing documents have been, or will be duly authorized by all necessary action on the part of Buyer and have been, or will be duly executed and delivered; (iv) the execution, delivery and performance by

Buyer of this Agreement and the closing documents does not conflict with or result in a violation of Buyer's articles of incorporation or by-laws, or any judgment, order, or decree of any court or arbiter to which Buyer is a party; this Agreement and the closing documents are valid and binding obligations of Buyer, and are enforceable in accordance with their terms.

(b) **Representations as of the date of Closing:** By delivering the items specified in the section captioned Closing Deliveries By Buyer, Buyer will be deemed to have reaffirmed the representations and warranties made in this section captioned "Representations and Warranties by Seller" as of the date of Closing

12. Operations During Executory Period. From the Effective Date until the date of Closing or earlier termination of this Agreement, Seller will (a), reasonably maintain and manage the Property in a manner generally consistent with the manner in which Seller has operated and maintained the Property prior to the Effective Date (b) undertake no repairs or alterations of the Property of a capital nature without Buyer's written consent, (c) not enter into any lease or contract affecting the Property that is not cancellable on thirty (30) days notice or less, or any amendment, renewal or extension of a lease or contract for a period beyond the Closing Date, or consent to any sublease or assignment of a lease, or affirmatively waive by written consent (**not** inaction) any material rights of Seller under any lease or contract, without Buyer's written consent, which may not be unreasonably withheld, conditioned or delayed.

13. Assignment. Buyer may not fully or partially assign or transfer this Agreement in any manner whatsoever without Seller's prior written consent, which may be given or withheld in Seller's sole and absolute discretion, and any attempt to do so without that consent is automatically void. Buyer must request Seller's consent in writing at least five (5) business days prior to the Closing Date. Any change in the voting interest in or management control of Buyer is deemed a transfer under this section. Any assignment or transfer of Buyer's rights or obligations under this Agreement, even if Seller consents, will not operate to relieve Buyer of its obligations under this Agreement. Notwithstanding the foregoing, Buyer may assign its rights under this Agreement to a duly formed entity Affiliated with Buyer after giving notice to Seller; provided that the (a) originally-named Buyer will not be released from liability under this Agreement as a result of the assignment, and (b) to be effective, the notice must be in writing given at least five (5) Business Days prior to the Closing Date and accompanied by a copy of the assignment and all documents evidencing the formation, ownership, good standing and authority of the assignee to assume and perform the Buyer's obligations under this Agreement. "**Affiliated with Buyer**" means controlled by, controlling or in common control with Buyer.

14. Disclaimer and Waivers

14.1. Disclaimers. SELLER DOES NOT, BY THE EXECUTION AND DELIVERY OF THIS AGREEMENT, AND SELLER WILL NOT, BY THE EXECUTION AND DELIVERY OF ANY DOCUMENT OR INSTRUMENT EXECUTED AND DELIVERED IN CONNECTION WITH CLOSING, MAKE ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, OF ANY KIND OR NATURE WHATSOEVER, WITH RESPECT TO THE PROPERTY AND ALL SUCH WARRANTIES ARE HEREBY DISCLAIMED. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING PROVISIONS, SELLER MAKES, AND WILL

MAKE, NO EXPRESS OR IMPLIED WARRANTY AS TO:

EXAMPLE

- (a) MATTERS OF TITLE,
- (b) ZONING,
- (c) TAX CONSEQUENCES,

(d) PHYSICAL OR ENVIRONMENTAL CONDITION (INCLUDING, WITHOUT LIMITATION, LAWS, RULES, REGULATIONS, ORDERS AND REQUIREMENTS PERTAINING TO THE USE, HANDLING, GENERATION, TREATMENT, STORAGE OR DISPOSAL OF ANY TOXIC OR HAZARDOUS WASTE OR TOXIC, HAZARDOUS OR REGULATED SUBSTANCE, AND FURTHER INCLUDING, WITHOUT LIMITATION, THE COMPREHENSIVE ENVIRONMENTAL RESPONSE AND COMPENSATION AND LIABILITY ACT, THE RESOURCE CONSERVATION AND RECOVERY ACT, THE CLEAN WATER ACT, THE SOLID WASTE DISPOSAL ACT, THE FEDERAL WATER POLLUTION CONTROL ACT, THE OIL POLLUTION ACT, THE FEDERAL CLEAN AIR ACT, THE FEDERAL INSECTICIDE, FUNGICIDE AND RODENTICIDE ACT, EACH AS MAY BE AMENDED FROM TIME TO TIME, AND INCLUDING ANY AND ALL REGULATIONS, RULES OR POLICIES PROMULGATED THEREUNDER AND ALL APPLICABLE LOCAL LAWS, ORDINANCES, AND REGULATIONS (HEREIN COLLECTIVELY CALLED THE “ENVIRONMENTAL LAWS”),

(e) VALUATION,

(f) GOVERNMENTAL APPROVALS, GOVERNMENTAL REGULATIONS, ENTITLEMENT STATUS OR ANY OTHER MATTER OR THING RELATING TO OR AFFECTING THE PROPERTY,

(g) THE USE, INCOME POTENTIAL, EXPENSES, OCCUPANCY STATUS, OPERATION OR CHARACTERISTICS OF THE PROPERTY OR ANY PORTION THEREOF, INCLUDING, WITHOUT LIMITATION, WARRANTIES OF SUITABILITY, HABITABILITY, MERCHANTABILITY, DESIGN OR FITNESS FOR ANY SPECIFIC PURPOSE OR FOR A PARTICULAR PURPOSE, OR GOOD OR WORKMANLIKE CONSTRUCTION,

(h) THE NATURE, MANNER, CONSTRUCTION, CONDITION, STATE OF REPAIR OR LACK OF REPAIR OF ANY OF THE BUILDINGS, STRUCTURES OR IMPROVEMENTS, ON THE SURFACE OR SUBSURFACE THEREOF WHETHER OR NOT OBVIOUS, VISIBLE OR APPARENT,

(i) THE NATURE OR QUALITY OF CONSTRUCTION, STRUCTURAL DESIGN OR ENGINEERING OF THE PROPERTY,

(j) THE SOIL CONDITIONS, DRAINAGE, FLOODING CHARACTERISTICS, UTILITIES OR OTHER CONDITIONS EXISTING IN, ON OR UNDER THE PROPERTY AND

(k) THE PRESENCE OR EXISTENCE OF MOLD OR OTHER ORGANISMS, LEAD BASED PAINT OR WATER PENETRATION IN OR ABOUT THE BUILDINGS, STRUCTURES OR IMPROVEMENTS

(HEREIN COLLECTIVELY CALLED THE “**DISCLAIMED MATTERS**”).

14.2. Waivers. BUYER AGREES THAT, WITH RESPECT TO THE PROPERTY, BUYER HAS NOT RELIED UPON AND WILL NOT RELY UPON, EITHER DIRECTLY OR INDIRECTLY, ANY REPRESENTATION OR WARRANTY OF SELLER. BUYER WILL CONDUCT SUCH INSPECTIONS AND INVESTIGATIONS OF THE PROPERTY (INCLUDING, BUT NOT LIMITED TO, THE PHYSICAL AND ENVIRONMENTAL CONDITION THEREOF AND RELY UPON SAME AND, UPON CLOSING, WILL ASSUME THE RISK THAT ADVERSE MATTERS, INCLUDING, BUT NOT LIMITED TO, THE DISCLAIMED MATTERS, MAY NOT HAVE BEEN REVEALED BY BUYER’S INSPECTIONS AND INVESTIGATIONS. SUCH INSPECTIONS AND INVESTIGATIONS OF BUYER WILL BE DEEMED TO INCLUDE AN ENVIRONMENTAL AUDIT OF THE PROPERTY, AN INSPECTION OF THE PHYSICAL COMPONENTS AND GENERAL CONDITION OF ALL PORTIONS OF THE PROPERTY, SUCH STATE OF FACTS AS AN ACCURATE SURVEY AND INSPECTION OF THE PROPERTY WOULD SHOW, PRESENT AND FUTURE ZONING AND LAND USE ORDINANCES, RESOLUTIONS AND REGULATIONS OF THE CITY, COUNTY AND STATE WHERE THE PROPERTY IS LOCATED AND THE VALUE AND MARKETABILITY OF THE PROPERTY. SELLER WILL SELL AND CONVEY TO BUYER, AND BUYER WILL ACCEPT THE PROPERTY “AS IS”, “WHERE IS”, AND WITH ALL FAULTS, AND THERE ARE NO ORAL AGREEMENTS, WARRANTIES OR REPRESENTATIONS, COLLATERAL TO OR AFFECTING THE PROPERTY BY SELLER OR ANY THIRD PARTY.

WITHOUT IN ANY WAY LIMITING ANY PROVISION OF THIS SECTION, BUYER SPECIFICALLY ACKNOWLEDGES AND AGREES THAT IT HEREBY WAIVES, RELEASES AND DISCHARGES ANY CLAIM IT HAS, MIGHT HAVE HAD OR MAY HAVE AGAINST SELLER WITH RESPECT TO:

- (a) THE DISCLAIMED MATTERS;
- (b) THE CONDITION OF THE PROPERTY, EITHER PATENT OR LATENT;
- (c) THE PAST, PRESENT OR FUTURE CONDITION OR COMPLIANCE OF THE PROPERTY WITH REGARD TO ANY ENVIRONMENTAL LAWS; AND

(d) ANY OTHER STATE OF FACTS THAT EXISTS WITH RESPECT TO THE PROPERTY. WITH THE SOLE EXCEPTION OF BUYER'S CLAIMS UNDER THIS AGREEMENT, AND THE DEED OR OTHER DOCUMENTS OR INSTRUMENTS BEING DELIVERED BY SELLER.

BUYER AND ANYONE CLAIMING BY, THROUGH OR UNDER BUYER HEREBY FULLY AND IRREVOCABLY WAIVES AND RELEASES SELLER AND EACH OF ITS SHAREHOLDERS, EMPLOYEES, OFFICERS, MANAGERS, REPRESENTATIVES, AGENTS, SUCCESSORS AND ASSIGNS AND ANY CONTRACTORS OR SUBCONTRACTORS (INCLUDING WITHOUT LIMITATION ARCHITECTS AND ENGINEERS) WHO MAY HAVE PERFORMED WORK RELATED TO THE PROPERTY, REGARDLESS OF WHETHER THERE IS ANY DIRECT PRIVITY OF CONTRACT TO SELLER OR ANY PERSON PREVIOUSLY HAVING AN OWNERSHIP INTEREST IN THE PROPERTY (COLLECTIVELY "RELEASED PARTY") FROM ANY AND ALL CLAIMS THAT IT MAY NOW HAVE OR HEREAFTER ACQUIRE AGAINST ANY RELEASED PARTY FOR AND AGAINST ANY COSTS, LOSSES, DEMANDS, PENALTIES, FINES, LIENS, JUDGMENTS, INJURIES, LIABILITIES, DAMAGES, EXPENSES, DEMANDS, CLAIMS, ACTIONS OR CAUSES OF ACTION, WHETHER DIRECT OR INDIRECT, KNOWN OR UNKNOWN, FORESEEN OR UNFORESEEN, ARISING FROM OR RELATED TO THE PROPERTY, OR ANY PORTION THEREOF, AND/OR ANY CONSTRUCTION DEFECTS, ERRORS, OMISSIONS, OR OTHER CONDITIONS, LATENT OR OTHERWISE, GEOTECHNICAL AND SEISMIC, AFFECTING THE PROPERTY, OR ANY PORTION THEREOF, INCLUDING, WITHOUT LIMITATION THE ENVIRONMENTAL CONDITION OF THE PROPERTY OR ANY LAW APPLICABLE THERETO

15. Brokers. Seller and Buyer each represents and warrants to the other that it has not retained or dealt with any broker entitled to a commission or other fee in connection with the transaction contemplated by this Agreement

16. ADA Disclosure. Buyer acknowledges that the Property may be subject to the federal Americans With Disability Act, including amendments thereto (herein called the "ADA"). The ADA requires, among other matters, that tenants and/or owners of the "public accommodations" remove barriers in order to make the Property accessible to disabled persons and provide auxiliary aids and services for hearing, vision or speech impaired persons. Without limiting the generality of any provision of this Agreement, Seller makes no warranty, representation or guarantee of any type or kind with respect to the Property's compliance with the ADA (or any similar state or local law), and Seller expressly disclaims any such representation. Buyer agrees that, at all times from and after Closing, Buyer will and does hereby indemnify and hold Seller harmless from and against all liabilities, damages, losses, claims, causes of action, suits, demands, charges, complaints, costs and expenses (including attorney's fees and costs associated with defending any action in the manner of Seller's choosing), which Seller may suffer, incur or be obligated to perform as a result of any alleged or actual noncompliance of the Property with the ADA (or any similar state or local law).

17. LIMITATION OF SELLER'S LIABILITY. ANY PARTY SEEKING TO ENFORCE

ANY DUTY, OBLIGATION, LIABILITY OR RESPONSIBILITY OF SELLER ARISING UNDER THIS AGREEMENT WILL RELY ON AND LOOK SOLELY TO THE PROPERTY AND THE PROCEEDS THEREOF. SELLER WILL HAVE NO LIABILITY FOR THE PERFORMANCE OF ANY DUTIES OR OBLIGATIONS OF SELLER UNDER THIS AGREEMENT BEYOND ITS INTEREST IN THE PROPERTY AND THE PROCEEDS THEREOF. BUYER WILL NOT SEEK TO ENFORCE ANY JUDGMENT OBTAINED BY BUYER AGAINST SELLER AGAINST ANY PROPERTY OF SELLER OTHER THAN ITS INTEREST IN THE PROPERTY AND THE PROCEEDS THEREOF, AND BUYER WILL LOOK SOLELY TO, AND RELY SOLELY ON, SELLER'S INTEREST IN THE PROPERTY AND THE PROCEEDS THEREOF FOR ENFORCEMENT AND SATISFACTION THEREOF. BUYER AGREES THAT THE DIRECTORS, OFFICERS, PARTNERS, MEMBERS, OWNERS AND EMPLOYEES OF SELLER HAVE NO PERSONAL LIABILITY UNDER THIS AGREEMENT, AND BUYER WAIVES ITS RIGHT TO SUE ANY OF THEM PERSONALLY OR INDIVIDUALLY.

18. Default and Remedies.

18.1. Default By Seller. If Seller defaults under this Agreement, Buyer has no right to seek damages from Seller for Buyer's loss of its bargain in failing to acquire the Property, but Buyer may either

(a) terminate this Agreement and recover the Earnest Money under the section captioned "Termination by Buyer", and recover as damages from Seller all of Buyer's reasonable out of pocket costs and fees incurred by Buyer, in an amount not exceeding US five thousand dollars (\$5,000), in preparing and negotiating this Agreement, preparing for the closing, obtaining financing commitments, investigating the status, title and condition of the Property, and other similar and reasonable costs and expenses, or

(b) if Buyer has deposited with the Title Company all funds required by this Agreement in order for the Closing to occur, and Buyer is ready, able and willing to close escrow in accordance with the terms and conditions of this Agreement in all other respects, seek specific performance of this Agreement by Seller.

The above alternative remedies are Buyer's sole and exclusive remedies, except that Seller will remain liable for its obligations that expressly survive termination under this Agreement. Any action for specific performance must be commenced within 30 days after the date that Buyer obtains actual knowledge of Seller's default. If Buyer terminates this Agreement pursuant to clause (a) of this section, Buyer's right to seek Buyer's reasonable out of pocket costs and fees from Seller survives the termination. If Buyer proceeds to Closing notwithstanding any default by Seller, Buyer is deemed to have waived any outstanding Seller defaults at Closing, except for any matters that expressly survive Closing under this Agreement.

18.2. Default By Buyer. If Buyer defaults under this Agreement, Seller may

- (a) terminate this Agreement by giving written notice to Buyer, and retain the Earnest Money as liquidated damages, or
- (b) seek specific performance of this Agreement by Buyer.

The above alternative remedies are Seller's sole and exclusive remedies, except that Buyer will remain liable for its obligations that expressly survive termination under this Agreement. Any action for specific performance must be commenced within 30 days after the date that Seller obtains actual knowledge of Buyer's default.

18.3. No Lis Pendens. Except in connection with a properly filed specific performance action as set forth above, in no event will Buyer be entitled to record a lien or lis pendens against any portion of the Property under any circumstances, and hereby waives any such right as may be permitted at law or in equity. This Agreement is not and will not be deemed or considered to convey or be an interest in or lien against the Property.

18.4. No Recording. In no event will this Agreement or any memorandum of this Agreement be recorded by Buyer in any public records, and any such recordation or attempted recordation will constitute a breach of this Agreement by Buyer

19. Notices. Except as otherwise provided in this Agreement, any notice required or permitted to be given by this Agreement will be in writing and will be given by facsimile, nationally recognized overnight courier, or by certified or registered mail, return receipt requested, postage prepaid. Notices will be deemed received when actually received or when delivery thereof is confirmed or refused. Any notice required to be given under this Agreement will be sent to the addresses listed for such Party in the Basic Provisions. Any Party may, by notice to the others, specify a different address for notice purposes.

20. Termination by Buyer. Whenever Buyer has the option or right to terminate this Agreement, Buyer may exercise that option or right only by providing all of the following (the "**Termination Documents**") to Seller within the period stated for the right or option, time being of the essence:

- (a) notice of termination;

If Buyer has timely and properly delivered the Termination Documents to Seller, unless Seller has timely and properly reversed Buyer's exercise of that option or right under the section captioned "Seller's Right to Restore", Seller must promptly authorize the Title Company to return the Earnest Money to Buyer, and neither Seller nor Buyer will have any further obligation under this Agreement except for Buyer's obligations that expressly survive termination under this Agreement. If Buyer has properly delivered the Termination Documents to Seller, but not within the period stated for the right or option, unless Seller has timely and properly reversed Buyer's exercise of that option or right under the section captioned "Seller's Right to Restore", neither Seller nor Buyer will have any further obligation under this Agreement except for Buyer's obligations that expressly survive termination under this Agreement and Seller will retain the Earnest Money. If Buyer fails to timely and properly deliver the Termination Documents to Seller,

then Buyer's option or right to terminate automatically expires and Buyer is deemed to have waived any applicable objections to title, conditions precedent or other matters which gave rise to the option or right.

21. Attorney's Fees. Each of the Parties will pay its own attorneys fees.

22. OREGON DISCLOSURES. THE PROPERTY DESCRIBED IN THIS INSTRUMENT MAY NOT BE WITHIN A FIRE PROTECTION DISTRICT PROTECTING STRUCTURES. THE PROPERTY IS SUBJECT TO LAND USE LAWS AND REGULATIONS THAT, IN FARM OR FOREST ZONES, MAY NOT AUTHORIZE CONSTRUCTION OR SITING OF A RESIDENCE AND THAT LIMIT LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, IN ALL ZONES. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, AND SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009. 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 THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO VERIFY THE EXISTENCE OF FIRE PROTECTION FOR STRUCTURES AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, AND SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009. ORS 93.040(2).

23. Additional Provisions. Time is of the essence of this Agreement. This Agreement will be governed by and construed under and in accordance with the laws of the state in which the Property is located. This Agreement contains the entire agreement between the Parties hereto with respect to the sale of the Property, supersedes any prior oral negotiations or agreements and, subject to the section captioned "Assignment", will be binding upon the Parties hereto and their respective legal representatives, successors and permitted assigns. No amendment, modification or waiver of the provisions of this Agreement will be effective unless

the same will be in writing and signed by the Party against whom it is to be enforced, and then such amendment, modification or waiver will be effective only in the specific instance and for the specific purpose for which given. If any part of this Agreement is held to be illegal, invalid or unenforceable, the remainder of this Agreement will continue in full force and effect, notwithstanding such illegality, invalidity or unenforceability, and the judge or arbiter will attempt to reform the illegal, invalid or unenforceable provision to carry out the original intent of this Agreement. The preparation of this Agreement by Seller and the submission of this Agreement for the review or execution by any Party is not an offer by Seller to sell the Property, and this Agreement is not binding upon Seller until it has been signed by Seller and Buyer. The section headings and other captions are for ease of reference only, and are not otherwise part of this Agreement. Any reference to a section or article includes its subparts.

24. Back-Up Offers. Notwithstanding the mutual execution and delivery of this Agreement by Seller and Buyer and Buyer's deposit of the Earnest Money as required under this Agreement, until such time as the Property is conveyed to Buyer, Seller will retain the right, in its sole and subjective discretion, to seek and obtain back-up offers and agreements for the purchase of the Property by parties other than Buyer.

26. Weekends and Holidays. For the purposes of this Agreement, the term "Business Day" refers to any day that is not a Saturday, Sunday or federal, state or legal holiday. If any deadline or date for performance under this Agreement falls on a Saturday, Sunday or any federal holiday, then that deadline or date for performance will be extended to the next succeeding Business Day.

27. Counterparts; Facsimiles. This Agreement may be signed in counterparts and evidenced by copies, fax portable document format (PDF) file or similarly-imaged pages.

28. Exhibits and Schedules. All Exhibits and Schedules referenced in this Agreement are incorporated.

29. Escrow Provisions.

29.1. Return of Earnest Money. The Title Company will hold the Earnest Money until the earlier of,

(a) the date of Closing;

(b) the termination of this Agreement as evidenced by notice to the Title Company signed by both Parties or their attorneys (the "Termination Agreement"); provided, however, if

(i) for any reason the closing does not occur,

(ii) no Termination Agreement is received by the Title Company and

(iii) either Party makes a written demand upon the Title Company for payment of all or any portion of the Earnest

Money, the Title Company will give written notice to the other Party of such demand. If the Title Company does not receive a written objection from the other Party to the proposed payment within ten (10) business days after the giving of such notice, the Title Company is hereby authorized to make such payment. If the Title Company does receive such written objection within such ten (10) business day period or if for any other reason the Title Company in good faith will elect not to make such payment, the Title Company will continue to hold such amount until otherwise directed by written instructions from the Parties hereto or a final judgment of a court or the Title Company can remit the Earnest Money as otherwise provided in this Agreement;

(c) the termination of the Purchase Agreement following a default by Buyer, carried out in accordance with the requirements of applicable law; or

(d) the receipt from Buyer of Termination Documents in accordance with the section of this Agreement, entitled Termination by Buyer..

29.2. Duties of the Title Company. The sole duties of the Title Company will be those described herein, and the Title Company will be under no obligation to determine whether the other Parties hereto are complying with any requirements of law or the terms and conditions of any other agreements among said Parties. The Title Company may conclusively rely upon and will be protected in acting upon any notice, consent, order or other document believed by it to be genuine and to have been signed or presented by the proper Party or Parties, consistent with reasonable due diligence on the Title Company's part. The Title Company may consult the advice of counsel with respect to any issue concerning the interpretation of its duties hereunder. Buyer and Seller hereby acknowledge such fact and indemnify and hold harmless the Title Company from any action taken by it in good faith in reliance thereon. The Title Company will have no duty or liability to verify any such notice, consent, order or other document, and its sole responsibility will be to act as expressly set forth in this Agreement. The Title Company will be under no obligation to institute or defend any action, suit or proceeding in connection with this Agreement. If any dispute arises with respect to the disbursement of any monies, the Title Company may continue to hold the same or commence any action in interpleader and in connection therewith remit the same to a court of competent jurisdiction pending resolution of such dispute, and the Parties hereto hereby indemnify and hold harmless the Title Company for any action taken by it in good faith in the execution of its duties hereunder.

Signature pages follow

IN WITNESS WHEREOF, the Parties have caused this Agreement to be effective for all purposes as of the Execution Date.

SELLER:

DATED this _____ day of _____, 20____

DESCHUTES COUNTY, OREGON

KRISTIE BOLLINGER, Deschutes County Property
Manager Authorized signator pursuant to Deschutes
County Order XXX-XXX

STATE OF OREGON)

) ss.

County of Deschutes)

Before me, a Notary Public, personally appeared KRISTIE BOLLINGER, the above-named Property Manager for Deschutes County, Oregon and acknowledged the foregoing instrument on behalf of Deschutes County, Oregon.

DATED this _____ day of _____, 20____

My Commission Expires: _____

Notary Public for Oregon

Signature page follows

BUYER:

DATED this _____ day of _____, 20____

[Buyers info]

[Name and title of authorized rep for Buyer]

STATE OF OREGON)

) ss.

County of Deschutes)

Before me, a Notary Public, personally appeared [Buyer's authorized rep], the above-named [Title of Buyer] of [Name of Buyer], and acknowledged the foregoing instrument on behalf of [Name of Buyer].

DATED this _____ day of _____, 20____

My Commission Expires: _____

Notary Public for Oregon