

**PURCHASE AND SALE AGREEMENT  
C & C HILL, LLC**

This Purchase and Sale Agreement (this “**Agreement**”) is made and entered into effective on \_\_\_\_\_, 2018 (the “**Effective Date**”) between C & C Hill, LLC, an Oregon limited liability company (“**Seller**”), whose address is 4005 Lutz Lane, PO Box 2190, The Dalles, Oregon 97058, and City of John Day, an Oregon municipal corporation (“**Buyer**”), whose address is 450 East Main Street, John Day, Oregon 97845.

RECITALS:

- A. Seller owns certain real property located in John Day, Grant County, Oregon, described on the attached Exhibit A and shown on the attached Exhibit B (collectively, the “**Property**”), consisting of approximately 9.98 acres of land.
- B. The Property is comprised of the following parcels: Tax Lot 1404, consisting of approximately 4.55 acres (“**Tract 1**”); Tax Lot 3100, consisting of approximately 0.93 acres (“**Tract 2**”); Tax Lot 102, consisting of approximately 0.13 acres (“**Tract 3**”); and Tax Lot 1400, consisting of approximately 4.37 acres on the south bank of the John Day River (“**Parcel 1**”).
- C. Seller will sell the Property to Buyer and Buyer will purchase the Property from Seller, subject to the terms and conditions contained in this Agreement. As additional consideration for the Property, Buyer will agree to certain commitments for naming a park to be built on Parcel 1 and the establishment of reserves to be used toward a future public pool, each on the terms contained in this Agreement.

AGREEMENT:

NOW, THEREFORE, in consideration of the mutual covenants contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. Definitions.

Unless defined elsewhere in this Agreement, capitalized terms contained in this Agreement have the meanings given such terms in the attached Appendix A.

2. Sale of Property.

2.1 Purchase; Payment. The purchase price for the Property is \$115,000.00 (the “**Purchase Price**”). Buyer will pay the Purchase Price as follows: (a) within ten (10) days after the Effective Date, Buyer will deposit \$5,000.00 (the “**Earnest Money**”) with Title Company, with \_\_\_\_\_ as escrow officer; and (b) Buyer will pay the balance of the Purchase Price in cash or other immediately available funds at Closing, subject to adjustment as provided in this Agreement.

2.2 Proration; Escrow Fees. Any utilities, rents, real estate taxes and assessments, and other similar expenses with respect to the Property will be prorated between Seller and Buyer as of 12:01 a.m. on the Closing Date as if Buyer were vested with title to the Property during the entire day upon which Closing occurs. The proration will be made at Closing to the extent possible. Seller shall ensure that all real property taxes on the Property are paid through the Closing Date, and shall obtain a certificate from the county assessor attesting to the payment of such taxes, which certificate shall be recorded with the Warranty Deed conveying the Property to Buyer, as provided in ORS 311.411 (Chapter 96, Oregon Laws 2015). Seller will pay one-half of the escrow fees, the fee to record the Warranty Deed and the premium for the Title Insurance. Buyer will pay one-half of the escrow fees, the cost of any survey obtained by Buyer, the premium for extended title insurance coverage desired by

Buyer, and for any endorsements to the title insurance policy (unless obtained by Seller to remove any unpermitted exceptions).

3. Seller Representations; Warranties; Covenants.

In addition to any other Seller representation, warranty, or covenant contained in this Agreement, Seller represents, warrants, and covenants to Buyer as follows:

3.1 Authority and Binding Obligation. Seller is an Oregon limited liability company duly organized and validly existing under the laws of the State of Oregon. Seller has full power and authority to sign and deliver this Agreement and to perform all of Seller's obligations under this Agreement. The execution, delivery, and performance of this Agreement, and any agreement contemplated herein, constitute a valid and binding agreement of Seller, enforceable in accordance with its terms. Seller's execution, delivery, and performance of this Agreement, and any agreement contemplated herein, will not result in a breach or violation of, nor constitute a default under, any agreement, law, judgment, or order, nor require the consent, authorization, or approval of any person, including, without limitation, any governmental body.

3.2 Title to Property; Compliance with Laws. Exhibit A contains the Property's correct legal description and Exhibit B accurately depicts the Property. Seller has good title to the Property and is able to transfer and convey the Property to Buyer free and clear of any and all Encumbrances except for the Permitted Encumbrances. To the best of Seller's knowledge, Seller and the Property are in compliance with all Laws and no event has occurred or circumstances exist that may result in Seller or the Property's failure to comply with any Law. Neither Seller nor the Property are subject to any judgment or order, and there are no actions, judgments, suits, audits, hearings, proceedings, orders, investigations, or claims pending or threatened against Seller or the Property, including, without limitation, any pending or threatened condemnation proceeding, whether at law or in equity, or before or by any governmental department, commission, board, bureau, agency, or instrumentality.

3.3 Filings; Notices; Notification. Seller will make all filings and give all notices that Seller is required to make and give to close the Transaction. Seller will cooperate with Buyer with respect to all consents, authorizations, approvals, filings, and notices that Buyer is required to make and give to close the Transaction. Seller will use Seller's best efforts to effectuate the Transaction and will do all acts and things as may be required to carry out Seller's obligations under this Agreement. Seller will obtain all consents, authorizations, and approvals that Seller is required to obtain to effectuate the Transaction. Seller will use Seller's best efforts to (a) satisfy Title Company's requirements for issuing the Title Insurance, (b) eliminate as an exception to the Title Insurance any exception that is not a Permitted Encumbrance, and (c) cure any matter that Buyer reasonably believes could adversely affect Buyer's ownership or use of the Property.

3.4 Sophistication and Evaluation. Seller has knowledge and experience in financial and real estate matters necessary to make Seller capable of evaluating the merits and risks of entering into this Agreement and consummating the Transaction. Seller has entered into this Agreement on the basis of its own examination, personal knowledge, and opinion as to the suitability of this Agreement and Transaction. In connection with Seller's decision to enter into this Agreement, Seller has not relied on any representations or warranties made by Buyer other than those provided in this Agreement, if any. Seller has had the opportunity to ask questions and receive answers concerning this Transaction, and has obtained all information Seller deems necessary or appropriate to evaluate this Transaction.

3.5 Environmental. Before the Effective Date, Seller delivered to Buyer complete copies of all environmental reports, studies, analyses, tests, and site assessments concerning the Property. Seller has no liabilities or obligations of any kind arising out of any Environmental Law. As of the Effective Date, Seller and the Property comply with all Environmental Laws. Seller is not a party to any contract, settlement agreement, or other similar arrangement that requires or may require Seller to have any liability or obligation of any kind arising out of any Environmental Law. Seller has not received any notice from any governmental authority or other person regarding (a) any actual, alleged, or potential failure by Seller to comply with any Environmental Law, or (b) any

actual or threatened liability or obligation of Seller arising out of any Environmental Law. No action, arbitration, audit, hearing, investigation, litigation, suit, or other proceeding relating to any Environmental Law is pending or threatened against Seller.

3.6 No Brokers or Finders; Foreign Person; Accuracy. Seller has not incurred any liability or obligation, whether contingent or otherwise, for a brokerage commission, a finder's fee, or any other similar payment in connection with this Agreement or the Transaction. Seller is not a "foreign person" for purposes of Internal Revenue Code Section 1445. None of Seller's representations or warranties contains any untrue statement of a material fact or omits or misstates a material fact necessary to make the statements contained herein not misleading.

4. Buyer Representations and Warranties; Post-Closing Covenants.

Subject to the terms and conditions contained in this Agreement, Buyer represents, warrants and covenants to Seller as follows:

4.1 Authority and Binding Obligation. Buyer has full power and authority to sign and deliver this Agreement and to perform all of Buyer's obligations under this Agreement. The execution, delivery, and performance of this Agreement, and any agreement contemplated herein, constitutes a valid and binding agreement of Buyer, enforceable in accordance with its terms. Buyer's execution, delivery, and performance of this Agreement, and any agreement contemplated herein, will not result in a breach or violation of, nor constitute a default under, any agreement, law, judgment, or order, or require the consent, authorization, or approval of any person, including, without limitation, any governmental body.

4.2 No Brokers or Finders; Accuracy. Buyer has not incurred any liability or obligation, whether contingent or otherwise, for a brokerage commission, a finder's fee, or any other similar payment in connection with this Agreement or the Transaction. None of Buyer's representations or warranties contains any untrue statement of a material fact or omits or misstates a material fact necessary to make the statements contained herein not misleading.

4.3 Park Naming. For a period of 30 years beginning on the Closing Date (the "**Restricted Period**"), Buyer shall designate Parcel 1 as "Hill Family Park." If Buyer sells or otherwise transfers ownership of Parcel 1 during the Restricted Period, Buyer shall use commercially reasonable efforts to cause the purchaser or other transferee to continue use of the "Hill Family Park" name for as long as Parcel 1 is used as a public park. **At any time after expiration of the Restricted Period, Buyer (or a purchaser or other transferee) shall notify Seller in writing (or if Seller no longer exists, then Colleen Hill Hogan or Celeste Hill-Thomas, or their respective heirs) if Buyer, or a subsequent purchaser or other transferee, wishes to change the name of Parcel 1 from "Hill Family Park" (the "Park Notice").** Except for Buyer's obligation to provide the Park Notice, Buyer shall have no obligations under this Section 4.3 after the Restricted Period ends.

4.4 Gleason Pool Fund. Buyer operates a public pool on property located on Canton Street, John Day, Oregon (commonly known as Grant County Tax Lot 3000) (the "**Gleason Pool**") If Buyer sells the Gleason Pool, then Buyer shall hold the proceeds from such sale in a reserve fund (the "**Fund**") until June 30, 2025 (the "**Pool Deadline**"). If, prior to the Pool Deadline, Buyer begins construction of a new municipal pool, then Buyer shall use the Fund for capital expenditures related to such new pool. After the Pool Deadline, any sale proceeds in the Fund shall be transferred to Buyer's general fund and may be used for any general fund purpose.

4.5 Disclosure. Buyer acknowledges that it has had or will be given the opportunity to conduct an investigation or inspection of the Property, and agrees to accept the same "as is" in its present condition, except (i) as such condition may be affected by the representations and warranties made by Seller to Buyer with regard to the Property in Section 3 of this Agreement, and (ii) as such condition may be affected by the warranties arising under the Warranty Deed.

5. Title Review; Closing Conditions.

5.1 Title Review. Within 10 days after the Effective Date, Seller will order and deliver to Buyer, a preliminary title report showing the condition of the title to the Property, together with complete and legible copies of all exceptions listed therein (collectively, the “**Title Report**”). Buyer will have 15 business days after the Effective Date within which to give notice in writing to Seller (the “**Objection Notice**”) of Buyer’s disapproval of any exceptions shown in the Title Report. If Buyer timely provides Seller the Objection Notice, Seller will notify Buyer in writing (the “**Response Notice**”) within 10 business days after Seller’s receipt of the Objection Notice whether Seller is willing and able to remove the unpermitted exceptions identified in the Objection Notice. If Seller is willing and able to remove such unpermitted exceptions, Seller will do so at or prior to Closing. If Seller is not willing or is unable to remove such unpermitted exceptions, Buyer may, by written notice to Seller (the “**Notice of Decision**”) within 10 business days after Buyer’s receipt of the Response Notice, exercise any of the following rights or remedies: (a) Buyer may terminate this Agreement, in which event the Earnest Money will be returned to Buyer and thereafter neither party will have any further rights, remedies, or obligations under this Agreement except as expressly provided otherwise; (b) Buyer may accept the unpermitted exceptions that Seller is unwilling or unable to remove; or (c) Buyer may attempt to remove the unpermitted exceptions or any of them at Buyer’s sole cost and expense and without a reduction of the Purchase Price, in which event Seller agrees to cooperate with Buyer so long as Seller does not have to incur any costs or expenses. If Buyer fails to deliver the Notice of Decision to Seller within said 10 business day period, Buyer will be deemed to have accepted the unpermitted exceptions that Seller is unwilling or unable to remove.

5.2 Buyer’s Closing Conditions. Notwithstanding anything contained in this Agreement to the contrary, Buyer’s obligation to purchase the Property from Seller and close the Transaction is conditioned on the satisfaction by Seller or waiver by Buyer of each of the following conditions, all of which are intended solely for the benefit of Buyer:

5.2.1 Each of Seller’s representations and warranties contained in this Agreement must be true and accurate as of the Effective Date and Closing Date. Seller must have performed and complied with each of Seller’s covenants contained in this Agreement to the extent arising or applicable before the Closing. No action, arbitration, audit, hearing, investigation, litigation, suit, or other proceeding may be pending or threatened against Seller or the Property as of the Effective Date or Closing Date.

5.2.2 Seller must have caused the following items to be delivered to Buyer: (a) the items set forth in Section 6.3; and (b) a commitment from Title Company to issue the Title Insurance to Buyer. Buyer must have obtained all consents, authorizations, approvals, agreements, and instruments Buyer may require to purchase the Property and consummate the Transaction.

5.3 Seller’s Closing Conditions. Seller’s obligation to sell the Property to Buyer and close the Transaction is conditioned on Buyer having caused those items set forth in Section 6.2 to be delivered to Seller.

6. Closing.

6.1 Closing. The Closing will take place in escrow at the Title Company on or before the date, which is 10 days after the deadline for Buyer’s delivery of the Notice of Decision.

6.2 Buyer – Closing Obligations. At the Closing, Buyer will deliver the Purchase Price to Seller, less the Earnest Money.

6.3 Seller – Closing Obligations. At the Closing, Seller will deliver the following to Buyer: (a) the Warranty Deed; (b) exclusive possession of the Property; (c) a commitment from Title Company to issue the Title Insurance to Buyer; and (d) all documents and instruments that Buyer may reasonably request to close the Transaction, in form and substance reasonably satisfactory to Buyer.

6.4 Title Insurance. Within fifteen (15) days after the Closing Date, Title Company will furnish Buyer with the Title Insurance at Seller's cost and expense.

7. Default; Indemnification.

7.1 Seller Default. Subject to the terms and conditions contained in this Agreement, Seller will be deemed in default under this Agreement (and all other Transaction Documents) if Seller breaches or otherwise fails to perform any Seller representations, warranties, covenants, or obligations contained in this Agreement, time of payment and performance being of the essence. Upon the occurrence of Seller's default, Buyer will have all rights and remedies available under this Agreement (and all other Transaction Documents), at law or in equity, including, without limitation, return of the Earnest Money or specific performance. All available remedies are cumulative and may be exercised singularly or concurrently. Seller acknowledges and agrees that the remedies available at law for any Seller default under this Agreement will, by their nature, be inadequate. Accordingly, Buyer may obtain injunctive relief or other equitable relief to restrain a default or threatened default of this Agreement or to specifically enforce this Agreement, without proving that any monetary damages have been sustained.

7.2 Buyer Default. Subject to the terms and conditions contained in this Agreement, Buyer will be deemed in default under this Agreement if Buyer breaches or otherwise fails to perform any Buyer representations, warranties, covenants, or obligations contained in this Agreement, time of payment and performance being of the essence. Upon the occurrence of Buyer's default, Seller may terminate this Agreement by written notice to Buyer and retain the Earnest Money as liquidated damages and as Seller's sole remedy against Buyer for such breach. Seller and Buyer acknowledge and agree that if Buyer defaults under this Agreement it will be difficult to determine the amount of Seller's actual damages and that if Seller elects to retain the Earnest Money as liquidated damages, the amount thereof is a reasonable forecast of the actual damages that Seller could be expected to suffer as a result of Buyer's default.

7.3 Prior Notice of Default. Prior to declaring a party in default under this Agreement, the non-defaulting party will provide the alleged defaulting party prior written notice of the alleged default (the "**Default Notice**"), which Default Notice will specify with reasonable particularity the default the non-defaulting party believes exists. Commencing on the alleged defaulting party's receipt of the Default Notice, the alleged defaulting party will have ten (10) days within which to cure or remedy the alleged default(s) (the "**Cure Period**"); provided, however, if the nature of the default(s) is such that it cannot be completely remedied or cured within the Cure Period, there will not be a default by the alleged defaulting party under this Agreement if the alleged defaulting party begins correction of the default within the Cure Period and thereafter proceeds with reasonable diligence to effect the remedy as soon as practicable.

7.4 Seller Indemnification. Seller releases and will defend, indemnify, and hold Buyer and Buyer's Representatives harmless for, from, and against all Damages, whether known or unknown, resulting from or arising out of, whether directly or indirectly, Seller's breach or failure to perform any Seller representation, warranty, covenant, or obligation contained in this Agreement. Buyer's right to indemnification under this Section 7.4 is in addition to, and not in lieu of, any other rights to which Buyer may be entitled under this Agreement, at law or in equity. Buyer's right to indemnification and other remedies under this Agreement will not be affected by any investigation that Buyer has completed or conducted or by any knowledge that Buyer has acquired. The indemnification covenants contained in this Section 7.4 will not merge into the Warranty Deed but will survive the Closing.

7.5 Hazardous Waste – Seller Indemnification. Seller releases and will defend, indemnify, and hold Buyer and Buyer's Representatives harmless for, from, and against any response, removal, or remedial costs and expenses which may be assessed against Buyer or Buyer's Representatives by federal or state governmental authorities as a result of Seller or Seller's Representatives activities on the Property involving the use, storage, handling, transportation, treatment, disposal, or release of any Hazardous Substances. This will include, without limitation, all attorney fees and remedial costs and expenses. The indemnification covenants contained in this Section 7.5 will not merge into the Warranty Deed but will survive the Closing.

8. Miscellaneous.

8.1 Statutory Warning. THE PROPERTY DESCRIBED IN THIS INSTRUMENT MAY NOT BE WITHIN A FIRE PROTECTION DISTRICT PROTECTING STRUCTURES. THE PROPERTY IS SUBJECT TO LAND USE LAWS AND REGULATIONS THAT, IN FARM OR FOREST ZONES, MAY NOT AUTHORIZE CONSTRUCTION OR SITING OF A RESIDENCE AND THAT LIMIT LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, IN ALL ZONES. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO VERIFY THE EXISTENCE OF FIRE PROTECTION FOR STRUCTURES AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010.

8.2 Expenses; Notices. Except as otherwise provided in this Agreement, each party will bear the party's own fees, costs, and expenses incurred in connection with the Transaction, including, without limitation, the preparation, negotiation, signing, and performance of this Agreement and the other agreements and documents relating to the Transaction. Any notice required under this Agreement must be in writing. Any notice will be deemed given when personally delivered or delivered by email or facsimile transmission (with electronic confirmation of delivery), or will be deemed given three business days following delivery of the notice by U.S. mail, postage prepaid, certified, return receipt requested, by the applicable party to the address of the other party first shown above (or any other address that a party may designate by notice to the other party), unless that day is a Saturday, Sunday, or legal holiday, in which event it will be deemed given on the next following business day.

8.3 Time of Essence; No Assignment; Binding Effect. Time is of the essence with respect to all dates and time periods in this Agreement. Neither party may assign or delegate any of the party's rights or obligations under this Agreement to any person without the prior written consent of the other party. Subject to the immediately preceding sentence, this Agreement will be binding on the parties and their respective heirs, personal representatives, successors, and permitted assigns, and will inure to their benefit. Notwithstanding anything contained in this Agreement to the contrary, this Agreement will not be construed to create third party beneficiary rights or remedies in any party whatsoever.

8.4 Amendment; Waiver; Severability; Attorney Fees. This Agreement may be amended only by a written document signed by the party against whom enforcement is sought. No waiver will be binding on a party unless it is in writing and signed by the party making the waiver. A party's waiver of a breach of a provision of this Agreement will not be a waiver of any other provision or a waiver of a subsequent breach of the same provision. If a provision of this Agreement is determined to be unenforceable in any respect, the enforceability of the provision in any other respect and of the remaining provisions of this Agreement will not be impaired. If any arbitration, action, suit, or proceeding is instituted to interpret, enforce, or rescind this Agreement, or otherwise in connection with the subject matter of this Agreement, including, without limitation, any proceeding brought under the United States Bankruptcy Code, the prevailing party on a claim will be entitled to recover with respect to the claim, in addition to any other relief awarded, the prevailing party's attorney fees and other fees, costs, and expenses of every kind, including, without limitation, the costs and disbursements specified in ORCP 68 A(2), incurred in connection with the arbitration, action, suit, or proceeding, any appeal or petition for review, the collection of any award, or the enforcement of any order, as determined by the arbitrator or court.

8.5 Further Assurances; Termination; Survival. The parties will sign other documents and take other actions reasonably necessary to further effect and evidence this Agreement. Except as otherwise provided under Section 7.2, the termination of this Agreement, regardless of how it occurs, will not relieve a party of obligations

that have accrued before the termination. If the Closing occurs, Seller’s representations, warranties, covenants, and other obligations contained in this Agreement and all Transaction Documents will survive the Closing and will not merge with or into the Warranty Deed.

8.6 Attachments; Governing Law. Any exhibits, schedules, and other attachments referenced in this Agreement are part of this Agreement. This Agreement is governed by the laws of the State of Oregon, without giving effect to any conflict-of-law principle that would result in the laws of any other jurisdiction governing this Agreement. Any action, suit, or proceeding arising out of the subject matter of this Agreement will be litigated in courts located in Grant County, Oregon. Each party consents and submits to the jurisdiction of any local, state, or federal court located in Grant County, Oregon. This Agreement may be signed in counterparts. A fax or email transmission of a signature page will be considered an original signature page.

8.7 Entire Agreement; Interpretation. This Agreement contains the entire understanding of the parties regarding the subject matter of this Agreement and supersedes all prior and contemporaneous negotiations and agreements, whether written or oral, between the parties with respect to the subject matter of this Agreement. All pronouns contained herein and any variations thereof will be deemed to refer to the masculine, feminine, or neutral, singular or plural, as the identity of the parties may require. The singular includes the plural and the plural includes the singular. The word “or” is not exclusive. The words “include,” “includes,” and “including” are not limiting. The titles, captions, or headings of the sections herein are inserted for convenience of reference only and are not intended to be a part of or to affect the meaning or interpretation of this Agreement. If a date for performance of an obligation or delivery of any notice hereunder falls on a day other than a business day, the date for such performance or delivery of such notice will be postponed until the next ensuing business day. For purposes of this Agreement, a “business day” means a normal working day (i.e., Monday through Friday of each calendar week, exclusive of Federal and state holidays and one day following each of Thanksgiving, Christmas, and New Year’s). For purposes of this Agreement, the term “person” means any natural person, corporation, limited liability company, partnership, joint venture, firm, association, trust, unincorporated organization, government or governmental agency or political subdivision, or any other entity.

IN WITNESS WHEREOF, the undersigned have caused this Agreement to be executed and effective for all purposes as of the Effective Date.

**SELLER:**

C & C Hill, LLC,  
an Oregon limited liability company

By: \_\_\_\_\_  
Colleen Hill Hogan, Manager

By: \_\_\_\_\_  
Celeste Hill-Thomas, Manager

**BUYER:**

City of John Day,  
an Oregon municipal corporation

By: \_\_\_\_\_  
Nicholas Green, City Manager

Appendix A  
Definitions

**“Closing”** means the closing of the Transaction.

**“Closing Date”** means the date on which the Closing takes place.

**“Damages”** means all claims, actions, proceedings, damages, liabilities, obligations, costs, attorney fees, and expenses of every kind or nature, including, without limitation, environmental remediation costs and expenses, whether known or unknown.

**“Encumbrance(s)”** means any lien, mortgage, pledge, security interest, reservation, restriction, adverse claim, or other encumbrance.

**“Environmental Law(s)”** means any federal, state, or local statute, regulation, or ordinance, or any judicial or other governmental order pertaining to the protection of health, safety, or the environment or designed to minimize, prevent, punish, or remedy the consequences of actions that damage or threaten the environment or public health and safety, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. §§9601 et seq., ORS 468B.195-197 (including any regulations promulgated thereunder), the Hazardous Materials Transportation Act, 49 U.S.C. §§1801 et seq., and the Resource Conservation and Recovery Act, 42 U.S.C. §§6901 et seq.

**“Environmental Permits”** means all permits, licenses, approvals, authorizations, consents, and registrations required by Environmental Laws, whether federal, state, or local, which pertain to the production, use, treatment, generation, transportation, processing, handling, disposal, or storage of Hazardous Materials.

**“Hazardous Substance(s)”** means any hazardous, toxic, infectious, or radioactive substance, waste, or material as defined, controlled, or listed by any Environmental Law, including, without limitation, petroleum oil and its fractions.

**“Law(s)”** means all federal, state, and local laws, statutes, ordinances, codes, regulations, orders, rules, covenants, conditions, easements, declarations, leases, liens, and restrictions directly or indirectly affecting or concerning the ownership, use, condition, maintenance, leasing, or operation of all or any part of the Property, including, without limitation, all Environmental Laws.

**“Permitted Encumbrance(s)”** means any exceptions appearing in the Title Report to which Buyer does not object to within the time period(s) required by Section 5.1; and any unpermitted exceptions appearing in the Objection Notice that Seller does not agree to cure in the Response Notice.

**“Representative(s)”** means each past, present, and future officer, director, shareholder, employee, member, manager, assignee, contractor, agent, or authorized representative of the identified party.

**“Earnest Money”** means \$5,000.00.

**“Title Company”** means Land Title Company of Grant County, Inc., 145 NE Dayton Street, John Day, Oregon 97845.

**“Title Insurance”** means a standard coverage ALTA Owner’s Policy of title insurance that (a) covers the Property in the amount of the Purchase Price, and (b) does not contain any exceptions appearing in the Title Report that is not a Permitted Encumbrance.

**“Transaction”** means the purchase and sale of the Property, all as provided in this Agreement.



**“Transaction Documents”** means this Agreement and the Warranty Deed (and all transaction documents referenced therein).

**“Warranty Deed”** means a statutory warranty deed conveying the Property to Buyer free and clear of all Encumbrances except the Permitted Encumbrances, which Warranty Deed will be in form and substance satisfactory to Buyer.

Exhibit A

Legal Description

[attached]

Exhibit B

Property Map

[attached]