

**SALE AGREEMENT AND
RECEIPT FOR EARNEST MONEY**

DATE:

SELLER: The City of Ashland, Oregon, a municipal corporation
20 E. Main Street
Ashland, OR 97520
Email: _____

BUYER: [name]
[address]
Email: _____

Recital

Seller desires to sell to Buyer and Buyer desires to purchase from Seller certain real property with all improvements located on it commonly known as 380 Clay Street, Ashland, OR 97520, with map and tax lot designation 391E11C 2500 (the "Property").

Terms and Conditions

Now, therefore, for valuable consideration, the parties agree as follows:

- 1. Sale and Purchase.** Buyer agrees to purchase the Property from Seller and Seller agrees to sell the Property to Buyer for the sum of \$_____ (the "Purchase Price").
- 2. Earnest Money.** Within three days after full execution of this Agreement, Buyer will deliver to First American Title Company ("Escrow") at 370 Lithia Way, Ashland, OR 97520 the sum of one percent of the Purchase Price paid by Buyer as earnest money. In the event the transaction does not close and the earnest-money exceptions set forth in this Agreement do not apply, the earnest money shall be forfeited to Seller.
- 3. Payment of Purchase Price.** The Purchase Price must be paid as follows:
 - 3.1** At closing, the earnest money will be credited to the Purchase Price.
 - 3.2** At closing, Buyer must pay the balance of the Purchase Price in cash.
- 4. Closing.** Closing must take place on a mutually agreed upon date, but in no event later than 30 days from execution of this Agreement (the "Closing Date"), at the offices of Escrow. The terms *closed*, *closing*, or *closing date* mean when the deed or contract is recorded and funds are available to Seller. Each party must pay one-half of the escrow fee.
- 5. Preliminary Title Report.** Within 10 days after full execution of this Agreement, Seller will furnish to Buyer a preliminary title report showing the condition of title to the Property, together with copies (or links to online copies if the report is furnished in digital form) of all exceptions listed therein (the "Title Report"). Buyer will have 10 days from receipt of the Title Report to review it and to notify Seller, in writing, of Buyer's disapproval of any special exceptions shown in the Title Report. Those exceptions the Buyer does not object to are referred to below as the "Permitted Exceptions." Zoning ordinances, building and use restrictions, property taxes that are not yet paid for the current tax year, and reservations in federal patents and state deeds are deemed Permitted Exceptions. If Buyer notifies Seller, in writing, of disapproval of any exceptions, Seller will have 10 days after receiving the disapproval notice to

either remove the exceptions or provide Buyer with reasonable assurances of the manner in which the exceptions will be removed before the transaction closes (the "Seller Assurance Period"). If Seller does not remove the exceptions or provide Buyer with such assurances, Buyer may terminate this Agreement by written notice to Seller given within 10 days after expiration of the Seller Assurance Period, in which event the earnest money will be promptly refunded to Buyer and this Agreement will be of no further binding effect.

6. Conditions.

6.1 Buyer's obligation to purchase the Property is contingent on satisfaction of each of the following conditions:

6.1.1 Buyer's approval of its physical inspection of the Property, which may include, but will not be limited to, structural and pest inspections. Buyer will have 15 days from the execution of this Agreement, to complete its physical inspection of the Property. However, if Buyer wishes to conduct any invasive testing on any portion of the Property, or any sampling of soils or other elements of the Property for any purposes, advance consent from the Seller will first be sought, and Buyer will repair any damage caused by the testing.

6.2 Buyer and its agents may enter the Property to conduct Buyer's inspections. Buyer agrees to indemnify and hold Seller harmless from all loss, damage, or liability arising out of Buyer's or Buyer's agents' access to the Property under this section. If Buyer is not satisfied, in its sole discretion, with the result of Buyer's inspections, Buyer may terminate this Agreement by written notice to Seller given at any time before the applicable date set forth above, in which event the earnest money must be promptly refunded to Buyer. If Buyer fails to give any such notices of termination within the applicable time period, this condition will be deemed to have been waived.

6.3 Buyer may conduct a risk assessment or inspection to determine the presence of lead-based paint or lead-based paint hazards on the property. Buyer may terminate this sale by delivering to Seller written notice of Buyer's disapproval of a risk assessment or inspection within 10 days of the date of this Agreement unless Buyer has waived the opportunity. The parties will accurately complete and execute the disclosure of information on lead-based paint and lead-based paint hazards that is attached to this Agreement as Exhibit 1. If Buyer delivers to Seller a timely notice of disapproval, this Agreement will automatically terminate and Seller will promptly refund Buyer's earnest money deposit.

7. Marketable Title; Deed. On the Closing Date, unless agreed otherwise herein, Seller will convey marketable title to the Property to Buyer by bargain and sale deed.

8. Title Insurance. If Buyer desires title insurance, then Buyer shall purchase any such policy at Buyer's sole expense.

9. Taxes; Prorates. Real-property taxes for the current tax year, insurance premiums (if Buyer assumes the existing policy), and other usual items must be prorated as of the Closing Date. Buyer will pay Seller for remaining heating fuel, if any, at the then-current rate, as of the Closing Date.

10. Possession. Buyer will be entitled to possession immediately on closing.

11. Property Included. All built-in appliances, floor coverings, window and door screens, storm doors and windows, irrigation, plumbing, ventilation, cooling and heating fixtures and equipment, water heaters, attached electric light fixtures, window coverings, awnings, attached television antenna, planted shrubs, plants, and trees, and all fixtures are part of the Property and must be left on the Property by Seller.

12. Personal Property. The following personal property is included as part of the Property being sold to Buyer: all personal property left at the Property on the Closing Date.

13. Insurance. Seller will insure the Property through closing under Seller's standard insurance policies..

14. Representations (As Is).

Buyer acknowledges that Buyer has accepted and executed this Agreement on the basis of Buyer's own examination and personal knowledge of the Property; that Seller and Seller's agents have made no representations, warranties, or other agreements concerning matters relating to the Property; that Seller and Seller's agents have made no agreement or promise to alter, repair, or improve the Property; and that Buyer takes the Property in its present condition "AS IS." Seller is exempt from providing a statutory property disclosure pursuant to ORS 105.470(4).

15. Binding Effect/Assignment Restricted. This Agreement is binding on and will inure to the benefit of Seller, Buyer, and their respective heirs, legal representatives, successors, and assigns. Nevertheless, Buyer will not assign its rights under this Agreement without Seller's prior written consent, which may be withheld in Seller's sole discretion.

16. Remedies. TIME IS OF THE ESSENCE OF THIS AGREEMENT. If the conditions described in Section 6 above are satisfied or waived by Buyer and the transaction does not thereafter close, through no fault of Seller, before the close of business on the Closing Date, Seller will have the right to retain all earnest money as liquidated damages. If Seller fails to deliver the deed described in Section 7 above on the Closing Date or otherwise fails to consummate this transaction, through no fault of Buyer, all earnest money must be refunded to Buyer. Buyer hereby waives any right to specific performance of this Agreement.

17. Attorney Fees. If an action is instituted to enforce or interpret any term of this Agreement, the prevailing party will recover from the losing party reasonable attorney fees incurred in the action and, in the event of appeal, as set by the appellate courts.

18. Venue and Waiver of Jury Trial. All disputes between Seller and Buyer that cannot otherwise be resolved by negotiation or mediation must be submitted to the Small Claims Court of Jackson County if the amount in controversy is within the jurisdiction of the Small Claims Court, and each party waives its right to remove such case to Circuit Court. If the amount in controversy is greater than the jurisdiction of the Small Claims Court, then any such action must be filed in the Circuit Court of Jackson County, AND ALL PARTIES WAIVE ANY RIGHT THEY HAVE TO A JURY TRIAL.

19. Notices.

All notices and communications in connection with this Agreement must be given in writing and will be transmitted by electronic mail, to the appropriate party at the address first set forth above. Any notice so transmitted will be deemed effective on the date it is sent. Either party may, by written notice, designate a different email address for purposes of this Agreement.

20. Brokers. Each party warrants that no broker or finder was consulted or engaged in connection with this transaction. Each party will indemnify, defend, and hold harmless the other from and against all claims, losses, and liabilities made or imposed for any commission or finder's fee to any other broker or agent arising out of the actions of such party. In the event Buyer retains an agent or broker with respect to this Agreement or the purchase of the Property, Buyer shall be solely responsible for any such agent or broker's compensation or commission.

21. Time for Performance. When the last day for performance of an act by a party falls on a Saturday, Sunday, or legal holiday, the performance of the act shall be considered timely if it is performed on the next day that is not a Saturday, Sunday, or legal holiday.

22. Entire Agreement. This Agreement sets forth the entire understanding of the parties with respect to the purchase and sale of the Property. This Agreement supersedes any and all prior negotiations, discussions, agreements, and understandings between the parties. This Agreement may not be modified or amended except by a written agreement executed by both parties.

23. Applicable Law. This Agreement will be construed, applied, and enforced in accordance with the laws of the State of Oregon.

24. Counterparts. This Agreement may be executed in one or more counterparts, and by the different parties hereto in separate counterparts, each of which shall be deemed to be an original, but all of which taken together shall constitute one and the same agreement, and shall become effective when one or more counterparts has been signed by each of the parties hereto and delivered to each of the other parties hereto. Delivery of a signed counterpart of this Agreement by facsimile or email/pdf transmission shall constitute valid and sufficient delivery thereof.

25. 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, ORS 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.

SELLER:

BUYER:

/s/ _____
Dated: _____, 20__

/s/ _____
Dated: _____, 20__

/s/ _____
Dated: _____, 20__

/s/ _____
Dated: _____, 20__