

SALE AGREEMENT AND RECEIPT FOR EARNEST MONEY

DATE: July 31, 2000

SELLERS: JOHN F. ROSHAK AND
BETTEJANE ROSHAK
31451 NE Corral Creek Road
Newberg, Oregon 97132

BUYER: City of Newberg
City Hall
Newberg, Oregon 97132

RECITAL:

Sellers desire to sell to Buyer and Buyer desires to purchase from Sellers that certain real property commonly known as 31451 NE Corral Creek Road, Yamhill County, Oregon, having the following legal description:

All of the following described property, except that portion lying Westerly of County and State Road #873:

Beginning at a point 13.76 chains North of the quarter post on line between Sections 15 and 22, in Township 3 South, Range 2 West of the Willamette Meridian in Yamhill County, Oregon, and being a part of the Iri Orton Donation Land Claim Notification #4161; thence North (Var. 21° East) 7.90 chains set stake and stone for Northeast corner; thence South 80 3/4° West 25.65 chains to S. Brutscher's East line; thence South on said line 7.90 chains set stake and stone; thence North 80 3/4° East 25.65 chains to the place of beginning; subject to the right of the public to the use of that portion of said premises lying in roads.

AGREEMENT:

1. Sale and Purchase. Buyer agrees to purchase the Property from Sellers and Sellers agree to sell the Property to Buyer for the sum of \$320,000.00.
2. Earnest Money. Receipt is hereby acknowledged by Sellers of \$5,000.00 paid by Buyer as earnest money.

3. Payment of Purchase Price. The purchase price shall be paid as follows:

3.1 At closing, the earnest money shall be credited to the purchase price.

3.2 At closing, Buyer shall pay the additional sum of \$315,000.00.

4. Closing. This Agreement shall be closed on or before August 10, 2000, or as soon thereafter as Buyer obtains zoning approval as provided in paragraph 6.2 of this agreement, at Chehalem Title and Escrow, Newberg, Oregon. Each party will pay one-half of the closing fee.

5. Preliminary Title Report. Within ten days after the date of this Agreement, Sellers will furnish to Buyer a preliminary title report showing the condition of title to the Property.

6. Conditions of Sale. This sale is conditioned upon the following:

6.1 Sellers providing Buyer with a preliminary title report showing Sellers will be able to convey marketable title to Buyer at closing.

6.2 The Buyer obtaining land use and/or zoning approval from Yamhill County to site water storage tanks and related facilities of Buyer's design and choice on the property prior to closing. All expenses of obtaining land use and/or zoning approval shall be paid by Buyer and Sellers shall cooperate with Buyer in obtaining the approvals.

The foregoing conditions are for the benefit of Buyer and may be waived, in whole or in part, by Buyer only. Any waiver must be in writing. Unless waived, if any condition is not satisfied by closing, this agreement may be terminated at the option of Buyer, in which event the earnest money shall be refunded to Buyer.

6.3 Final formal approval to purchase being obtained from the Newberg City Council.

7. Structural and Pest Inspection. Buyer shall have the right, at the expense of Buyer, to have the Property inspected by a licensed structural and/or pest inspector. In the event the inspector's report indicates the necessity for repair of damage caused by infestation of wood destroying pests or organisms, dry rot or any other structural deficiencies of any nature, Buyer may terminate all obligations of the parties under this Agreement by delivering to Sellers a written notice to that effect, together with a copy of the inspector's report, within ten days of the date of this agreement, unless a written notice is given by Sellers to Buyer within ten days thereafter of their agreement to pay for the work recommended by the inspector.

8. Title Insurance. Within 15 days after closing, Sellers shall furnish to Buyer, at Sellers' expense, an owner's policy of title insurance, insuring Buyer against loss or damage sustained by them by reason of the unmarketability of their title, or encumbrances thereon, other than the usual printed exceptions contained in such policies.

9. Taxes. Real property taxes for the current tax year shall be prorated as of closing.

10. Possession/Rent. Buyer shall be entitled to possession immediately upon closing, however, Sellers shall be entitled to reside in the residence and use all outbuildings rent free for a period of three months following closing. Sellers shall use Sellers' best efforts to vacate the premises as early as possible.

11. Personal Property. The following personal property is included as part of the Property being sold to Buyer: none.

12. Representations of Sellers. Sellers make the following representations:

12.1 That they have no notice of any liens to be assessed against the Property;

12.2 That they have no notice from any governmental agency of any violation of law relating to the environmental conditions on, under or about the property, including, but not limited to, soil and ground water conditions;

12.3 That to the best of their knowledge, neither Seller nor any third party used, generated, stored or disposed of, on, under or about the property or transported any hazardous materials, other than what may have been used in normal farming practices, if any. For purposes of this section, "Hazardous Materials" shall include, but not be limited to, substances defined as "Hazardous Substance", "Hazardous Wastes", "Chemical Substances", or "Toxic Substances" in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. Section 9601 et seq.; and Toxic Substances Control Act. This warranty shall survive closing and shall remain enforceable thereafter.

12.4 Except for the above representations, Sellers are selling the property to Buyer "AS IS". Prior to closing, Sellers shall issue a disclaimer as authorized under ORS 105.465 et seq.

13. Representations of Buyer. It is represented by Buyer that this Agreement is accepted and executed on the basis of its own examination and personal knowledge of the Property by Buyer; that no representations, warranties or agreements concerning matters relating to the Property have been made by Sellers, except as stated in

this agreement; that no agreements or promises to alter, repair, or improve the Property were made by Sellers; and that the Property is taken by Buyer in the condition, known or unknown, existing at the time of this Agreement. Buyer is purchasing the property "AS IS".

14. Smoke Detector Disclosure. The parties agree that the property being sold herein consists of a dwelling unit and the dwelling has installed one or more approved smoke detectors in compliance with ORS 479.260.

15. Binding Effect/Assignment Restricted. This Agreement is binding upon and shall inure to the benefit of the parties and their respective heirs, legal representatives and assigns. However, Buyer shall not assign its rights under this Agreement without the prior written consent of Sellers.

16. Handling of Earnest Money. It is agreed that the earnest money set forth in paragraph 2 shall be deposited with the escrow agent identified in paragraph 4. If title to the premises is not marketable, or cannot be so made before the date of closing after Buyer has given Sellers written notice of the defects, the earnest money herein receipted for shall be refunded. But if the title to the said premises is marketable, and the Buyer fails to comply with the terms of this agreement and pay the sums set forth in paragraph 3 when indicated, then the earnest money herein receipted for shall be forfeited to the Sellers as liquidated damages, and this agreement shall thereupon be of no further binding effect.
Time is of the essence of this agreement.

17. Attorney Fees. In the event action is instituted to enforce any term of this Agreement, the prevailing party shall recover from the losing party reasonable attorney fees incurred in such action as set by the trial court and, in the event of an appeal, as set by the appellate courts.

18. Representations/Statutory.

18.1 **ZONING.** 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, WHICH, IN FARM OR FOREST ZONES, MAY NOT AUTHORIZE CONSTRUCTION OR SITING OF A RESIDENCE AND WHICH LIMIT LAWSUITS AGAINST FARMING OR FOREST PRACTICES AS DEFINED IN ORS 30.930 IN ZONES. 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 APPROVED USES AND EXISTENCE OF FIRE PROTECTION FOR STRUCTURES.

18.2 **LEAD PAINT.** EVERY PURCHASER OF ANY INTEREST IN RESIDENTIAL REAL PROPERTY ON WHICH A RESIDENTIAL DWELLING WAS BUILT PRIOR TO 1978 IS NOTIFIED THAT SUCH PROPERTY MAY PRESENT EXPOSURE TO LEAD FROM LEAD-BASED PAINT THAT MAY PLACE YOUNG CHILDREN AT RISK OF DEVELOPING LEAD POISONING. LEAD POISONING IN YOUNG CHILDREN MAY PRODUCE PERMANENT NEUROLOGICAL DAMAGE, INCLUDING LEARNING DISABILITIES, REDUCED INTELLIGENCE QUOTIENT, BEHAVIORAL PROBLEMS, AND IMPAIRED MEMORY. LEAD POISONING ALSO POSES A PARTICULAR RISK TO PREGNANT WOMEN. THE SELLER OF ANY INTEREST IN RESIDENTIAL REAL PROPERTY IS REQUIRED TO PROVIDE THE BUYER WITH ANY INFORMATION ON LEAD-BASED PAINT HAZARDS FROM RISK ASSESSMENTS OR INSPECTIONS IN THE SELLER'S POSSESSION AND NOTIFY THE BUYER OF ANY KNOWN LEAD-BASED PAINT HAZARDS. A RISK ASSESSMENT OR INSPECTION FOR POSSIBLE LEAD-BASED PAINT HAZARDS IS RECOMMENDED PRIOR TO PURCHASE.

A. Sellers' Disclosures: Sellers have no knowledge of lead based paint and/or lead based paint hazards in the residential property. Sellers have no reports or records pertaining to lead-based paint and/or lead based paint hazards in the residential property.

B. Buyer's Waiver: Buyer by the execution of this contract, waives the opportunity to conduct a risk assessment and/or inspection for the presence of the lead based paint and/or lead based paint hazards.

19. This earnest money agreement has been prepared by Allyn E. Brown of Brown, Tarlow, Smith & Bridges, P.C., Attorneys at Law, who are representing Sellers in this transaction.

IN WITNESS WHEREOF, the parties have executed this agreement in triplicate on the day and year first above written.

SELLERS:

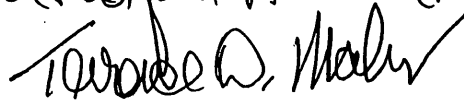
BUYER:

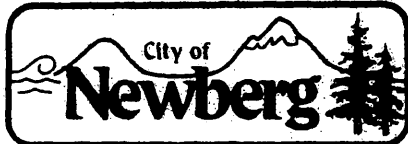
CITY OF NEWBERG


John F. Roshak

By 
City Manager


BetteJane Roshak

approved as to form & content.




PO BOX 970 - NEWBERG, OR 97132

US bank
Newberg, Oregon

24-22/1230

074694

Pay: *** Five thousand dollars and Zero cents

Date
08/03/2000

Amount
\$5,000.00

To the order of:
Chehalem Title

[Signature]
Thane R. Cole

⑈074694⑈ ⑆123000220⑆ 153602100098⑈

CITY OF NEWBERG

NEWBERG, OREGON 97132

Vendor: Chehalem Title

Vendor No: &07

Invoice Number

Roshak Property

Date

08/01/2000

Vendor Acct No:

Description

Earnest money

Check Date:

08/03/2000

Check Amount:

\$5,000.00

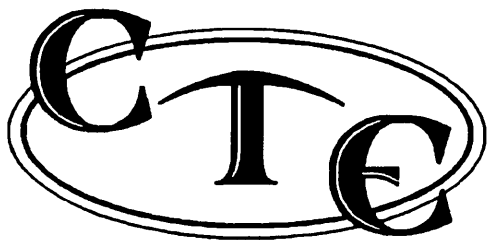
Invoice Amount

5,000.00

074694

Call
when
ready
to
close.

Tim Correia
Chehalem
Title
538-0435

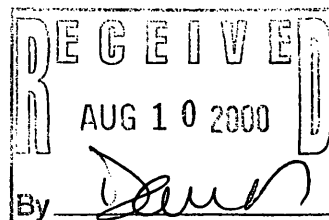


CHEHALEM
TITLE & ESCROW CO.
INC.

122C N. Everest ♦ Newberg, Oregon ♦ 97132
Bus: (503) 538-0435 ♦ Fax: (503) 538-9890

August 9, 2000

City of Newberg
City Hall
Newberg, Oregon 97132
ATTEN: Terry Mahr, City Attorney



RE: Escrow #: 00006427
31451 NE Corral Creek Rd.
Newberg, OR 97132
JOHN F. ROSHAK and BETTEJANE ROSHAK/CITY OF NEWBERG

In connection with the above, we enclose the following:

1. Receipt for deposit of Earnest Money.
2. Copy of Preliminary Title Report.

Yours Very Truly,

Chehalem Title & Escrow Co., Inc.

Tim Correia
Escrow Officer

Chehalis Title & Escrow, Inc.

122 N. Everest Road, Suite C

PO Box 231

Newberg, OR 97132

(503) 538-0435

RECEIPT FOR DEPOSIT

RECEIPT #: 003174

COMPANY:

OFFICE: 001

DATE 08/09/2000

ESCROW NO. 00006427 - TAC

RECEIVED OF City of Newberg

ESCROW NAME ROSHAK/CITY OF NEWBERG

TYPE OF TRANSACTION Earnest Money

IN THE AMOUNT OF \$5,000.00 IN THE FORM OF 123000220 AFTER HOURS

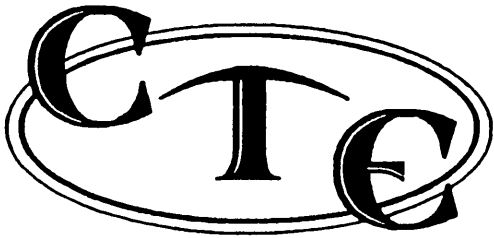
BY

BUYER

SELLER

OTHER

(Customer Copy)



**CHEHALEM
TITLE & ESCROW CO.
INC.**

122C N. Everest ♦ Newberg, Oregon ♦ 97132
Bus: (503) 538-0435 ♦ Fax: (503) 538-9890

PRELIMINARY TITLE REPORT FOR TITLE INSURANCE

**CHEHALEM TITLE & ESCROW CO.
ATTN: TIM
122 N. EVEREST ROAD #C
NEWBERG, OREGON 97132**

August 9, 2000

REPORT #: 00006427

YOUR #:

SELLER: JOHN F. ROSHAK

BUYER/BORROWER: CITY OF NEWBERG

LENDER:

	AMOUNT	PREMIUM
STANDARD OWNER'S POLICY	\$320,000.00	\$ 988.00
GOVERNMENT SERVICE FEE		\$ 25.00

We are prepared to issue a title insurance policy in the form and amount as shown above insuring title to the following described tract of land:

See Exhibit A attached hereto and made a part hereof.

Real Property address as shown on the Yamhill County tax rolls:

31451 NE Corral Creek Rd., Newberg, OR 97132

Tax Account #: R3215 01300

As of August 7, 2000 @ 8:00 a.m. the title to said property is vested in:

JOHN F. ROSHAK and BETTEJANE ROSHAK, as tenants by the entirety

Subject to the standard exceptions, if any, the printed Exclusions, Conditions and Stipulations of the policy, as well as the Exceptions disclosed below:

SPECIFIC EXCEPTIONS:

1. 2000/01 taxes, a lien not yet payable.
2. Rights of the public in and to any portion of the herein described premises lying within the boundaries of streets, roads and highways.

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Order No. 00006427

NOTE: 1999/2000 taxes, paid in full
In the amount of : \$1,900.00
Account No. : R3215 01300

NOTE: We find no unsatisfied judgments of record against the name of The City of Newberg, a political subdivision of the State of Oregon.

Chehalem Title & Escrow, Inc.

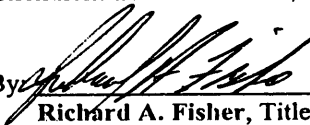
By 
Richard A. Fisher, Title Officer

Exhibit A

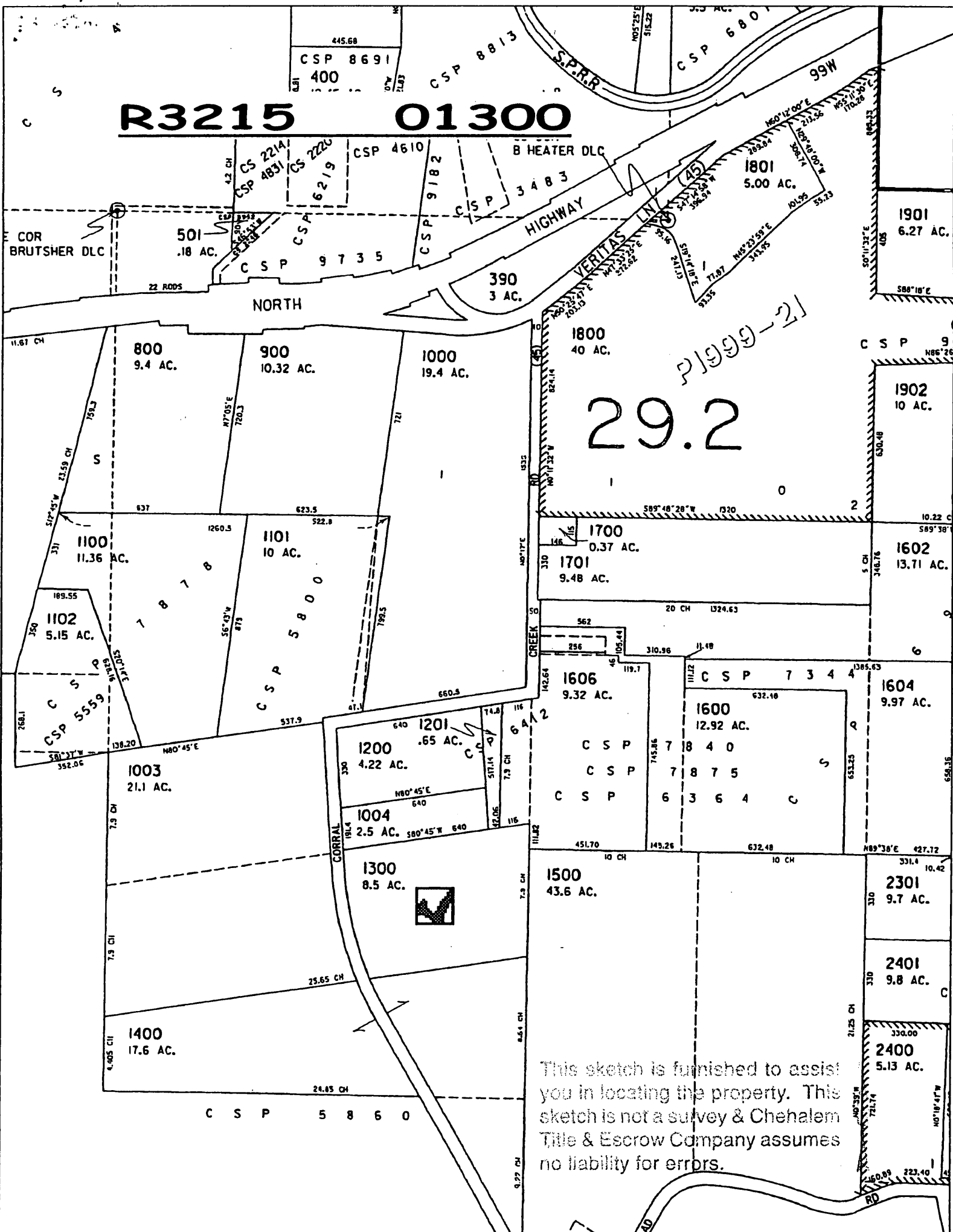
That certain tract of land lying in the Iri Orton Donation Land Claim, Notification #4161, Section 15, Township 3 South, Range 2 West of the Willamette Meridian, in the County of Yamhill and State of Oregon and being described as follows:

Beginning at a point 13.76 chains North of the quarter post on the line between Sections 15 and 22 of said Township and Range; thence North (Var. 21° East) 7.90 chains to a set stake & stone for the Northeast corner; thence South 80-3/4° West 25.65 chains to S. Brutscher's East line; thence South on said line 7.90 chains to a set stake and stone; thence North 80-3/4° East 25.65 chains to the place of beginning..

EXCEPTING THEREFROM that portion lying West of County and State Road #873.

R3215

O1300



This sketch is furnished to assist you in locating the property. This sketch is not a survey & Chehalem Title & Escrow Company assumes no liability for errors.