

FINAL AGENCY ACKNOWLEDGMENT

1 Both Buyer and Seller acknowledge having received the Oregon Real Estate Agency Disclosure Pamphlet, and hereby acknowledge and consent
 2 to the following agency relationships in this transaction: The City of Salem, an Oregon Municipal corp.
 3 _____ (Name of Buyer's Agent(s)*), Oregon Lic. # _____
 4 of _____ (Name of Real Estate Firm(s)*)
 5 Buyer's Agent's Office Address _____, Company Lic. # _____
 6 Phone #1 _____ Phone #2 _____ E-mail _____
 7 is/are the agent of (check one): Buyer exclusively ("Buyer Agency"). Both Buyer and Seller ("Disclosed Limited Agency").
 8 **Michael Barnes** _____ (Name of Seller's Agent(s)*), Oregon Lic. # **200808078**
 9 of **Real Estate 55, Inc** _____ (Name of Real Estate Firm(s)*)
 10 Seller's Agent's Office Address **P O Box 4594, Salem, OR 97302**, Company Lic. # **201206763**
 11 Phone #1 **503-510-5046** Phone #2 **503-510-5046** E-mail **mikebarnes@re55.com**
 12 is/are the agent of (check one): Seller exclusively ("Seller Agency"). Both Buyer and Seller ("Disclosed Limited Agency").
 13 ***If Buyer's and/or Seller's Agents and/or Firms are co-selling or co-listing in this transaction, all Agents and Firm names should be**
 14 **disclosed above.**
 15 If both parties are each represented by one or more Agents in the same Real Estate Firm, and Agents are supervised by the same principal broker in
 16 that Real Estate Firm, Buyer and Seller acknowledge that said principal broker shall become the disclosed limited agent for both Buyer and Seller as
 17 more fully explained in the Disclosed Limited Agency Agreements that have been reviewed and signed by Buyer, Seller and Agent(s).
 18 Buyer shall sign this acknowledgment at the time of signing this Agreement before submission to Seller. Seller shall sign this acknowledgment at the
 19 time this Agreement is first submitted to Seller, even if this Agreement will be rejected or a counter offer will be made. Seller's signature to this Final
 20 Agency Acknowledgment shall not constitute acceptance of this Agreement or any terms therein.

21 Buyer _____ Print **The City of Salem, an Oregon municipal corp.** Date _____ ←
 22 Buyer _____ Print _____ Date _____ ←
 23 Seller _____ Print **JDV Investments LLC** Date _____ ←
 24 Seller _____ Print _____ Date _____ ←

RESIDENTIAL REAL ESTATE SALE AGREEMENT

25 **THIS AGREEMENT IS INTENDED TO BE A LEGAL AND BINDING CONTRACT. IF IT IS NOT UNDERSTOOD, SEEK COMPETENT LEGAL**
 26 **ADVICE BEFORE SIGNING. FOR AN EXPLANATION OF THE PRINTED TERMS AND PROVISIONS IN THIS FORM REGARDING TIMING,**
 27 **NOTICE, BINDING EFFECT, ETC., SELLER AND BUYER ARE ENCOURAGED TO CLOSELY REVIEW THE DEFINITIONS AND**
 28 **INSTRUCTIONS SECTION BELOW.**

29 **1. PRICE/PROPERTY DESCRIPTION:** Buyer The City of Salem, an Oregon municipal corp.
 30 _____
 31 offers to purchase from Seller JDV Investments LLC
 32 _____
 33 the following described real property (hereinafter "the Property") situated in the State of Oregon, County of Polk,
 34 and commonly known or identified as (*insert street address, city, zip code, tax identification number, lot/block description, etc.*)
 35 **298 Taybin Rd NW, Salem, OR 97304-3030**

36 **Tax Account 259989**
 37 (Buyer and Seller agree that if it is not provided herein, a complete legal description as provided by the title insurance company in accordance with
 38 Section 9 (Title Insurance) below shall, where necessary, be used for purposes of legal identification and conveyance of title.)
 39 for the Purchase Price (in U.S. currency) of A \$ **401,764.52**
 40 on the following terms: Earnest money herein received for B \$ **26,764.52**
 41 on _____, as additional earnest money, the sum of C \$ _____
 42 at or before Closing, the balance of down payment D \$ _____
 43 at Closing and upon delivery of **DEED** **CONTRACT** the balance of the Purchase Price..... E \$ **375,000.00**
 44 shall be paid as agreed in Financing Section of the Agreement. (Lines B, C, D and E should equal Line A)

Buyer Initials _____ / _____ Date _____

Seller Initials _____ / _____ Date _____

This form has been licensed for use solely by Michael Barnes pursuant to a Forms License Agreement with Oregon Real Estate Forms, LLC.
LINES WITH THIS SYMBOL ← REQUIRE A SIGNATURE OF BUYER AND/OR SELLER AND DATE
 Copyright Oregon Real Estate Forms, LLC 2019 www.orefonline.com
 No portion may be reproduced without express permission of Oregon Real Estate Forms, LLC OREF 001
 RESIDENTIAL REAL ESTATE SALE AGREEMENT – Page 1 of 11



45 2. **FIXTURES/CONTROLS/KEYS:** All fixtures and essential related equipment (e.g. remote controls , and all keys related to Property including
46 mailbox, outbuilding(s), etc.) are to be left upon the Property. Fixtures shall include but not be limited to: built-in appliances; attached floor coverings;
47 drapery rods and curtain rods; window and door screens; storm doors and windows; system fixtures (irrigation, plumbing, ventilating, cooling and
48 heating); water heaters; attached electric light and bathroom fixtures; light bulbs; fluorescent lamps; window blinds; awnings; fences; all planted
49 shrubs, plants and trees; EXCEPT: _____
50 _____

51 3. **PERSONAL PROPERTY:** Only the following personal property, in "AS-IS" condition and at no stated value is included:
52 _____
53 _____
54 _____

55 **FINANCING**

56 4. **BALANCE OF PURCHASE PRICE.** (Select A or B)
57 Buyer represents that Buyer has liquid and available funds for the earnest money deposit and down payment, and if an all cash transaction, the full purchase
58 price, sufficient to Close the transaction described herein and is not relying upon any contingent source of funds (e.g., from loans, gifts, sale or closing of other
59 property, 401K disbursements, etc.), except as follows (describe): _____
60 _____

61 A. **This is an all cash transaction.** Buyer to provide verification ("Verification") of readily available funds as follows (select only one):
62 Buyer has attached a copy of the Verification with the submission of this Agreement to Seller. Buyer will provide Seller with the Verification
63 within _____ business days (five [5] if not filled in) after this Agreement has been signed and accepted; or Other (Describe): **This transaction**
64 **is subject to the City of Salem Council review and approval.**
65 Seller may notify Buyer, in writing, of Seller's unconditional disapproval of the Verification within _____ business days (two [2] if not filled in)
66 ("Disapproval Period") following its receipt by Seller. Provided however, such disapproval must be objectively reasonable. Upon such disapproval, all
67 earnest money deposits shall be promptly refunded to Buyer and this transaction shall be terminated. **If Seller fails to provide Buyer with written**
68 **unconditional disapproval of the Verification by 5:00 p.m. of the last day of the Disapproval Period, Seller shall be deemed to have**
69 **approved the Verification. If Buyer fails to submit a Verification within a time frame selected above, unless the parties agree otherwise in**
70 **writing, all earnest money deposits shall be promptly refunded and this transaction shall be terminated.**

71 B. **Balance of Purchase Price to be financed through one of the following Loan Programs** (Select only one):
72 Conventional; FHA; Federal VA (Seller Shall Shall not agree to pay Buyer's non-allowable VA fees);
73 Other (Describe): _____ **Buyer agrees to**
74 **seek financing through a lending institution or mortgage broker (hereinafter collectively referred to as "Lender") participating in the Loan**
75 **Program selected above.**

76 C. **Pre-Approval Letter.** Buyer has attached a copy of a Pre-Approval Letter from Buyer's Lender; Buyer does not have a Pre-Approval Letter
77 at the time of making this offer; Buyer agrees to secure a Pre-Approval Letter and provide a copy to Seller as follows: _____
78 _____

79 5.1 **FINANCING CONTINGENCIES.** If Buyer is financing any portion of the Purchase Price, this transaction is subject to the following financing
80 contingencies: (1) Buyer and the Property to qualify for the loan from Lender; (2) Lender's appraisal shall not be less than the Purchase Price; and,
81 (3) Other (Describe): _____
82 _____

83 Except as otherwise provided herein, all Financing Contingencies are solely for Buyer's benefit and may be waived by Buyer in writing at any time.

84 5.2 **FAILURE OF FINANCING CONTINGENCIES.** If Buyer receives actual notification from Lender that any Financing Contingencies identified
85 above have failed or otherwise cannot occur, Buyer shall promptly notify Seller, and the parties shall have _____ business days (two [2] if not filled
86 in) following the date of Buyer's notification to Seller to either (a) Terminate this transaction by signing a **OREF 057 Termination Agreement**
87 and/or such other similar form as may be provided by Escrow; or (b) Reach a written mutual agreement upon such price and terms that will permit
88 this transaction to continue. Neither Seller nor Buyer are required under the preceding provision (b) to reach such agreement. If (a) or (b) fail to
89 occur within the time period identified in this Section 5.2, (Failure of Financing Contingencies) this transaction shall be automatically terminated and
90 all earnest money shall be promptly refunded to Buyer. Buyer understands that upon termination of this transaction, Seller shall have the right to
91 place the Property back on the market for sale upon any price and terms as Seller determines, in Seller's sole discretion.

Buyer Initials _____ / _____ Date _____

Seller Initials _____ / _____ Date _____



92 **5.3 BUYER REPRESENTATION REGARDING FINANCING.** Buyer makes the following representations to Seller: (1) Buyer's completed loan
93 application, as hereinafter defined, shall be submitted to the Lender that provided the Pre-Approval Letter, a copy of which has been delivered to
94 Seller, or will be, pursuant to Section 4C, (Pre-Approval Letter), above.

95 (2) Buyer shall submit to Buyer's Lender a completed loan application for purchase of the Property not later than ____ business days (three [3] if not
96 filled in) following the date Buyer and Seller have signed and accepted this Agreement. A "completed loan application" shall include the following
97 information: (i) Buyer's name(s); (ii) Buyer's income(s); (iii) Buyer's social security number(s); (iv) the Property address; (v) an estimate of the
98 value of the Property; and (vi) the loan amount sought.

99 (3) Buyer agrees that if Buyer intends to proceed with the loan transaction, Buyer will so notify Lender within ____ business days (three [3] if not filled in -
100 but not to exceed ten [10]) in such form as required by said Lender, following Buyer's receipt of Lender's Loan Estimate. Upon request, Buyer shall
101 promptly notify Seller of the date of Buyer's signed notice of intent to proceed with the loan.

102 (4) Buyer will thereafter complete all paperwork requested by the Lender in a timely manner, and exercise best efforts (including payment of all
103 application, appraisal and processing fees, where applicable) to obtain the loan.

104 (5) Buyer understands and agrees that Buyer may not replace the Lender or Loan Program already selected, without Seller's written consent, which
105 may be withheld in Seller's sole discretion.

106 (6) Following submission of the loan application, Buyer agrees to keep Seller promptly informed of all material non-confidential developments
107 regarding Buyer's financing and the time of Closing.

108 (7) Buyer shall make a good faith effort to secure the ordering of the Lender's appraisal no later than expiration of the Inspection Period at Section
109 10 (Inspection), below of this Agreement, (or Section 1 of the **OREF 058 Professional Inspection Addendum** if used).

110 (8) Buyer authorizes Buyer's Lender to provide non-confidential information to Buyer's and Seller's Agents regarding Buyer's loan application
111 status.

112 **6.1 INSURANCE:** Buyer is encouraged to promptly verify the availability and cost of property/casualty/fire insurance that will be secured for the
113 Property. Additionally, lenders may require proof of property/casualty/fire insurance as a condition of the loan.

114 **6.2 FLOOD INSURANCE; ELEVATION CERTIFICATE:** If the Property is located in a designated flood zone, flood insurance may be required as a
115 condition of a new loan. Buyer is encouraged to promptly verify the need, availability, and cost of flood insurance, if applicable. An Elevation
116 Certificate ("EC") is the document used by the federal National Flood Insurance Program ("NFIP") to determine the difference in elevation between
117 a home or building, and the base flood elevation ("BFE"), which is a computed elevation to which floodwater is anticipated to rise during certain
118 floods. The amount of the flood insurance premium for a particular property is based upon the EC. Not all properties in flood zones require an EC,
119 depending upon when they were constructed. ECs must be prepared and certified by a land surveyor, engineer, or architect who is authorized by
120 the local jurisdiction to certify elevation information. The costs and fees for an EC may range from a few hundred dollars to over a thousand. **If the**
121 **Property requires an EC, it will need to be obtained prior to receiving a flood insurance quote. Additionally, lenders may require an EC as**
122 **a condition of loan approval. For more information, go to the following website: www.fema.gov**

123 **7. SELLER-CARRIED FINANCING (E.G., LAND SALE CONTRACT/TRUST DEED/MORTGAGE/OPTION AGREEMENTS, RENT-TO-OWN,**
124 **ETC.):** Notice to Buyer and Seller: If this transaction involves a land sale contract, trust deed, mortgage, option, or lease-to-own agreement
125 (hereinafter a "Seller Carried Transaction"), Oregon law requires that, unless exempted, individuals offering or negotiating the terms must hold a
126 mortgage loan originator ("MLO") license. Your real estate agent is not qualified to provide these services or to advise you in this regard. Legal
127 advice is strongly recommended. If this is a Seller-Carried Transaction, Buyer and Seller are advised to review the OREF 032 Seller-Carried
128 Transactions Buyer and Seller Advisory. Buyer and Seller agree as follows (select only one):

129 (a) Use the **OREF 033 Seller-Carried Transaction Addendum** and related forms; or

130 (b) Secure separate legal counsel to negotiate and draft the necessary documents or employ an MLO

131 Seller and Buyer agree that regardless of whether (a), (b), is selected, they will reach a signed written agreement upon the terms and conditions of
132 such financing (e.g. down payment, interest rate, amortization, term, payment dates, late fees, balloon dates, etc.) within ____ business days (ten
133 [10] if not filled in) commencing on the next business day following the date they have signed and accepted this Sale Agreement ("Negotiation of
134 Terms Period"). Upon failure of Buyer and Seller to reach agreement by 5:00 p.m. on the last day of the Negotiation of Terms Period, or such other
135 times as may be agreed upon in writing, all earnest money deposits shall be refunded to Buyer and this transaction shall be automatically
136 terminated. **Caveat: Buyer's and Seller's Agents are not authorized to render advice on these matters. Buyer and Seller are advised to**
137 **secure competent legal advice while engaged in a Seller-Carried Transaction.**

138 **8. ADDITIONAL FINANCING PROVISIONS (e.g. Closing Costs):** Cash transaction subject to the review and approval of city council, staff,
139 and others. Signer for the City of Salem to be Steven D. Powers, City Manager. Earnest money of \$26,764.52 is non-refundable and
140 available for immediate withdraw from escrow as provided in Section 22.

Buyer Initials _____ / _____ Date _____

Seller Initials _____ / _____ Date _____

This form has been licensed for use solely by Michael Barnes pursuant to a Forms License Agreement with Oregon Real Estate Forms, LLC.
LINES WITH THIS SYMBOL ← REQUIRE A SIGNATURE OF BUYER AND/OR SELLER AND DATE

Copyright Oregon Real Estate Forms, LLC 2019 www.orefonline.com
No portion may be reproduced without express permission of Oregon Real Estate Forms, LLC

OREF 001



141
142
143
144
145
146
147
148
149
150
151
152
153
154
155
156
157
158
159
160
161
162
163
164
165
166
167
168
169
170
171
172
173
174
175
176
177
178
179
180
181
182
183
184
185
186
187
188
189
190
191
192

CONTINGENCIES

9. TITLE INSURANCE: When this Agreement is signed and accepted by Buyer and Seller, Seller will, at Seller's sole expense, promptly order from the title insurance company selected at Section 23 (Escrow) below, a preliminary title report and copies of all documents of record ("the Report and Documents of Record") for the Property, and furnish them to Buyer at Buyer's contact location as defined at Section 31(3) (Definitions/Instructions), below. Unless otherwise provided herein, this transaction is subject to Buyer's review and approval of the Report and Documents of Record **(If, upon receipt, the Report and Documents of Record are not fully understood, Buyer should contact the title insurance company for further information or seek competent legal advice). The Buyer's and Seller's Agents are not qualified to advise on specific legal or title issues.** Upon receipt of the Report and Documents of Record Buyer shall have ____ business days (five [5] if not filled in) within which to notify Seller, in writing, of any matters disclosed in the Report and Documents of Record which is/are unacceptable ("the Objections"). Buyer's failure to timely object in writing, shall constitute acceptance of the Report and/or Documents of Record. However, Buyer's failure to timely object shall not relieve Seller of the duty to convey marketable title to the Property pursuant to Section 28 (Deed), below. If, within ____ business days (five [5] if not filled in) following Seller's receipt of the Objections, Seller fails to remove or correct the matters identified therein, or fails to give written assurances reasonably satisfactory to Buyer, that they will be removed or corrected prior to Closing, all earnest money shall be promptly refunded to Buyer, and this transaction shall be terminated. This contingency is solely for Buyer's benefit and may be waived by Buyer in writing. Within thirty (30) days after Closing, the title insurance company shall furnish to Buyer, an owner's standard form policy of title insurance insuring marketable title in the Property to Buyer in the amount of the Purchase Price, free and clear of the Objections, if any, and all other title exceptions agreed to be removed as part of this transaction. **(Note: This Section 9 (Title Insurance) provides that Seller will pay for Buyer's standard owner's policy of title insurance. In some areas of the country, such a payment might be regarded as a "seller concession." Under the TILA/RESPA Integrated Disclosure Rules ["the Rules"], there are limitations, regulations and disclosure requirements on "seller concessions", unless the product or service paid for by the Seller was one customarily paid by sellers in residential sales transactions. In Oregon, sellers customarily and routinely pay for their buyer's standard owner's policy of title insurance. Accordingly, unless the terms of this Section 9 (Title Insurance) are modified in writing by Buyer and Seller, the parties acknowledge, agree and so instruct Escrow, that in this transaction, Seller's payment of Buyer's standard owner's policy of title insurance is not a "seller concession" under the Rules or any other federal law.)**

10. INSPECTIONS/ENVIRONMENTAL HEALTH CONDITIONS: The following list identifies some, but not all, environmental conditions that may be found in and around all real property that may affect health: Asbestos, carbon monoxide, electric and magnetic fields, formaldehyde, lead and other contaminants in drinking water and well water, lead based paint, mold and mildew, radon, and leaking underground storage tanks. If Buyer has any concerns about these conditions or others, Buyer is encouraged to secure the services of a licensed professional inspector, consultant, or health expert, for information and guidance. Neither the Buyer's nor Seller's Agents are experts in environmental health hazards or conditions. Buyer understands that it is advisable to have a complete inspection of the Property by qualified licensed professional(s) relating to such matters as structural condition, soil condition/compaction/stability, environmental issues, survey, zoning, operating systems, and suitability for Buyer's intended purpose. Neither Buyer's nor Seller's Agent are qualified to conduct such inspections and shall not be responsible to do so. For further details, Buyer is encouraged to review the Buyer Advisory at www.oregonrealtors.org and the Oregon Public Health Division at www.public.health.oregon.gov.

Check only one box below:

LICENSED PROFESSIONAL INSPECTIONS: At Buyer's expense, Buyer may have the Property and all elements and systems thereof inspected by one or more licensed professionals of Buyer's choice. Provided, however, Buyer must specifically identify in this Agreement any desired invasive inspections that may include testing or removal of any portion of the Property including, for example, radon and mold. **Identify Invasive Inspections:** _____

Buyer understands that Buyer is responsible for the restoration of the Property following any inspection(s)/test(s) performed by Buyer or on Buyer's behalf. Buyer shall have ____ business days (ten [10] if not filled in), after the date Buyer and Seller have signed and accepted this Agreement (hereinafter "the Inspection Period"), in which to complete all inspections **and** negotiations with Seller regarding any matters disclosed in any inspection report. Buyer shall **not** provide all or any portion of the inspection reports to Seller unless requested by Seller. However, at any time during this transaction, or promptly following termination, upon request by Seller, Buyer shall promptly provide a copy of such reports or portions of reports, as requested. During the Inspection Period, Seller shall not be required to modify any terms of this Agreement already reached with Buyer. Unless a written agreement has already been reached with Seller regarding Buyer's requested repairs, at any time during the Inspection Period, Buyer may notify Seller, in writing, of Buyer's unconditional disapproval of the Property based on any inspection report(s), in which case, all earnest money deposits shall be promptly refunded, and this transaction shall be terminated. **If Buyer fails to provide Seller with written unconditional disapproval of any inspection report(s) by 5:00 P.M. of the final day of the Inspection Period, Buyer shall be deemed to have accepted the condition of the Property. Note that if, prior to expiration of the Inspection Period, written agreement is reached with Seller regarding Buyer's requested repairs, the Inspection Period shall automatically terminate, unless the parties agree otherwise in writing.**

ALTERNATIVE INSPECTION PROCEDURES: OREF 058 PROFESSIONAL INSPECTION ADDENDUM

Buyer Initials _____ / _____ Date _____

Seller Initials _____ / _____ Date _____



193 OTHER INSPECTION ADDENDUM
194 BUYER'S WAIVER OF INSPECTION CONTINGENCY: Buyer represents to Seller and all Agents and Firms that Buyer is fully satisfied with the
195 condition of the Property and all elements and systems thereof and knowingly and voluntarily elects to waive the right to have any inspections
196 performed as a contingency to the Closing of the transaction. Buyer's election to waive the right of inspection is solely Buyer's decision and at
197 Buyer's own risk.

198 11. LEAD-BASED PAINT CONTINGENCY PERIOD: If the Property was constructed before 1978, on or promptly after the date the parties have signed
199 and accepted this Agreement, Seller shall deliver to Buyer OREF 021, the Lead-Based Paint Disclosure Addendum ("the Disclosure Addendum"),
200 together with the EPA Pamphlet entitled "Protect Your Family From Lead in Your Home" (the "Date of Delivery"). Unless waived by Buyer in writing in the
201 Disclosure Addendum, Buyer shall have ten (10) calendar days (or other mutually agreed upon period) commencing on the day following the Date of
202 Delivery, within which to conduct a lead-based paint assessment or inspection (the "LBP Contingency Period"). If lead-based paint and/or lead-based
203 paint hazards are identified in the Property by a certified inspector at any time before expiration of the LBP Contingency Period, Buyer may
204 unconditionally cancel this transaction by written notice to Seller ("Notice of Cancellation"). In such case, Buyer shall deliver a copy of any written reports
205 or evaluations (collectively "Reports") to Seller, together with the Notice of Cancellation, and thereafter receive a prompt refund of all earnest money
206 deposits. Buyer understands that the failure to deliver the Notice of Cancellation to Seller together with the Reports, on or before Midnight of
207 the last day of the LBP Contingency Period shall constitute acceptance of the condition of the Property as it relates to the presence of lead-
208 based paint or lead-based paint hazards, and the LBP Contingency Period shall automatically expire.

209 12.1 PRIVATE WELL: Does the Property include a well that supplies or is intended to supply domestic water for household use? Yes No
210 If the property contains a private well, the OREF 82 Private Well Addendum will be attached to this Sale Agreement.

211 12.2 SEPTIC/ONSITE SEWAGE SYSTEM: Does the Property include a septic/onsite sewage system? Yes No If the Property contains a
212 septic/onsite sewage system, the OREF 081 Septic/Onsite Sewage System Addendum will be attached to this Sale Agreement.

213 13. PROPERTY DISCLOSURE LAW: Buyer and Seller acknowledge that unless this transaction is otherwise exempted, Oregon law provides that
214 Buyer has a right to revoke Buyer's offer by giving Seller written notice thereof (a) within five (5) business days after Seller's delivery of Seller's
215 Property Disclosure Statement ("the Statement"), or (b) at any time before Closing (as defined in the Oregon Administrative Rules) if Buyer does
216 not receive the Statement from Seller before Closing. Buyer may waive the right of revocation only in writing. Seller authorizes Seller's Agent's Firm
217 to receive Buyer's notice of revocation, if any, on Seller's behalf.

218 SELLER REPRESENTATIONS

219 14. SELLER REPRESENTATIONS: Subject to other written disclosures made by Seller as a part of this transaction, Seller makes the
220 following representations to Buyer:

221 (1) The primary dwelling is connected to (check all that apply): a public sewer system; an on-site sewage system; a public
222 water system; a private well; other (e.g., surface springs, cistern, etc.).

223 (2) Seller has no knowledge of any hazardous substances in or about the Property other than substances (if any) contained in appliances
224 and equipment. Buyer acknowledges that asbestos commonly exists in insulation, ceilings, floor coverings and other areas in residential
225 housing and may exist in the Property.

226 (3) Seller knows of no material defects in or about the Property.

227 (4) All electrical wiring, heating, cooling, plumbing and irrigation equipment and systems and the balance of the Property, including the
228 yard, will be in substantially their present condition at the time Buyer is entitled to possession.

229 (5) Seller has no notice of any liens or assessments to be levied against the Property.

230 (6) Seller has no notice from any governmental agency of any violation of law relating to the Property.

231 (7) Seller knows of no material discrepancies between visible lines of possession and use (such as existing fences, hedges, landscaping,
232 structures, driveways, and other such improvements) currently existing on the Property and the legal description of the Property.

233 (8) Seller will keep the Property fully insured through Closing.

234 (9) Seller agrees to promptly notify Buyer if, prior to Closing, Seller receives actual notice of any event or condition that could result in
235 making any previously disclosed material information relating to the Property substantially misleading or incorrect.

236 These representations are made to the best of Seller's knowledge. Seller may have made no investigations. Exceptions to items (1)
237 through (9) are: (For more exceptions see Addendum).

238 Buyer acknowledges that the above representations are not warranties regarding the condition of the Property and are not a substitute
239 for, nor in lieu of, Buyer's own responsibility to conduct a thorough and complete independent investigation, including the use of
240 professionals, where appropriate, regarding all material matters bearing on the condition of the Property, its value and its suitability for
241 Buyer's intended use. Neither Buyer's nor Seller's Agents shall be responsible for conducting any inspection or investigation of any
242 aspects of the Property.

Buyer Initials _____ / _____ Date _____

Seller Initials _____ / _____ Date _____

This form has been licensed for use solely by Michael Barnes pursuant to a Forms License Agreement with Oregon Real Estate Forms, LLC.

LINES WITH THIS SYMBOL ← REQUIRE A SIGNATURE OF BUYER AND/OR SELLER AND DATE

Copyright Oregon Real Estate Forms, LLC 2019 www.orefonline.com

No portion may be reproduced without express permission of Oregon Real Estate Forms, LLC

OREF 001

RESIDENTIAL REAL ESTATE SALE AGREEMENT – Page 5 of 11



243 15.1 SELLER ADVISORY: OREGON STATE TAX WITHHOLDING OBLIGATIONS: Subject to certain exceptions, Escrow is required to withhold a portion
244 of Seller's proceeds if Seller is a non-resident individual or corporation as defined under Oregon law. Buyer and Seller agree to cooperate with Escrow by
245 executing and delivering any instrument, affidavit or statement as requested, and to perform any acts reasonable or necessary to carry out the provisions of
246 Oregon law.

247 15.2 FIRPTA TAX WITHHOLDING REQUIREMENT: Seller and Buyer are advised that at Closing, a Federal law, known as the Foreign Investment in Real
248 Property Tax Act ("FIRPTA"), requires buyers to withhold a portion of a seller's proceeds (up to 15% of the Purchase Price) if the real property is located
249 within the United States and the seller is a "foreign person" who does not qualify for an exemption. A "foreign person" includes a non- resident alien individual,
250 foreign corporation, foreign partnership, foreign trust or a foreign estate.

251 If FIRPTA does not apply (i.e. Seller is not a foreign person), then Seller shall complete, sign, and deliver to Escrow either OREF 094 FIRPTA
252 Certification of Non Foreign Status or a form of certification of non-foreign status provided by escrow that complies with the requirements of 26
253 CFR § 1.1445-2 (the "Certificate") prior to Closing. If Seller fails or refuses to complete, sign, and deliver the Certificate to Escrow prior to Closing,
254 Seller understands and agrees that Seller will be presumed to be a foreign person so the Withholding Requirement (as defined in Section 2 - Buyer
255 Responsibilities Under FIRPTA or OREF 093 FIRPTA Addendum) will apply to this transaction. Seller acknowledges that the Certificate includes
256 Seller's taxpayer identification number, social security number, or employer identification number (collectively "Nonpublic Personal Information" or "NPI") as
257 required by applicable law. In some cases, Escrow or Buyer's Agent, after receipt and review of the signed Certificate, will agree to act as a "Qualified
258 Substitute" and provide Buyer with either OREF 095 FIRPTA Qualified Substitute Statement or a qualified substitute statement that complies with the
259 requirements of 26 USC § 1445(b)(9) in lieu of the Certificate at Closing so that Seller's NPI is not disclosed to Buyer. In such event, the original Certificate
260 will be held by Escrow or Buyer's Agent (as applicable) pursuant to applicable law. If Escrow and Buyer's Agent are unable or unwilling to serve as a
261 "Qualified Substitute," Escrow shall deliver to Buyer the original Certificate at Closing, in which case Buyer covenants and agrees not to use or disclose
262 Seller's NPI to any third parties unless required to do so by subpoena or court order.
263 Seller's and Buyer's Agents are not experts in FIRPTA and will not act as a transferor or transferee agent for purposes of the Withholding
264 Requirement. If FIRPTA may apply in this transaction, Seller and Buyer should promptly consult their own experts familiar with the law and
265 regulations. For further information, Seller and Buyer should go to: www.irs.gov.

266 16. "AS-IS": Except for Seller's express written agreements and written representations contained herein, and Seller's Property
267 Disclosure, if any, Buyer is purchasing the Property "AS-IS," in its present condition and with all defects apparent or not apparent. This
268 provision shall not be construed to limit Buyer's right to implied new home warranties, if any, that may otherwise exist under Oregon
269 law.

270 MISCELLANEOUS ITEMS

271 17. TOWNHOME/PLANNED COMMUNITY/HOMEOWNER'S ASSOCIATION: Is the property a townhome, in a planned community, or have a
272 Homeowner's Association? [] Yes [X] No [] Unknown

273 If yes, OREF 024 Townhome/Planned Community/Homeowner's Association Addendum will be attached to this Sale Agreement.

274 18. ALARM SYSTEM: [X] NONE [] OWNED [] LEASED [] UNKNOWN. If leased, Buyer [] will [] will not assume the lease at Closing.

275 19. Within ___ business days (fifteen [15] if not filled in) after the date Buyer and Seller have signed and accepted this Agreement, the dwelling
276 will have one or more operating smoke alarms, smoke detectors and carbon monoxide detectors as required by law (See website)
277 http://www.oregon.gov.

278 20. WOODSTOVE/WOOD BURNING FIREPLACE INSERT: Does the Property contain a woodstove or wood burning fireplace insert?
279 [] Yes [X] No

280 If yes, is the woodstove/wood burning fireplace insert certified? [] Yes [] No [] Unknown. If "No" or "Unknown," Seller to provide Buyer with
281 OREF 046 Woodstove/Wood Burning Fireplace Insert Addendum.

282 21. HOME WARRANTIES: Home warranty plans may be available to help cover homeowner costs to repair/replace certain home systems and
283 appliances. (See specific plan for details.) Will a plan be purchased for Buyer as a part of this transaction? [] Yes [X] No
284 If yes, identify plan and cost: _____ \$ _____ To be paid at Closing by: [] Buyer [] Seller

285 22. ADDITIONAL PROVISIONS: Closing to be 30 days after city council's approval, but not later than February 28, 2020. Earnest money
286 can be withdrawn by seller once home and the improvements are removed and graded/ seeded, and then earnest money becomes non
287 refundable. Seller agrees to remove home and all improvements and grade/seed prior to closing.
288 _____ For additional provisions, see Addendum _____

Buyer Initials _____ / _____ Date _____

Seller Initials _____ / _____ Date _____

This form has been licensed for use solely by Michael Barnes pursuant to a Forms License Agreement with Oregon Real Estate Forms, LLC.

LINES WITH THIS SYMBOL ← REQUIRE A SIGNATURE OF BUYER AND/OR SELLER AND DATE

Copyright Oregon Real Estate Forms, LLC 2019 www.orefonline.com
No portion may be reproduced without express permission of Oregon Real Estate Forms, LLC

OREF 001

RESIDENTIAL REAL ESTATE SALE AGREEMENT – Page 6 of 11



289

CLOSING/ESCROW

290 **23. ESCROW:** This transaction shall be Closed at First American Title ("Escrow"), a neutral escrow
291 company licensed and located in the State of Oregon. Costs of Escrow shall be shared equally between Buyer and Seller, unless otherwise specifically
292 prohibited by the U.S. Department of Veterans Affairs (Federal VA). Unless otherwise provided herein, the parties agree as follows: Seller authorizes
293 Seller's Agent's Firm to order a preliminary title report and owner's title policy at Seller's expense and further authorizes Escrow to pay out of the
294 cash proceeds of sale the expense of furnishing such policy, Seller's recording fees, Seller's Closing costs and any liens and encumbrances on the
295 Property payable by Seller on or before Closing. Buyer shall deposit with Escrow sufficient funds necessary to pay Buyer's recording fees, Buyer's
296 Closing costs, and lender's fees, if any. Real estate fees, commissions or other compensation for professional real estate services provided by
297 Buyer's or Seller's Agent's Firms shall be paid at Closing in accordance with the listing agreement, buyer representation agreement or other written
298 agreement for compensation.

299 **24. PRORATIONS:** Prorates for rents, current year's taxes, interest on assumed obligations, and other prepaid expenses attributable to the
300 Property shall be as of: (check one) the Closing Date; date Buyer is entitled to possession.

301 **25. EARNEST MONEY DEPOSIT(S) AND BUYER INSTRUCTIONS:** When this Sale Agreement is signed and accepted by Buyer and Seller, the following
302 instructions shall apply to the handling of Buyer's earnest money deposit in the sum of \$ 26,764.52 ("the Deposit").

303 **25.1** The Deposit shall be payable by wire transfer or check, and deposited within _____ (three [3] if not filled in) business days (the "Deposit
304 Deadline") as follows (check all that apply):

- Directly with Escrow;
- Directly into Buyer's Agent's Firm's client trust account and remain there until disbursement at Closing; and/or
- Directly into Buyer's Agent's Firm's client trust account and thereafter deposit with Escrow/Title Company prior to Closing;
- As follows: **Directly with Escrow and is non-refundable once seller removes home & improvements. see sect. 22**

309 Caution: The Deposit, payable by whatever method selected by Buyer above, shall be placed with Escrow or Buyer's Agent's Firm's Client Trust account no
310 later than 5:00 pm on the last day of the Deposit Deadline. The failure to do so may result in a breach of the Sale Agreement under Sections 26.1 and 26.2
311 (Earnest Money Refund to Buyer/Earnest Money Payment to Seller), below.

312 **25.2** If an additional Deposit ("Additional Deposit") is to be paid, it shall be handled in accordance with the above-selected instructions, or (Describe):
313 _____

314 **25.3** Once the Deposit, and Additional Deposit, if any, is/are placed with Escrow, Seller's and Buyer's Agents and Firms shall have no
315 further responsibility to Buyer or Seller regarding said funds.

316 **26. EARNEST MONEY DEPOSIT INSTRUCTIONS TO ESCROW:** Escrow is hereby instructed by Buyer and Seller as follows: (1) Upon your receipt of a
317 copy of this Agreement marked "rejected" by Seller or upon Seller's Agent Firm's written advice that the offer is "rejected" by Seller, you are to refund all
318 earnest money to Buyer; (2) Upon your receipt of a copy of this Agreement signed by Buyer and Seller set up an escrow account and proceed with Closing in
319 accordance with the terms of this Agreement. If you determine that the transaction cannot be Closed for any reason (whether or not there is then a dispute
320 between Buyer and Seller), you are to hold all earnest money deposits until you receive written instructions from Buyer and Seller, or a final ruling from a
321 court or arbitrator, as to disposition of such deposits.

322 **26.1 EARNEST MONEY REFUND TO BUYER:** If (1) Seller does not approve this Agreement; or (2) Seller signs and accepts this Agreement but
323 fails to furnish marketable title; or (3) Seller fails to complete this transaction in accordance with the material terms of this Agreement; or (4) any
324 condition which Buyer has made an express contingency in this Agreement (and has not been otherwise waived) fails through no fault of Buyer, then
325 all earnest money deposits shall be promptly refunded to Buyer. However, acceptance by Buyer of the refund shall not constitute a waiver of other
326 legal remedies available to Buyer.

327 **26.2 EARNEST MONEY PAYMENT TO SELLER:** If Seller signs and accepts this Agreement and title is marketable; and (1) Buyer has materially
328 misrepresented Buyer's financial status; or (2) Buyer's bank does not pay, when presented, any check given as earnest money or fails to timely make a
329 wire transfer for Buyer's earnest money; or (3) Buyer fails to complete this transaction in accordance with the material terms of this Agreement, then all
330 earnest money paid or agreed to be paid shall be paid to Seller as liquidated damages. The parties expressly agree that Seller's economic and non-
331 economic damages arising from Buyer's failure to close this transaction in accordance with the terms of this Agreement would be difficult or impossible to
332 ascertain with any certainty, and that said earnest money deposit(s) identified herein shall represent a binding liquidated sum, and that it is a fair,
333 reasonable and appropriate pre-estimate of Seller's damages, and is not a penalty. **It is the intention of the parties that Seller's sole remedy
334 against Buyer for Buyer's failure to close this transaction in accordance with the material terms of this Agreement shall be limited to the
335 amount of earnest money paid or agreed to be paid herein. Seller's right to recover from Buyer any unpaid earnest money agreed to be
336 paid herein shall be in accordance with the provisions of the Dispute Resolution Sections below.**

Buyer Initials _____ / _____ Date _____

Seller Initials _____ / _____ Date _____

This form has been licensed for use solely by Michael Barnes pursuant to a Forms License Agreement with Oregon Real Estate Forms, LLC.

LINES WITH THIS SYMBOL ← REQUIRE A SIGNATURE OF BUYER AND/OR SELLER AND DATE

Copyright Oregon Real Estate Forms, LLC 2019

www.orefonline.com

No portion may be reproduced without express permission of Oregon Real Estate Forms, LLC

OREF 001

RESIDENTIAL REAL ESTATE SALE AGREEMENT – Page 7 of 11



337 27.1 CLOSING: Closing shall occur on a date mutually agreed upon between Buyer and Seller, but in no event later than 02/28/2020 ("the Closing
338 Deadline"). The terms "Closed", "Closing" or "Closing Date" shall mean when the deed or contract is recorded and funds are available to Seller. Buyer and
339 Seller acknowledge that for Closing to occur by the Closing Deadline, it may be necessary to execute documents and deposit funds in Escrow prior to that
340 date. Caveat: Section 7 (Seller-Carried Financing) requires three (3) days prior to the Closing Deadline if Escrow is to prepare a note and a deed of
341 trust or mortgage.

342 27.2 THE CLOSING DISCLOSURE: Pursuant to the federal TILA-RESPA Integrated Disclosure Rules ("TRID"), Buyer and Seller will each receive a
343 federally-required document called a "Closing Disclosure", which, among other things, summarizes each party's closing costs. TRID requires that the
344 Closing Disclosure must be received by a residential loan borrower at least three (3) business days prior to "consummation" of the transaction, which in
345 most cases in Oregon will be the date on which Buyer signs the loan documents. Under certain circumstances, a change to the Closing Disclosure late in
346 the transaction could result in a delay in Closing to comply with the three business day rule. Such a delay beyond the Closing Deadline could result in
347 termination of the transaction unless Seller and Buyer mutually agree to extend it.

348 27.3 NOTICE REGARDING TITLE INSURANCE COSTS: The manner in which TRID requires title insurance costs to be disclosed differs from the actual
349 costs that may be charged to the parties under Oregon law. In such instances, at Closing, Escrow may issue a separate statement showing the actual costs
350 for an owner's policy of title insurance and, where applicable, the lender's policy of title insurance. Seller and Buyer are encouraged to discuss this with
351 Escrow prior to Closing.

352 28. DEED: Seller shall convey marketable title to the Property by statutory warranty deed (or good and sufficient personal representative's or
353 trustee's or similar legal fiduciary's deed, where applicable) free and clear of all liens of record, except property taxes that are a lien but not yet
354 payable, zoning ordinances, building and use restrictions, reservations in federal patents, easements of record that affect the Property, covenants,
355 conditions and restrictions of record, and those matters accepted by Buyer pursuant to Section 9 (Title Insurance), above. If Buyer's title will be held
356 in the name of more than one person, see Section 39 (Offer to Purchase), below regarding forms of co-ownership.

357 29. POSSESSION: Seller shall remove all personal property (including trash and debris) that is not a part of this transaction, and deliver
358 possession of the Property to Buyer (select one):

- 359 (1) [X] by 5:00 p.m. on Closing;
360 (2) [] by [] a.m. [] p.m. [] days after Closing;
361 (3) [] by [] a.m. [] p.m. on the (insert date) []

362 If a tenant(s) is currently in possession of the Property, will Buyer will accept tenant(s) at closing; (check one):

- 363 [X] No. Seller shall have full responsibility for removal of tenant(s) prior to closing.
364 [] Yes. If Yes, Unless otherwise provided herein, all rents shall be prorated as of the closing date and tenant security deposits and any
365 other deposits held on behalf of the tenant(s) by Seller shall be transferred in full to Buyer at closing. All funds shall be handled through escrow.
366 Buyer and Seller are encouraged to attach the OREF 070 Investment Property Addendum to address additional items related to the buyer accepting
367 the tenant(s) at closing.

368 30. SELLER POSSESSION BEFORE/AFTER CLOSING: In the event that Buyer and Seller agree that Seller will deliver possession before or after
369 Closing, OREF 053 (Agreement to Occupy Before Closing) or OREF 054 (Agreement to Occupy After Closing) will be attached to this Sale
370 Agreement.

371 DEFINITIONS/INSTRUCTIONS

- 372 31. DEFINITIONS/INSTRUCTIONS: (1) All references in this Sale Agreement to "Agent" and "Firm" shall refer to Buyer's and Seller's real estate
373 agents licensed in the State of Oregon and the respective real estate companies with which they are affiliated.
374 (2) Time is of the essence of this Agreement.
375 (3) Except as provided in Section 9, (Title Insurance) above, all written notices or documents, required or permitted under this Agreement to be
376 delivered to Buyer or Seller may be delivered to their respective Agent with the same effect as if delivered to that Buyer or Seller. Upon opening of
377 this transaction with the title company identified at Section 23 (Escrow), above, Buyer, Seller, and their respective Agents, where applicable, shall
378 provide Escrow with their preferred means of notification (e.g. email or text address, facsimile number, or mailing or personal delivery address, or
379 other), which shall serve as the primary location for receipt of all notices or documents (hereinafter, "Contact Location")
380 (4) Agent(s) and Firm(s) identified in the Final Agency Acknowledgment Section, above are not parties to this Agreement.
381 (5) A "business day" shall mean Monday through Friday, except recognized state and/or federal holidays.
382 (6) "Agreement" or "sale agreement" collectively shall be defined as this real estate sale agreement in its entirety and includes any written offer, counteroffer, or
383 addendum in any form or language that adds to, amends or otherwise modifies this real estate sale agreement that has been signed and accepted in
384 accordance with the requirements of item 7 herein.

Buyer Initials [] / [] Date []

Seller Initials [] / [] Date []

This form has been licensed for use solely by Michael Barnes pursuant to a Forms License Agreement with Oregon Real Estate Forms, LLC.

LINES WITH THIS SYMBOL ← REQUIRE A SIGNATURE OF BUYER AND/OR SELLER AND DATE

Copyright Oregon Real Estate Forms, LLC 2019 www.orefonline.com
No portion may be reproduced without express permission of Oregon Real Estate Forms, LLC

OREF 001



385 (7) The sending of a signed acceptance of the Agreement via Electronic Transmission from one party, or their Agent, to the other party, or their
386 Agent, shall have the same effect as Manual Delivery of the signed original. If the parties intend to use any other method for transmitting a signed
387 offer or acceptance of the Agreement (such as regular mail, certified mail, or overnight delivery), they should so specify at Section 22 (Additional
388 Provisions) of this Sale Agreement.

389 (8) Time calculated in days after the date Buyer and Seller have signed and accepted this Agreement shall start on the first full business day after
390 the date they have signed and accepted it.

391 (9) This Agreement is binding upon the heirs, personal representatives, successors and assigns of Buyer and Seller. However, Buyer's rights under
392 this Agreement or in the Property are not assignable without prior written consent of Seller.

393 (10) This Agreement may be signed in multiple legible counterparts with the same legal effect as if all parties signed the same document.

394 (11) Excepting only the Lead-Based Paint Contingency Period identified in Section 11 (Lead-based Paint Contingency Period), unless a different
395 time is specified in the Agreement, all deadlines for performance, however designated, that are measured in business or calendar days, shall
396 terminate as of 5:00 p.m. on the last day of that deadline, however designated.

397 (12) Notice. As used in this Agreement and any document relating to this Agreement, "Notice" shall mean the providing of a true and accurate copy
398 of the document to the other party or their Agent. Notice shall be deemed delivered as of (a) the date and time the notice is sent by email or fax, (b)
399 the time the notice is personally delivered to either the Agent or the Agent's Office, or (c) three (3) calendar days after the date the notice is mailed.

400 **32. UTILITIES:** Seller shall pay all utility bills accrued to date Buyer is entitled to possession. **Buyer shall pay Seller for heating fuel/propane on**
401 **premises, at Seller's supplier's rate on the possession date.** Payment shall be handled between Buyer and Seller outside of Escrow. Seller
402 shall not terminate or disconnect electric, gas, heating fuel/propane, or water utilities prior to Closing unless parties agreed otherwise in writing.

403 **33. APPROVED USES:** THE PROPERTY DESCRIBED IN THIS INSTRUMENT MAY NOT BE WITHIN A FIRE PROTECTION DISTRICT PROTECTING
404 STRUCTURES. THE PROPERTY IS SUBJECT TO LAND USE LAWS AND REGULATIONS THAT, IN FARM OR FOREST ZONES, MAY NOT
405 AUTHORIZE CONSTRUCTION OR SITING OF A RESIDENCE AND THAT LIMIT LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS
406 DEFINED IN ORS 30.930, IN ALL ZONES. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE
407 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,
408 CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8,
409 OREGON LAWS 2010. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD
410 CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A
411 LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR
412 PARCEL, TO VERIFY THE EXISTENCE OF FIRE PROTECTION FOR STRUCTURES AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING
413 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
414 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010.

415 **34. IRC 1031 EXCHANGE:** In the event Buyer or Seller elects to complete an IRC 1031 exchange in this transaction, the other party agrees to
416 cooperate with them and the accommodator, if any, in a manner necessary to complete the exchange, so long as it will not delay the Close of
417 escrow or cause additional expense or liability to the cooperating party. Unless otherwise provided herein, this provision shall not become a
418 contingency to the Closing of this transaction.

419 **35.1 LEVY OF ADDITIONAL PROPERTY TAXES:** The Property: (check one) is is not specially assessed for property taxes (e.g., farm,
420 forest or other) in a way that may result in levy of additional taxes in the future. If it is specially assessed, Seller represents that the Property is
421 current as to income or other conditions required to preserve its deferred tax status. If, as a result of Buyer's actions or the Closing of this
422 transaction, the Property either is disqualified from special use assessment or loses its deferred property tax status, unless otherwise specifically
423 provided in this Agreement, Buyer shall be responsible for and shall pay when due, any deferred and/or additional taxes and interest that may be
424 levied against the Property and shall hold Seller completely harmless therefrom. However, if as a result of Seller's actions prior to Closing, the
425 Property either is disqualified from its entitlement to special use assessment or loses its deferred property tax status, Buyer may, at Buyer's sole
426 option, promptly terminate this transaction and receive a refund of all deposits paid by Buyer in anticipation of Closing; or Close this transaction and
427 hold Seller responsible to pay into Escrow all deferred and/or additional taxes and interest that may be levied or recaptured against the Property
428 and hold Buyer completely harmless therefrom. The preceding shall not be construed to limit Buyer's or Seller's available remedies or damages
429 arising from a breach of this Section 35.1. (Levy of Additional Property Taxes).

430 **35.2 HISTORIC PROPERTY DESIGNATION:** If the Property is or may be subject to a Historic Property local ordinance or is subject to or may
431 qualify for the Historic Property Special Property Tax Assessment under ORS 358.475 to 358.565, Seller shall provide **OREF-045 Historic**
432 **Property Addendum.**

DISPUTE RESOLUTION

Buyer Initials _____ / _____ Date _____

Seller Initials _____ / _____ Date _____

This form has been licensed for use solely by Michael Barnes pursuant to a Forms License Agreement with Oregon Real Estate Forms, LLC.

LINES WITH THIS SYMBOL ← REQUIRE A SIGNATURE OF BUYER AND/OR SELLER AND DATE



433 **36. FILING OF CLAIMS:** All claims, controversies and disputes between Seller, Buyer, Agents, and/or Firms, relating to the enforcement or
434 interpretation of this Sale Agreement (including those for rescission), as well as those relating to the validity or scope of the Sale Agreement, and all
435 matters concerning the jurisdiction of the arbitrator(s) and/or Arbitration Service of Portland, to hear and decide questions of arbitrability
436 (hereinafter collectively referred to as "Claims"), shall be exclusively resolved in accordance with the procedures set forth herein, which shall
437 survive Closing or earlier termination of this transaction. All Claims shall be governed exclusively by Oregon law, and venue shall be placed in the county
438 where the real property is situated. Filing a Claim for arbitration shall be treated the same as filing in court for purposes of meeting any applicable
439 statutes of limitation or statute of ultimate repose, and for purposes of filing a *lis pendens*. BY CONSENTING TO THE PROVISIONS HEREIN,
440 BUYER AND SELLER ACKNOWLEDGE THAT THEY ARE GIVING UP THE CONSTITUTIONAL RIGHT TO HAVE CLAIMS TRIED BY A JUDGE
441 OR JURY IN STATE OR FEDERAL COURT, INCLUDING ALL ISSUES RELATING TO THE ARBITRABILITY OF SAID CLAIMS.

442 **37. EXCLUSIONS:** The following shall not constitute Claims: (1) Any proceeding to enforce or interpret a mortgage, trust deed, land sale contract or
443 recorded construction lien; (2) A forcible entry and detainer action (eviction); (3) If the matter is exclusively between REALTORS® and is otherwise
444 required to be resolved under the Professional Standards Ethics and Arbitration provisions of the National Association of REALTORS®; (4) If the
445 matter relates to a commission or fee with an Agent or Firm, and the written listing, service or fee agreement with Buyer or Seller contains a
446 mandatory mediation and/or arbitration provision; and (5) Filing in court for the issuance of provisional process described under the Oregon Rules of
447 Civil Procedure, provided, however, such filing shall not constitute a waiver of the right or duty to utilize the dispute resolution procedures described
448 herein for the adjudication of any Claims.

449 **38.1. SMALL CLAIMS BETWEEN BUYER AND SELLER:** All Claims between Buyer and Seller that are within the jurisdiction of the Small Claims
450 Court of the county in which the property is located, shall be brought and decided there, in lieu of mediation, arbitration or litigation in any other
451 forum. Notwithstanding ORS 46.455(3), neither Buyer nor Seller shall have a right to request a jury trial and so remove the matter from the Small
452 Claims Department of the Circuit Court. A judgment in Small Claims Court is final and binding and there is no right of appeal.

453 **38.2. MEDIATION AND ARBITRATION BETWEEN BUYER AND SELLER:** If Buyer's and/or Seller's Agent is a member of the National
454 Association of REALTORS®, all Claims shall be submitted to mediation as offered by the local Realtor® Association, if available. If mediation is not
455 available through the Agent's Realtor® organization, then all Claims shall be submitted to mediation through the program administered by Arbitration
456 Service of Portland ("ASP"). All Claims that have not been resolved by mediation as described herein shall be submitted to final and binding
457 arbitration in accordance the then-existing rules of ASP. The prevailing party in any arbitration between Buyer and Seller shall be entitled to
458 recovery of all reasonable attorney fees, filing fees, costs, disbursements, and mediator and arbitrator fees. Provided, however, a prevailing party
459 shall not be entitled to any award of attorney fees unless it is first established to the satisfaction of the arbitrator(s) (or judge, if applicable) that the
460 prevailing party offered or agreed in writing to participate in mediation prior to, or promptly upon, the filing for arbitration.

461 **38.3 MEDIATION AND ARBITRATION INVOLVING AGENTS/FIRMS:** All Claims that include Agents or their Firms shall be resolved in
462 accordance with the mediation and arbitration process described in Section 38.2 (Mediation and Arbitration Between Buyer and Seller) above, and
463 if applicable, the prevailing party shall be entitled to an award of attorney fees, filing fees, cost, disbursements, and mediator and arbitrator fees, as
464 provided therein.

SIGNATURE INSTRUCTIONS

465
466 **39. OFFER TO PURCHASE:** Buyer offers to purchase the Property upon the terms and conditions set forth in this Agreement. Buyer
467 acknowledges receipt of a completely filled in copy of this Agreement which Buyer has fully read and understands. Buyer acknowledges
468 that Buyer has not relied upon any oral or written statements made by Seller or any Agents that are not expressly contained in this
469 Agreement. Neither Seller nor any Agent(s) warrant the square footage of any structure or the size of any land being purchased. If square
470 footage or land size is a material consideration, all structures and land should be measured by Buyer prior to signing or should be made
471 an express contingency in this Agreement.

472 Deed or contract shall be prepared in the name of The City of Salem, an Oregon municipal corporation.

473 **Co-Ownership Note:** Buyer should secure advice from an expert or attorney regarding different forms of co-ownership and rights of survivorship.
474 Agents are not qualified to provide advice on these issues. Once the form of co-ownership is determined, Buyer should promptly notify Escrow.

475 This offer shall automatically expire on (insert date) _____, _____ at _____ a.m. p.m., (the "Offer Deadline"), if not
476 accepted by that time. Buyer may withdraw this offer before the Offer Deadline any time prior to Seller's transmission of signed acceptance. This
477 offer may be accepted by Seller only in writing.

478 Buyer _____ Date _____, _____ a.m. ___ p.m. ←
The City of Salem, an Oregon municipal corp.

479 Buyer _____ Date _____, _____ a.m. ___ p.m. ←

Buyer Initials _____ / _____ Date _____

Seller Initials _____ / _____ Date _____

This form has been licensed for use solely by Michael Barnes pursuant to a Forms License Agreement with Oregon Real Estate Forms, LLC.

LINES WITH THIS SYMBOL ← REQUIRE A SIGNATURE OF BUYER AND/OR SELLER AND DATE

Copyright Oregon Real Estate Forms, LLC 2019 www.orefonline.com

No portion may be reproduced without express permission of Oregon Real Estate Forms, LLC

OREF 001

RESIDENTIAL REAL ESTATE SALE AGREEMENT – Page 10 of 11



480 Address 350 Commercial St NE Salem OR Zip 97301-3412

481 Phone #1 (503)540-2404 Phone #2 E-mail

482

483 This offer was delivered/transmitted to Seller for signature on the (date) , at a.m. p.m.

484 By (Agent(s) presenting offer).

485 40. AGREEMENT TO SELL / ACKNOWLEDGEMENTS / DISPOSITION OF EARNEST MONEY: Seller accepts Buyer's offer. Seller
486 acknowledges receipt of a completely filled-in copy of this Agreement, which Seller has fully read and understands. Seller acknowledges
487 that Seller has not relied upon any oral or written statements of Buyer or of any Agent(s) that are not expressly contained in this
488 Agreement.

489 Seller JDV Investments LLC Date a.m. p.m. ←

490 Seller Date a.m. p.m. ←

491 Address 698 12th St SE Salem OR Zip 97301-4039

492 Phone #1 Phone #2 E-mail

493 Note: If delivery/transmission occurs after the Offer Deadline identified at Section 39 (Offer to Purchase) above, it will not
494 become binding upon Seller and Buyer unless the parties agree to extend said Deadline by an Addendum, Counteroffer, or other
495 writing, jointly signed by the parties. The parties' failure to do so shall be treated as a rejection under Section 41 (Seller's
496 Rejection), below, and this transaction shall be automatically terminated.

497 41. SELLER'S REJECTION/COUNTER OFFER (select only one): Seller does not accept the above offer, but makes the attached counter
498 offer.

499 Seller rejects Buyer's offer.

500 Seller JDV Investments LLC Date a.m. p.m. ←

501 Seller Date a.m. p.m. ←

502 Address 698 12th St SE Salem OR Zip 97301-4039

503 Phone #1 Phone #2 E-mail

504 NO CHANGES OR ALTERATIONS ARE PERMITTED TO ANY PORTION OF THE PRE-PRINTED FORMAT OR TEXT OF THIS FORM. ANY
505 SUCH PROPOSED CHANGES OR ALTERATIONS SHOULD BE MADE ON A SEPARATE DOCUMENT. CHANGES BY BUYER'S OR
506 SELLER'S AGENT TO THE TERMS OR PROVISIONS ABOVE BUYER'S SIGNATURE SHOULD ALSO BE ON A SEPARATE DOCUMENT.

Buyer Initials / Date

Seller Initials / Date

This form has been licensed for use solely by Michael Barnes pursuant to a Forms License Agreement with Oregon Real Estate Forms, LLC.

LINES WITH THIS SYMBOL ← REQUIRE A SIGNATURE OF BUYER AND/OR SELLER AND DATE

Copyright Oregon Real Estate Forms, LLC 2019 www.orefonline.com
No portion may be reproduced without express permission of Oregon Real Estate Forms, LLC

OREF 001

RESIDENTIAL REAL ESTATE SALE AGREEMENT – Page 11 of 11