

W. 10. a.

Memorandum Date: 7/11/07
Order Date: 7/25/07

TO: Board of County Commissioners

DEPARTMENT: Management Services

PRESENTED BY: David Suchart, Director

AGENDA ITEM TITLE: ORDER/IN THE MATTER OF AUTHORIZING THE SALE OF SURPLUS COUNTY OWNED REAL PROPERTY IDENTIFIED AS MAP NO. 17-03-29-12-01602 LOCATED AT 2560 FRONTIER DRIVE, EUGENE, AND COMMONLY KNOWN AS THE CHILD ADVOCACY CENTER, FOR \$540,000

I. MOTION

THE BOARD OF COUNTY COMMISSIONERS MOVES TO AUTHORIZE THE SALE OF SURPLUS COUNTY OWNED REAL PROPERTY IDENTIFIED AS MAP NO. 17-03-29-12-01602 LOCATED AT 2560 FRONTIER DRIVE, EUGENE, AND COMMONLY KNOWN AS THE CHILD ADVOCACY CENTER, FOR \$540,000.

II. AGENDA ITEM SUMMARY

Lane County has received an offer in the amount of \$540,000 for the subject property. The offer is being presented to the Board for acceptance or rejection.

III. BACKGROUND/IMPLICATIONS OF ACTION

A. Board Action and Other History

The Child Advocacy Center property was purchased by the County in 1994 using Oregon Community Development Block Grant (CDBG) Program funds. The purpose was to create a child friendly facility where all aspects of child protective services and court preparation will take place in an environment where the system goes to the child, and not the other way around. The goal was to improve the cases and provide optimum coordination with minimum impact on the child.

The Child Advocacy Center has outgrown the space, and in 2002 attempted to program and build new space on the west end of the Serbu Campus grounds. That effort was unsuccessful due to uncertainties surrounding operational funding.

B. Policy Issues

While the need for additional space still exists, reprogramming and developing another facility is unfeasible at this time. The offer for the current facility will provide a piece of the capital necessary for a new facility. Site constraints at the current facility will cause hardships in providing service to clients. At the same time, the Assessment Center on the Serbu campus has been vacant for two years and will probably remain so for the foreseeable future. The Child Advocacy Center can take up temporary residence there until a new facility can be constructed.

C. Board Goals

The County Strategic Plan states (B1.c):

“For land or facilities that the County owns the inventory will identify the value of each holding, the current use, the long-term use identified currently (if any), size, location, zonings and restrictions, and the potential for lease, sale, or other revenue generation.”

D. Financial and/or Resource Considerations

The current facility, as mentioned earlier, was purchased with CDBG funds. The constraint in selling the property ended in 1999. Funds from the sale will be deposited in the Capital Improvement Fund in a program dedicated to the programming and construction of a new facility, less any costs involved in preparing the Assessment Center for temporary use by the Child Advocacy Center. Those costs should be minor based on an evaluation of that facility by the architect, Child Advocacy staff and Facilities Planning.

The District Attorney's Office will pay a proportionate share of the operating costs of the Assessment Center, thus reducing those costs from the Youth Services budget during the period of occupancy.

E. Analysis

The \$540,000 sale price is equal to the \$540,000 appraised value, as determined by a private fee appraiser in May 2007. The buyer is also paying an additional \$100,000, payable to the non-profit Child Advocacy Center Board, which will also be dedicated towards a new facility.

Funds from the sale will be deposited in the Capital Improvement Fund 435-5570350-55131-446520.

The 2001 legislature amended ORS 275.030 to allow property acquired by a county by means other than tax foreclosure to be sold pursuant to ORS 271. ORS 271.310(1) provides for selling, exchanging or leasing county property if the

property is no longer needed for public use, or if the public interest can be furthered by a sale. The governing body of the county is permitted to establish rules to effect a sale, exchange or lease.

ORS 275.040 requires that the Order authorizing the private sale be noted on the deed conveying the property.

F. Alternatives/Options

1. Accept the \$540,000 offer. This option would put the property back on the tax rolls.
2. Reject the offer and direct staff to make a counter offer, or to continue marketing the property at a price determined by the Board.

IV. TIMING/IMPLEMENTATION

Once the sale is approved, Facilities staff will work with Child Advocacy staff to prepare the Assessment Center for occupancy. An agreement will be drawn up between Youth Services and the District Attorney for the temporary use of that space.

V. RECOMMENDATION

Accept the offer.

VI. FOLLOW-UP

Upon determination by the Board of County Commissioners, Department of Management Services staff will proceed as directed.

VII. ATTACHMENTS

Board Order
Plat Map
Bargain and Sale Deed
Exhibit "A" – Description of Property

IN THE BOARD OF COUNTY COMMISSIONERS OF LANE COUNTY, OREGON

RESOLUTION AND
ORDER 07- 7-25-

) IN THE MATTER OF AUTHORIZING THE SALE
) OF SURPLUS COUNTY OWNED REAL
) PROPERTY IDENTIFIED AS MAP NO. 17-03-29-
) 12-01602 LOCATED AT 2560 FRONTIER
) DRIVE, EUGENE, AND COMMONLY KNOWN
) AS THE CHILD ADVOCACY CENTER, FOR
\$540,000.

WHEREAS county owned real property identified as Assessor's map no. 17-03-29-12-01602, commonly referred to as the Child Advocacy Center, and more particularly described in **Attached Exhibit "A"**; and,

WHEREAS said real property has been deemed surplus and no longer needed for county purposes and should be sold; therefore,

IT IS HEREBY RESOLVED AND ORDERED that pursuant to ORS 275.030, the real property identified as Assessor's map No. 17-03-29-12-01602 be sold to Uptown Development, LLC, for \$540,000, and that the proceeds be disbursed as follows:

Capital Improvement Fund/Child Advocacy Center 435-5570350-55131-446520

IT IS FURTHER ORDERED that the County Administrator, or his designee, is delegated authority to accept the earnest money in substantially the form attached, and is authorized to execute closing documents necessary to consummate the sale.

IT IS FURTHER ORDERED, that this Order shall be entered into the records of the Board of Commissioners of the County.

Dated this 25th day of July, 2007.

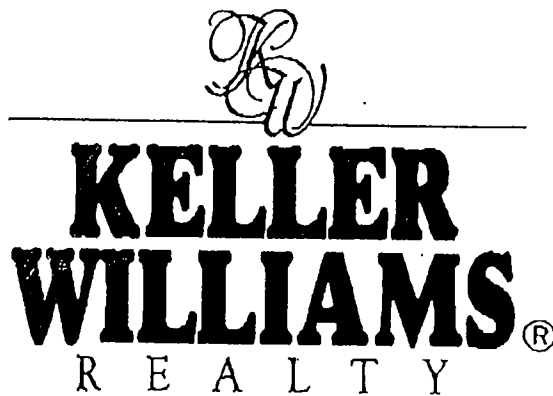
Faye Stewart, Chair
Board of County Commissioners

APPROVED AS TO FORM
Date 7/19/07 Lane County
Teresa J. Miller
OFFICE OF LEGAL COUNSEL

Exhibit A

OFFICIAL RECORD OF DESCRIPTIONS OF REAL PROPERTIES
OFFICE OF COUNTY ASSESSOR LANE COUNTY, OREGON

OLD NUMBER		MAP NO.		TAX LOT NO.	SECTION	TOWNSHIP	RANGE	W.M.
		17 03 29 12	1602	244 895				
INDENT EACH NEW COURSE TO THIS POINT		LEGAL DESCRIPTION				DEED RECORD		ACRES REMAINING
						DATE OF ENTRY	DEED NUMBER	
		ReSubdivision of Lot 1 Block 1 of Frontier Park				1968	52/21	
		Lot 4 Block 1					R376/10822	
		Lot 4, Block 1, Resubdivision of Lot 1 Block No. 1 of Frontier Park and Adjacent Property, as platted and recorded in Box 52, Page 21, Lane County Oregon Plat Records, In Lane County, Oregon.				1977 1984	R851/36654 R1304/84-27568	



BUYER PAID Transaction Fee

The undersigned agree to allow Keller Williams Realty, Eugene & Springfield, to represent us as Buyer(s) in a transaction located at 2560 Frontier Drive, Eugene, Oregon for the sale price of \$540,000. Upon close of escrow Buyer(s) agree to pay to Keller Williams Realty Eugene & Springfield a brokerage fee of ~~\$1000~~ of the agreed upon selling price, in cash, at close of escrow.

[Signature]
BUYER

6-21-2007
DATE

J. Scott Miller
BUYER

6-21-2007
DATE

Hollie Haas
Hollie Haas, KELLER WILLIAMS BROKER

6-21-2007
DATE



HOLLIE HAAS, Real Estate Broker
(541) 579-0695



DISCLOSED LIMITED AGENCY AGREEMENT FOR BUYERS

1 Property Address 2560 Frontier Drive, Eugene, Oregon 97401

2 Addendum to Buyer Service Agreement Dated 6/20/07 Real Estate Firm Keller Williams Realty Eugene & Springfield

3 The Parties to this Disclosed Limited Agency Agreement are:

4 Buyers Agent (print) Hollie Haas

5 Buyers Agent's Principal Broker (print) Galand Haas

6 Buyer (print) UPTOWN DEVELOPMENT LLC Buyer (print) _____

7 The parties to this Agreement understand that Oregon law allows a single real estate agent to act as a disclosed limited agent to represent both the seller and
8 the buyer in the same real estate transaction, or multiple buyers who want to purchase the same property. It is also understood that when different agents
9 associated with the same principal broker (the broker who directly supervises the other agents) establish agency relationships with the buyer and seller in a
10 real estate transaction, the agents' principal broker shall be the only broker acting as a disclosed limited agent representing both seller and buyer. The other
11 agents shall continue to represent only the party with whom they have an established agency relationship, unless all parties agree otherwise in writing.

12 In consideration of the above understanding, and the mutual promises and benefits exchanged here and, if applicable, in the Buyer Service Agreement, the
13 parties now agree as follows:

14 1. Buyer(s), acknowledge they have received the Oregon Real Estate Agency Disclosure Pamphlet required by ORS 696.820 and have read and discussed
15 with the Buyers Agent that part of the pamphlet entitled "Duties and Responsibilities of an Agent Who Represents More than One Client to a Transaction." The
16 Oregon Real Estate Agency Disclosure Pamphlet is hereby incorporated into this Disclosed Limited Agreement by reference.

17 2. Buyer(s), having discussed with Buyers Agent the duties and responsibilities of an agent who represents more than one party to a transaction, consent and
18 agree as follows:

19 (A) Buyers Agent and the Buyers Agent's Principal Broker, in addition to representing Buyer, may represent the seller or another buyer in any
20 transaction involving the Buyer;

21 (B) In a transaction where the seller is represented by an agent who works in the same real estate business as the Buyers Agent and who is
22 supervised by the Buyers Agent's Principal Broker, the Principal Broker may represent both Seller and Buyer. In such a situation, the Buyers Agent
23 will continue to represent only the Buyer and the other agent will represent only the Seller, consistent with the applicable duties and responsibilities
24 set out in the Oregon Real Estate Agency Disclosure Pamphlet;

25 (C) In all other cases, the Buyers Agent and the Buyers Agent's Principal Broker shall represent Buyer exclusively.

26 Buyer Signature [Signature] Date 6-20-07 9:30 a.m. p.m. ←

27 Buyer Signature [Signature] Date 6-20-07 9:30 a.m. p.m. ←

28 Buyer's Agent Signature [Signature] Date _____ a.m. p.m. ←
(On their own and on the Principal Broker's behalf)

LINES WITH THIS SYMBOL ← REQUIRE A SIGNATURE AND DATE

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Principal Broker's Initials _____
Date _____



Sale Agreement # 25602007111

FINAL AGENCY ACKNOWLEDGMENT

Both Buyer and Seller acknowledge having received the Oregon Real Estate Agency Disclosure Pamphlet, and hereby acknowledge and consent to the following agency relationships in this transaction:

(1) Hollie Haas (Name of Selling Licensee) of Keller Williams Realty Eugene & Springfield (Name of Real Estate Firm) is the agent of (check one): [X] Buyer exclusively ("Buyer Agency"). [] Seller exclusively ("Seller Agency"). [] Both Buyer and Seller ("Disclosed Limited Agency").

(2) (Name of Listing Licensee) of (Name of Real Estate Firm) is the agent of (check one): [X] Seller exclusively ("Seller Agency"). [] Both Buyer and Seller ("Disclosed Limited Agency").

(3) If both parties are each represented by one or more Licensees in the same Real Estate Firm, and Licensees are supervised by the same principal broker in that Real Estate Firm, Buyer and Seller acknowledge that said principal broker shall become the disclosed limited agent for both Buyer and Seller as more fully explained in the Disclosed Limited Agency Agreements that have been reviewed and signed by Buyer, Seller and Licensee(s).

Buyer shall sign this acknowledgment at the time of signing this Agreement before submission to Seller. Seller shall sign this acknowledgment at the 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 Agency Acknowledgment shall not constitute acceptance of this Agreement or any terms therein.

Buyer [Signature] Print UPTOWN DEVELOPMENT, LLC Date 6-21-2007

Buyer [Signature] Print UPTOWN DEVELOPMENT, LLC Date 6-21-2007

Seller Print Lane County, State of Oregon Date

Seller Print Date

COMMERCIAL REAL ESTATE SALE AGREEMENT

This Agreement is intended to be a legal and binding contract. If it is not understood, seek competent legal advice before signing.

1. DEFINITIONS: All references in this Agreement to "Licensee" and "Firm" shall refer to Seller's and Buyer's real estate agents licensed in the State of Oregon and the respective real estate companies with which they are affiliated. Licensee(s) and Firm(s) identified in the Final Agency Acknowledgment Section above are not parties to this Agreement, except as may be applicable in Sections 14, 34, 35, 38 and 42 below. Unless otherwise provided herein: (1) Time calculated in days after the date Seller and Buyer have signed this Agreement shall start on the first full business day after the date that the last party has signed and accepted this Agreement, including counteroffer(s), if applicable; (2) Written notices required or permitted under this Agreement to be delivered to Seller or Buyer may be delivered to their respective Licensee with the same effect as if delivered to that Seller or Buyer; (3) A "business day" shall mean and include Monday through Friday, except recognized legal holidays as enumerated in ORS 187.010 and 187.020.

2. PRICE/PROPERTY DESCRIPTION: Buyer (print name(s)) UPTOWN DEVELOPMENT, LLC offers to purchase from Seller (print name(s)) LANE COUNTY, State of Oregon the following described property and all improvements thereon (hereinafter "the Property") situated in the State of Oregon, County of Lane and commonly known or identified as (insert street address, city, zip code, tax identification number, and/or lot-block description, etc.) 2560 Frontier Drive, Eugene, Oregon 97401

(Seller and Buyer agree that if it is not provided herein, a complete legal description as provided by the title insurance company in accordance with Section 5. below, shall, where necessary, be used for purposes of legal identification and conveyance of title.)

for the purchase price (in U.S. currency) of A \$540000.00

on the following terms: Earnest money herein received for B \$10000.00

on _____, as additional earnest money, the sum of C \$

at or before closing, the balance of down payment D \$530000.00

at closing and upon delivery of [X] DEED [] CONTRACT (the sum of (Lines B, C, D and E should equal Line A)) E \$0.00

Payable as follows (Describe details of any loan(s) to be obtained): CASH and / or Section 1031 monies.

For additional details, see Addendum

3. BUYER REPRESENTATIONS/LOAN CONTINGENCY: As of the date of signing this Agreement, Buyer has sufficient funds available to close this transaction in accordance with the terms proposed herein, and is not relying on any contingent source of funds (e.g., from loans, gifts, sale or closing of property, 401K disbursements, etc.), unless otherwise disclosed in this Agreement.

IF A NEW LOAN IS REQUIRED, THIS TRANSACTION IS SUBJECT TO BUYER AND PROPERTY QUALIFYING FOR THE LOAN AND THE LENDER'S

Buyer Initials [Signature] Date 6-21-2007

Seller Initials [Signature] Date

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

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47 APPRAISAL BEING NOT LESS THAN THE PURCHASE PRICE. This contingency is solely for Buyer's benefit and may be waived by Buyer in writing. Buyer
48 agrees to make written loan application not later than 5 business days (three (3) if not filled in) after the date Seller and Buyer have signed this Agreement, and
49 thereafter complete necessary papers, and exert best efforts, including payment of all application, appraisal and processing fees, in order to procure the loan.
50 Buyer authorizes lender to provide non-confidential information to Listing and Selling Licensees regarding status of the loan. If the Property is located in a
51 designated flood zone, Buyer acknowledges that flood insurance may be required as a condition of the new loan. Buyer is encouraged to promptly verify the
52 availability and cost of property/casualty insurance that will be secured for the Property.

53 4. ADDITIONAL PROVISIONS: Buyers may use Section 1031 Exchange Monies to purchase subject property at no cost
54 to the Seller.

55 For additional provisions, see Addendum _____.

56 5. TITLE INSURANCE: Unless otherwise provided herein, this transaction is subject to Buyer's review and approval of the exceptions disclosed on a
57 preliminary title report and the recorded covenants, conditions and restrictions ("the report and CC&Rs") showing the condition of title to the Property. (If not
58 fully understood, Buyer should immediately contact the title insurance company for further information or seek competent legal advice. Neither
59 Listing nor Selling Licensees are qualified to advise on specific legal or title issues.) Upon execution of this Agreement by Seller and Buyer, Seller will,
60 at Seller's sole expense, promptly order the report from an Oregon title insurance company and furnish it to Buyer together with complete and legible copies of
61 all exceptions noted in the report. Upon receipt of the report, Buyer shall have 10 business days (five (5) if not filled in) thereafter within which to notify Seller,
62 in writing, of any matter(s) disclosed in the report which is/are unacceptable to Buyer ("the objections"). Buyer's failure to timely object, in writing, to any
63 exceptions disclosed in the report shall constitute acceptance of those exceptions. Provided, however, Buyer's failure to timely object shall not relieve Seller of
64 the duty to convey marketable title pursuant to Section 6 below. If, within 10 business days (five (5) if not filled in) following receipt of Buyer's objection(s), if
65 any, Seller fails to remove or correct them, or does not give written assurances reasonably satisfactory to Buyer that they will be removed or corrected, all
66 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
67 by Buyer in writing. Within thirty (30) days after closing, Seller shall furnish to Buyer an owner's standard form policy of title insurance insuring marketable title
68 in the Property to Buyer in the amount of the purchase price, free and clear of the objections and all other title exceptions agreed to be removed as part of this
69 transaction. So long as doing so shall be at no additional expense or liability to Seller, Seller shall cooperate in all reasonable respects with the delivery to
70 Buyer of an ALTA extended form policy of title insurance and any endorsements requested by Buyer.

71 6. DEED: Seller shall convey marketable title to the Property by statutory warranty deed or _____, free and clear of all liens of record, except
72 property taxes which are a lien but not yet payable, zoning ordinances, building and use restrictions, reservations in Federal patents, easements of record
73 which affect the Property, covenants, conditions and restrictions of record, and those matters accepted by Buyer pursuant to Section 5 above.

74 7. FIXTURES: Trade fixtures are, are not to be left upon the Property as part of the Property being purchased. All other fixtures are to be left upon
75 the Property except the following:
76 NONE.

77 8. PERSONAL PROPERTY: The following personal property, in "AS-IS" condition is included as a part of the Property being purchased:
78 NONE.

79 (Attach inventory if necessary). If certain personal property which is to be included as a part of this sale is to have a separately stated value in addition to the
80 purchase price, the parties agree to attach a separate exhibit, jointly signed, identifying the stated value(s) of such property within _____ business days (five (5)
81 if not filled in) following the date both parties have signed this Agreement.

82 9. EXISTING LEASES: The Property is, is not, subject to one or more existing leasehold interests, which Seller represents and warrants are current
83 and free from default. If applicable, Seller agrees to deliver complete and legible copies of the written lease(s) to Buyer for review within 10 business days
84 (three (3) if not filled in) following the date Seller and Buyer have signed this Agreement. Seller and Buyer shall have 10 business days (five (5) if not filled in)
85 following Buyer's receipt of all lease(s) within which to reach a signed written agreement with Seller regarding Buyer's approval of the lease(s) and the
86 conditions, if any, under which they will be assumed and/or assigned. In the event such written agreement is not reached within the time provided herein, all
87 earnest money shall be refunded to Buyer and this transaction shall be terminated. This condition is for the benefit of both Seller and Buyer, and may not be
88 waived by either party without the other's written consent.

89 10. SELLER REPRESENTATIONS: Subject to other written disclosures made by Seller as a part of this transaction, Seller makes the following
90 representations to Buyer: (1) Seller has full and complete authority to enter into this Agreement and convey the Property in accordance with the
91 terms hereof. (2) There is no condemnation, environmental, zoning or similar proceeding existing or planned, which could detrimentally affect the
92 use, development, operation or value of the Property. (3) The Property is being operated in full compliance with all laws, order, rules, ordinances,
93 regulations and governmental requirements. (4) Seller has no knowledge of any hazardous substances on the Property other than substances (if
94 any) contained in appliances and equipment. (5) Seller knows of no material structural defects in or about the Property. (6) All electrical wiring,
95 heating, cooling, plumbing and irrigation equipment and systems and the balance of the Property, including landscaping, if any, will be in
96 substantially its present condition at the time Buyer is entitled to possession. (7) Seller has no notice of any liens or assessments to be levied
97 against the Property. (8) Seller has no notice from any governmental agency of any violation of law relating to the Property. (9) Seller is not a

Buyer Initials [Signature] Date 6-25-07

Seller Initials _____/____ Date _____

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

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"foreign person" under the Foreign Investment in Real Property Tax Act ("FIRPTA") as defined in Section (24) below. (10) Seller knows of no material discrepancies between visible lines of possession and use (such as existing fences, hedges, landscaping, structures, driveways, and other such improvements) currently existing on the Property offered for sale and the legal description of the Property. (11) Seller agrees to promptly notify Buyer if, prior to closing, Seller receives actual notice of any event or condition which could result in making any previously disclosed material information relating to the Property substantially misleading or incorrect. These representations are based upon Seller's actual knowledge. Seller may have made no investigations. Exceptions to items (1) through (10) are: NONE.

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

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

12. INSPECTIONS: Buyer understands that it is advisable to have a complete inspection of the Property by qualified 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 the Listing nor Selling Licensees are qualified to conduct such inspections and shall not be responsible to do so. If some or all of the Property includes residential housing, Buyer is encouraged to review the Oregon Property Buyer Advisory at <http://www.oregonrealtors.com> or at <http://www.rea.state.or.us>.

(CHECK ONLY ONE)

PROFESSIONAL INSPECTIONS: At Buyer's expense, Buyer may have the Property and all elements and systems thereof inspected by one or more professionals of Buyer's choice. Provided, however, Buyer must specifically identify in this Agreement any desired inspections which may include testing or removal of any portion of the Property. 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 filed in), after the date Seller and Buyer have signed this Agreement, (hereinafter "the Inspection Period") in which to complete all inspections and negotiations with Seller regarding any matters disclosed in any inspection report. However, during the Inspection Period, Seller shall not be required to modify any terms of this Agreement already reached with Buyer. Unless a written and signed modification is reached, at any time during the Inspection Period, Buyer may notify Seller or Listing Licensee, 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. Buyer shall promptly provide a copy of all reports to Seller only if requested by Seller. If Buyer fails to provide Seller or Listing Licensee with written unconditional disapproval of any inspection report(s) by Midnight of the final day of the Inspection Period, Buyer shall be deemed to have accepted the condition of the Property.

SEE ATTACHED ADDENDUM REGARDING ALTERNATIVE INSPECTION PROCEDURES, (USE OREGON PROFESSIONAL INSPECTION ADDENDUM FORM #058 OR OTHER INSPECTION ADDENDUM.)

BUYER'S WAIVER OF INSPECTION CONTINGENCY: Buyer acknowledges that Buyer has been given an opportunity to have the Property fully inspected. Buyer represents to Seller and all Licensees and Firms that Buyer is fully satisfied with the condition of the Property and all elements and systems thereof and elects to waive the right to have any inspections performed as a contingency to the closing of this transaction. Buyer's election to waive the right of inspection is solely Buyer's decision and at Buyer's own risk.

13. LEAD-BASED PAINT CONTINGENCY PERIOD: If the Property was constructed before 1978, a Lead-Based Paint Disclosure Addendum (hereinafter "the Disclosure Addendum") shall be promptly signed by Seller, Buyer and Listing and Selling Licensees, and become a part of this Agreement. Buyer shall also be provided with a pamphlet entitled "Protect Your Family From Lead in Your Home." Buyer shall have ___ calendar days (ten [10] if not filed in) within which to conduct a lead-based paint assessment or inspection (hereinafter referred to as "the Lead-Based Paint Contingency Period"), which shall commence immediately when Seller and Buyer sign the Disclosure Addendum. Unless the opportunity to conduct a risk assessment or inspection is expressly waived in the Disclosure Addendum, Buyer may, in writing, unconditionally cancel this transaction during the Lead-Based Paint Contingency Period and receive a prompt return of all earnest money deposits. Buyer understands that the failure to give timely written notice of cancellation prior to Midnight on the last day of the Lead-Based Paint Contingency Period shall constitute acceptance of the condition of the Property as it relates to the presence of lead-based paint or lead-based paint hazards

14. ESCROW: This transaction shall be closed at FATCO - CINDY FOSTER ("Escrow"), a neutral escrow located in the State of Oregon. Costs of Escrow shall be shared equally between Seller and Buyer, unless otherwise provided herein. Unless otherwise provided herein, the parties agree as follows: Seller authorizes Listing 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 cash proceeds of sale the expense of furnishing such policy, Seller's recording fees, Seller's closing costs and any encumbrances on the Property payable by Seller on or before closing. Buyer shall deposit with Escrow sufficient funds necessary to pay

Buyer Initials SO Date 6/21/07

Seller Initials ___ / ___ Date ___

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148 Buyer's recording fees, Buyer's closing costs, and lender's fees, if any. Real estate fees, commissions or other compensation for professional real estate
149 services provided by Listing and/or Selling Firms shall be paid at closing in accordance with the listing agreement, buyer service agreement or other written
150 agreement for compensation.

151 15. CLOSING: TIME IS OF THE ESSENCE. Closing shall occur on a date mutually agreed upon by Seller and Buyer, but in no event later than
152 OCTOBER 22, 2007 ("the Closing Deadline"). The terms "closed", "closing" or "closing date" shall mean when the deed or contract is recorded
153 and funds are available to Seller. Seller and Buyer acknowledge that for closing to occur by the Closing Deadline, it may be necessary to execute
154 documents and deposit funds in Escrow prior to that date.

155 16. POSSESSION: Seller shall remove all personal property (including trash and debris) that is not a part of this transaction, and deliver possession of the
156 Property to Buyer (check one): by 5:00 p.m. on closing; by _____ a.m. p.m. _____ days after closing; by _____ a.m. p.m. on
157 the _____ day of _____. If a tenant is currently in possession of the Property (check one): Buyer will accept tenant at closing; Seller shall have full
158 responsibility for removal of tenant prior to closing.

159 17. PRORATIONS: Prorates for rents, current year's real and personal property taxes, interest on assumed obligations, and other prepaid expenses
160 attributable to the Property shall be prorated as of: (check one) the closing date; date Buyer is entitled to possession; or _____

161 18. SELLER'S DOCUMENTS TO BE DELIVERED TO BUYER: (Check one) Seller has previously delivered to Buyer copies of all documents
162 containing material information about the Property that Seller has in Seller's possession or control including but not limited to documents and records relating
163 to the ownership, operation and maintenance of the Property (hereinafter "Relevant Business Documents"). Seller agrees that within 10 business days
164 (ten (10) if not filed in) following the date Seller and Buyer have signed this Agreement, Seller will deliver to Buyer Relevant Business Documents. In addition
165 to the Relevant Business Documents, Seller shall, within the same period as provided in this Section 18, deliver to Buyer the following additional information:
166 _____

167 19. UTILITIES: Seller shall pay all utility bills accrued to date Buyer is entitled to possession. Buyer shall pay Seller for heating fuel then on premises, at
168 Seller's supplier's rate on the possession date. Payment shall be handled between Buyer and Seller outside of Escrow.

169 20. INSURANCE: Seller shall keep the Property fully insured until closing.

170 21. ESCROW DEPOSIT: Escrow is hereby instructed by Seller and Buyer as follows: (1) Upon your receipt of a copy of this Agreement marked "rejected" by
171 Seller or upon Listing Firm's written advice that the offer is "rejected" by Seller, you are to refund all earnest money to Buyer. (2) Upon your receipt of a copy of
172 this Agreement signed by Seller and Buyer set up an escrow account and proceed with closing in accordance with the terms of this Agreement. If you
173 determine that the transaction cannot be closed for any reason (whether or not there is then a dispute between Seller and Buyer), you are to hold all earnest
174 money deposits until you receive written instructions from Seller and Buyer, or a final ruling from a court or arbitrator, as to disposition of such deposits.

175 22. EARNEST MONEY PAYMENT/REFUND: If (1) Seller does not approve this Agreement; or (2) Seller approves this Agreement but fails to furnish
176 marketable title; or (3) Seller fails to complete this transaction in accordance with this Agreement, or perform any other act as herein provided; or (4) any
177 condition which Buyer has made an express contingency in this Agreement (and has not been otherwise waived) fails through no fault of Buyer, then all
178 earnest money shall be promptly refunded to Buyer. However, acceptance by Buyer of the refund shall not constitute a waiver of other legal remedies
179 available to Buyer. If Seller approves this Agreement and title is marketable; and (1) Buyer has misrepresented Buyer's financial status; or (2) Buyer's bank
180 does not pay, when presented, any check given as earnest money; or (3) Buyer fails to redeem, when due, any note given as earnest money; or (4) Buyer fails
181 to complete this transaction in accordance with this Agreement, or perform any other act as herein provided, then all earnest money paid or agreed to be paid
182 shall be paid to Seller either as liquidated damages or as otherwise allowed under Oregon law, and this transaction shall be of no further binding effect. It is
183 the intention of the parties that Seller's sole remedy against Buyer for Buyer's failure to close this transaction shall be limited to the amount of
184 earnest money paid or agreed to be paid herein.

185 23. BINDING EFFECT/ASSIGNMENT: Subject to the following sentence, this Agreement is binding upon the heirs, personal representatives, successors
186 and assigns of Buyer and Seller. Buyer's interest in this Agreement or in the Property (check one) are assignable without prior written consent of Seller,
187 are not assignable without prior written consent of Seller; are assignable only to an affiliated entity owned or controlled by Buyer without prior written
188 consent of Seller.

189 24. FOREIGN INVESTMENT IN REAL PROPERTY TAX ACT: The Foreign Investment in Real Property Tax Act ("FIRPTA") requires every person who
190 purchases real property located within the United States from a "foreign person" to deduct and withhold from Seller's proceeds ten percent (10%) of the gross
191 sales price, with certain exceptions, and to pay the amount withheld to the Internal Revenue Service. A "foreign person" includes a non-resident alien
192 individual, foreign corporation, foreign partnership, foreign trust and foreign estate. Seller and Buyer agree to execute and deliver, as appropriate, any
193 instrument, affidavit or statement, and to perform any acts reasonable or necessary to carry out the provisions of FIRPTA. If Seller is a foreign person as
194 defined by FIRPTA, Seller and Buyer instruct Escrow to take all necessary steps to comply therewith.

195 25. APPROVED USES: THE PROPERTY DESCRIBED IN THIS INSTRUMENT MAY NOT BE WITHIN A FIRE PROTECTION DISTRICT PROTECTING
196 STRUCTURES. THE PROPERTY IS SUBJECT TO LAND USE LAWS AND REGULATIONS, THAT, IN FARM OR FOREST ZONES, MAY NOT
197 AUTHORIZE CONSTRUCTION OR SITING OF A RESIDENCE AND THAT LIMIT LAWSUITS AGAINST FARMING OR FOREST PRACTICES AS
198 DEFINED IN ORS 30.930 IN ALL ZONES. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE

Buyer Initials Date

Seller Initials / Date

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199 SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 197.352 (MEASURE 37). BEFORE SIGNING OR ACCEPTING THIS
200 INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY
201 PLANNING DEPARTMENT TO VERIFY APPROVED USES. THE EXISTENCE OF FIRE PROTECTION FOR STRUCTURES AND THE RIGHTS OF
202 NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 197.352 (MEASURE 37). IF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IS
203 SUBJECT TO SPECIAL ASSESSMENT UNDER ORS 358.505, ORS 358.515 REQUIRES NOTIFICATION TO THE STATE HISTORIC PRESERVATION
204 OFFICER OF SALE OR TRANSFER OF THIS PROPERTY.

205 26. IRC 1031 EXCHANGE: In the event Seller or Buyer elect to complete an IRC 1031 exchange in this transaction, the other party agrees to cooperate
206 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 escrow or cause additional
207 expense or liability to the cooperating party. Unless otherwise provided herein, this provision shall not become a contingency to the closing of this transaction.

208 27. LEVY OF ADDITIONAL PROPERTY TAXES: The Property: (check one) is is not specially assessed for property taxes (e.g. farm, forest or
209 other) in a way which may result in levy of additional taxes in the future. If it is specially assessed, Seller represents that the Property is current as to income or
210 other conditions required to preserve its deferred tax status. If, as a result of Buyer's actions or the closing of this transaction, the Property either is disqualified
211 from special use assessment or loses its deferred property tax status, unless otherwise specifically provided in this Agreement, Buyer shall be responsible for
212 and shall pay when due, any deferred and/or additional taxes and interest which may be levied against the Property and shall hold Seller completely harmless
213 therefrom. However, if as a result of Seller's actions prior to closing, the Property either is disqualified from its entitlement to special use assessment or loses its
214 deferred property tax status. Seller shall be responsible for and shall pay at or before closing all deferred and/or additional taxes and interest which may be
215 levied against the Property and shall hold Buyer completely harmless therefrom. The preceding shall not be construed to limit Seller's or Buyer's available
216 remedies or damages arising from a breach of this Section 27.

217 28. ADDITIONAL LAND SALE CONTRACT/TRUST DEED/MORTGAGE PROVISIONS: If this transaction is to include a land sale contract, trust deed
218 or mortgage to be carried back by Seller, Buyer and Seller shall agree upon the terms and conditions of such document not later than 10 business days (ten
219 [10] if not filled in) after the date Seller and Buyer have signed this Agreement. Upon failure to reach such agreement within said time period, this transaction
220 shall be terminated, and all earnest money shall be promptly refunded to Buyer.

DISPUTE RESOLUTION INVOLVING SELLER AND BUYER ONLY

223 29. DISPUTE RESOLUTION: Any dispute between Seller and Buyer relating to the interpretation or enforcement of this Agreement (check one)
224 shall shall not be subject to the following arbitration provisions. Failure to check a box in this Section 29 shall constitute an election NOT to
225 arbitrate. Seller and Buyer agree that all claims, controversies and disputes, including those for rescission (hereinafter collectively referred to as "Claims"),
226 relating directly or indirectly to this transaction, shall be resolved in accordance with the procedures set forth herein, which shall expressly survive closing or
227 earlier termination of this Agreement. Provided, however, the following matters shall not constitute Claims: (1) any proceeding to collect, interpret or enforce
228 any mortgage, trust deed, land sale contract or recorded construction lien or (2) a forcible entry and detainer action (eviction). The filing of a notice of pending
229 action ("lis pendens") or the application to any court for the issuance of any provisional process or similar remedy described in the Oregon or Federal Rules of
230 Civil Procedure shall not constitute a waiver of the right or duty to utilize the dispute resolution procedures specified herein.

231 30. SMALL CLAIMS BETWEEN SELLER AND BUYER: Notwithstanding the following Sections, Seller and Buyer agree that all Claims between them
232 that are within the jurisdiction of the Small Claims Court shall be brought and decided there, in lieu of mediation, arbitration or litigation in any other forum.

233 31. MEDIATION BETWEEN SELLER AND BUYER: If Seller or Buyer were represented in this transaction by a Licensee whose principal broker is a
234 member of the National Association of REALTORS®, all Claims between Seller and Buyer shall be submitted to mediation in accordance with the procedures
235 of the Home Seller/Home Buyer Dispute Resolution System of the National Association of REALTORS® or other organization-adopted mediation program
236 (collectively "the System"). Provided, however, only if Licensee's principal broker is not a member of the National Association of REALTORS® or the System is
237 not available through the principal broker's Association of REALTORS®, then all Claims shall be submitted to mediation either through: (1) the special
238 mediation program administered by Arbitration Service of Portland or (2) any other impartial private mediator(s) or program(s), so long as such services are
239 available in the county where the Property is located, as selected by the party first filing for mediation.

DISPUTE RESOLUTION INVOLVING LICENSEES OR FIRMS

242 32. SMALL CLAIMS AND ARBITRATION: All Claims shall be submitted to final and binding private arbitration pursuant to Oregon Laws in accordance
243 with the then-existing rules of either Arbitration Service of Portland ("ASP") or, alternatively, any other professional arbitration service that has existing rules of
244 arbitration, provided that the selected alternative service also uses arbitrators who are in good standing with the Oregon State Bar, with expertise in real estate
245 law and who can conduct the hearing in the county where the Property is located. The arbitration service in which the Claim is first filed shall handle the case to
246 its conclusion. Filing for arbitration shall be treated the same as filing in court for purposes of meeting any applicable statutes of limitation or for purposes of
247 filing a lis pendens. BY CONSENTING TO THIS BINDING ARBITRATION PROVISION SELLER AND BUYER ARE AGREEING THAT DISPUTES
248 ARISING UNDER THIS AGREEMENT SHALL BE HEARD AND DECIDED BY ONE OR MORE NEUTRAL ARBITRATORS AND SELLER AND BUYER

Buyer Initials SM Date 11/11/07

Seller Initials Date

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

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249 ARE GIVING UP THE RIGHT TO HAVE THE MATTER TRIED BY A JUDGE OR JURY. THE RIGHT TO APPEAL AN ARBITRATION DECISION IS
250 LIMITED UNDER OREGON LAW.

251 33. ATTORNEY FEES: The prevailing party in any suit, action or arbitration between Seller and Buyer shall be entitled to recovery of all reasonable attorney
252 fees and costs pursuant to ORCP 68.

253 34. RECEIPT FOR EARNEST MONEY: Selling Firm acknowledges receipt of earnest money from Buyer in the sum of \$10,000 evidenced by
254 (check one) [] CASH [X] CHECK [] PROMISSORY NOTE payable as follows: _____; [] Other Form of Earnest Money _____ and agrees to
255 handle as follows below.

256 35. EARNEST MONEY INSTRUCTIONS: Buyer instructs Selling Firm to handle the earnest money as follows (check all that apply):
257 [X] Hold any earnest money that is in the form of a check undeposited pending mutual acceptance of this Agreement and all agreed-upon counter offers, after
258 which time deposit it as provided herein within three (3) banking days. [] Deposit any earnest money funds redeemed under a promissory note with _____
259 [] Deposit in Selling Firm's client trust account, and thereafter/or [X] Deposit with Escrow. In the event the earnest money is deposited in Selling Firm's trust
260 account or with escrow (collectively "the Deposit Holder"), and the Deposit Holder has arranged to have interest on such deposit transferred to a qualified
261 public benefit corporation for distribution to organizations and individuals for first time home-buying assistance and development of affordable housing pursuant
262 to ORS 696.241(6) or ORS 696.578(3), all parties acknowledge and agree that any interest accruing on the earnest money so deposited shall be transferred
263 in accordance with this provision. The preceding sentence shall be subject to any other statutes or regulations governing the disposition of earnest money
264 deposits.

265 SELLING LICENSEE AND SELLING FIRM SHALL HAVE NO FURTHER LIABILITY WITH RESPECT TO EARNEST MONEY WHICH THE PARTIES
266 HAVE AUTHORIZED TO BE TRANSFERRED TO A THIRD PARTY.

267 Selling Firm Keller Williams Realty Eugene & Springfield
268 _____ Selling Licensee Signature [Signature]
269 Office Address 2644 Suzanne Way, Eugene, Oregon 97408 Phone 541-431-6480 FAX 5414859652

270 36. PROPERTY DISCLOSURE LAW: Buyer and Seller acknowledge that if this transaction is subject to Oregon's Seller Property Disclosure Law, ORS
271 105.462 et. seq., unless otherwise waived, Buyer shall have a right to revoke Buyer's offer within five (5) business days from Seller's delivery of Property
272 Disclosure Statement.

273 37. COUNTERPARTS/DELIVERY: This Agreement may be signed in multiple counterparts with the same effect as if all parties signed the same document.
274 Delivery of a legible photocopy, telefax, carbon or carbonless copy of a signed original of this Agreement shall be treated the same as delivery of the original.

275 38. AGREEMENT TO PURCHASE: Buyer agrees to purchase the Property upon the terms and conditions set forth in this Agreement. Buyer
276 acknowledges receipt of a completely filled in copy of this Agreement which Buyer has fully read and understands. Buyer acknowledges receipt of
277 a completely filled in copy of this Agreement which Buyer has fully read and understands. Buyer acknowledges that Buyer has not received or
278 relied upon any oral or written statements, made by Seller or any Licensees, which are not expressly contained in this Agreement. Neither Seller
279 nor any Licensee(s) warrant the square footage of any structure or the size of any land being purchased. If square footage or land size is a material
280 consideration, all structures and land should be measured by Buyer prior to signing, or should be made an express contingency in this
281 Agreement.

282 Deed or contract shall be prepared in the name of UPTOWN DEVELOPMENT, LLC
283 This offer shall automatically expire on (insert date) JULY 2, 2007 at 5:00 [] a.m. [X] p.m., ("the Offer Deadline"), if not
284 accepted within that time.

285 Buyer may withdraw this offer before the Offer Deadline any time prior to Seller's acceptance. If Seller accepts this offer after the Offer Deadline, it shall not be
286 binding upon Buyer unless accepted by Buyer in writing within 2 business days (two [2] if not filled in) thereafter by so indicating at Section 40 below. This offer
287 may be accepted by Seller only in writing.

288 Buyer [Signature] Date June 21 9:30 am p.m. ←
289 Buyer J. Scott [Signature] Date June 21 9:30 am p.m. ←
290 Address PO Box 5947, Eugene, Oregon 97405 Zip _____
291 Phone Home _____ Work _____ E-mail _____ Fax _____

Buyer Initials [Signature] Date [Signature]

Seller Initials _____ / _____ Date _____

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

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This offer was submitted to Seller for signature on the _____ day of _____, _____, at _____ a.m. _____ p.m.
By _____ (Licensee(s) presenting offer).

39. AGREEMENT TO SELL / ACKNOWLEDGEMENTS / DISPOSITION OF EARNEST MONEY. Seller accepts Buyer's offer. Seller acknowledges receipt of a completely filled-in copy of this Agreement, which Seller has fully read and understands. Seller acknowledges that Seller has not received or relied upon any oral or written statements of Buyer or of any Licensee(s) which are not expressly contained in this Agreement. Seller instructs that all earnest money distributable to Seller pursuant to Section 22 above, shall be disbursed as follows after deduction of any title insurance and Escrow cancellation charges: (check one) First to Listing Firm to the extent of the agreed commission just as if the transaction had been closed, with residue to Seller, or _____.

Seller _____ Date _____ a.m. _____ p.m. ←
Seller _____ Date _____ a.m. _____ p.m. ←
Address _____ Zip _____
Phone Home _____ Work _____ E-mail _____ Fax _____

40. REJECTION/COUNTER OFFER: SELECT ONE: Seller does not accept the above offer, but makes the attached counter offer, Seller rejects Buyer's offer without a counter offer.

Seller _____ Date _____ a.m. _____ p.m. ←
Seller _____ Date _____ a.m. _____ p.m. ←
Address _____ Zip _____
Phone Home _____ Work _____ E-mail _____ Fax _____

41. BUYER'S ACKNOWLEDGMENT: Buyer acknowledges receipt of a copy of Seller's written response to this Agreement. If Seller's response is an acceptance of Buyer's offer that occurred after the Offer Deadline identified at Section 38 above, Buyer (select only one) agrees does not agree, to be bound thereby. (The failure to check either box shall constitute rejection of Seller's acceptance after the Offer Deadline.)

Buyer _____ Date _____ a.m. _____ p.m. ←
Buyer _____ Date _____ a.m. _____ p.m. ←

42. FIRMS/LICENSEES:

Selling Firm Keller Williams Realty Eugene & Springfield Selling Licensee Hollie Haas
Listing Firm _____ Listing Licensee _____
Selling Firm Office Address 2644 Suzanne Way Eugene OR 97408 Phone 431-6480 FAX 541-431-6480
Listing Firm Office Address _____ Phone _____ FAX _____
Listing Firm Principal Broker Initials/Date _____ / _____ Selling Firm Principal Broker Initials/Date _____ / _____

Buyer Initials [Signature] Date [Signature]

Seller Initials _____ / _____ Date _____