

BID FORM AND INTERIM SALES AGREEMENT

DIRECT SALE **PUBLIC AUCTION** **CLOSING DATE: JUNE 15, 2007 5PM**

<u>MINIMUM ACCEPTABLE BID:</u>	AMOUNT OF BID
<u>\$10,000.00</u>	\$ _____
LESS DEPOSIT (10%)	\$ _____
TOTAL BALANCE DUE	\$ _____

FILE NUMBER 39553
DISTRICT NUMBER R5-DIST.12
COUNTY UMATILLA (PENDLETON OR)
AREA (SQ.FT./ACRES) 10,000 SQ FT More or less.
R1 ROW PM AGENT: JON D. COLE (503/731-8448)
DATE: MARCH 09, 2007

CONDITIONS OF SALE:

- Property to be sold "AS IS" on a cash basis.
- Minimum 10% of the bid amount must be submitted to State by cashiers or certified check.
- The State of Oregon does not provide title insurance. If Purchaser wishes to obtain title insurance or use an escrow agent in connection with the purchase of the Property, it may do so at its sole expense.
- The State shall convey by bargain and sale deed only such right, title and interest in the Property as is now vested in State. The sale of this property is subject to the following:
 1. **NO direct access** to Oregon-Washington Hwy 11.
 2. Special assessments, existing restrictions, reservations and easements of record, if any.
 3. The Property shall never be used for the placing or maintenance of any advertising sign, display, or device, except such sign, display, or device used to advertise the activities on the Property, or the lease or sale of the Property or any portion thereof. In the event of violation of this condition, State shall have the right, through its authorized officers, agents, or employees to enter upon the Property and remove, destroy, or obliterate any unauthorized sign, display, or device, without liability for damage or injury thereto, and to recover the cost of such removal, destruction or obliteration from the owner of the Property.
 4. No junk, scrap, junked motor vehicles, or parts thereof, debris, trash, waste, or other such materials shall be placed on the Property for whatever purpose in any manner so as to be visible from a state highway, provided that such items as listed above can otherwise be placed on the Property without violating any applicable law, ordinance, or regulation. In the event of violation of this condition, State shall have the right, through its authorized officers, agents, or employees, to enter upon the Property and remove or destroy any unauthorized junk, scrap, or other material mentioned above and recover the cost of such removal or destruction from the owner of the Property.
 5. The Property shall not be used for the operation of any garbage dump or sanitary landfill. If such use is made of the Property, State may, at its election, enter upon the Property and restore it to the condition that existed prior to said use for garbage dump or sanitary land fill purposes and recover the cost thereof from the owner of the Property.
 6. State shall not at any time become liable to Purchaser and Purchaser's heirs, successors and assigns in interest, for damages to the land herein described or any buildings, structures, improvements, or property of any kind or character now or hereafter located upon the Property or for any injuries to any owner, occupant, or any person in or upon the Property or for any interference with the use and enjoyment of the Property or for damages which except for this covenant might constitute a nuisance caused directly or indirectly by noise or air pollutant emissions from transportation vehicles using the highway or transportation facility adjacent to the Property. Any reference in this covenant to the highway or transportation facility adjacent to the Property refers to the highway or transportation facility as it now exists and also as it will exist with future improvements. Purchaser and Purchaser's heirs, successors and assigns covenant not to sue State for any said injuries or damages.
 7. Purchaser acknowledges that it has examined the Property to its own satisfaction and has formed its own opinion as to the condition (including environmental condition) and value thereof.

Purchaser has not relied on any statements or representations from State or any person acting on behalf of State concerning any of the following: the size or area of the Property or any of the parcels of the Property; the location of corners or boundaries of any parcel of the Property; the conditions of the Property, including but not limited to, environmental condition above or below the surface of the Property or compliance with environmental laws and other governmental requirements; the availability of services to the Property; the ability of Purchaser to use the Property or any portion thereof for any intended purpose; or any other matter affecting or relating to the Property or any portion thereof. Purchaser is acquiring the Property, both above surface and below surface, in the condition existing at the time of closing, AS IS, with all defects, if any. Purchaser waives, releases and forever discharges State of and from all claims, actions, causes of action, fines, penalties, damages (including consequential, incidental and special damages), costs (including the cost of complying with any judicial or governmental order), and expenses (including attorney fees), direct or indirect, known or unknown, foreseen or unforeseen, which may arise on account of or in any way growing out of or in connection with any physical characteristic or condition of the Property, including any surface or subsurface condition, or any law, rule or regulation applicable to the Property.

8. The rights of any utilities located within the Property and further subject to the rights of said existing facilities, if any there be, to operate, reconstruct, and maintain their utility facilities presently located within the Property.
9. Land partition, lot line adjustment, or survey, if required, is buyer's responsibility.

The undersigned as bidder, hereinafter referred to as "Purchaser" agrees to the terms set forth in the "Terms of Sale", which terms are incorporated herein by reference and made a part hereof and agrees to pay the STATE OF OREGON, by and through its Department of Transportation, hereinafter referred to as "State" the sum indicated above as the "Amount of Bid", for parcel described on Exhibit "A" attached.

Accompanying the bid is a check payable to the Department of Transportation, in the amount of \$ _____.
Property to be purchased on a (cash contract) basis. Balance of (purchase price down payment), in the amount of \$ _____, to be in the form of a Cashier's Check to be paid by _____.

The deposit shall be applied to the bid for the property on which the undersigned is the successful Purchaser. In the event Purchaser fails to pay the balance due in the time specified, or meet contract terms when executed, all rights of the Purchaser in said real property shall cease and all right, title and interest in said real property shall continue to remain vested in the State, free of any claim or equity in the undersigned Purchaser or those claiming through the Purchaser, and the State shall retain all payments or deposits as liquidated damages for failure of Purchaser to complete the purchase or meet the conditions of the contract.

PLEASE READ THE FOLLOWING BEFORE SIGNING

REAL PROPERTY TERMS OF SALE

CASH SALE: Cash or check in the amount stated in the sale advertisement at time of bid, balance to be paid within SIXTY days. It is understood that the bidder acquires no right, title, interest or equity in or to said real property until full purchase price has been paid.

CONTRACT SALE: Final contract terms will be as provided in the sale advertisement for this property, plus the following:

UNPAID BALANCE: Purchasers may pay all or any part of the balance due on this contract at any time prior to the time herein specified and required.

IMPROVEMENTS: All existing buildings and improvements and those hereafter placed upon premises shall be kept in good repair by Purchasers and not be removed prior to final payment under this contract. Purchasers will obtain State's written consent before altering or adding to any building on premises.

INSURANCE: Purchasers shall keep the buildings now located or hereafter placed on premises constantly insured against loss by fire in amounts which are at least equal to the balances due State under this contract. The fire insurance which shall include extended coverage shall be written in the name of the Purchasers with loss, if any, payable to State to the extent of its interest, balance, if any, payable to Purchasers. Purchasers shall deliver to State certificates of coverage from each insurer containing a stipulation that coverage shall not be canceled or diminished without a minimum of 30 days written notice to State. In the event of loss, Purchasers shall give immediate notice to State. State may make proof of loss if Purchasers fail to do so within 15 days of the loss.

INSURANCE FOR OTHER THAN SINGLE FAMILY DWELLING, in addition to the above insurance requirements: During the term of this contract, Purchasers shall maintain public liability and property damage insurance with limits of not less than \$50,000 for any number of claims for any number of claims for damages to or destruction of property, including consequential damages, arising out of a single accident or occurrence; \$100,000 for all other claims arising out of a single accident or occurrence and \$1,000,000 for any number of claims arising out of a single accident or occurrence. Such insurance shall cover all risks arising directly or indirectly out of Purchasers' activities on or any condition of Premises whether or not related to an occurrence caused or contributed to by State's negligence; shall protect Purchasers against the claims of State on account of the obligation assumed by Purchasers under the contract, and shall protect State and Purchasers against claims of third persons. State shall be named an additional insured to such policy. Such policies shall be written in such form with such terms and by such insurance companies acceptable to State. Purchasers shall deliver to State certificates of coverage from each insurer containing a stipulation that coverage will not be cancelled or diminished without a 30 day prior written notice to State.

TAXES AND ASSESSMENTS: State will pay all real property taxes assessed against premises and improvements thereon, as said real property taxes become due, or in advance of the due date thereof and add said taxes to the principal balance due on the purchase price of premises. Except as herein otherwise provided, the amount of the monthly payments under this contract will be adjusted on January 1st of each year thereafter to reflect the amount of the annual real property taxes assessed against premises and improvements thereon. Except for the real property taxes as hereinabove provided, Purchasers agree to regularly and seasonally pay all other liens, assessments and charges, including local improvement assessments, which are or may be hereafter lawfully imposed or which constitute or will constitute liens or encumbrances against premises. If Purchasers fail or refuse to pay and discharge any of the above mentioned liens, assessments or charges prior to the time they are to become delinquent, State, at its option, may pay the same and add the amount expended to the balance of the purchase price.

DEED: In case Purchasers, their legal representatives or assigns, shall pay the several sums of money aforesaid, punctually and at the time above specified, and shall strictly and literally perform all and singular the agreements and stipulations aforesaid, according to the time, intent, and tenor thereof, then State will give unto Purchasers, their heirs or assigns, upon request and upon surrender of this contract, a deed of conveyance conveying premises.

