

OREGON DEPARTMENT OF STATE LANDS
LAND SALE AGREEMENT

1. PRICE/PARCEL DESCRIPTION: Prospective Purchaser (Print Name)

_____ offers to purchase from Seller (the State of Oregon, acting by and through the State Land Board/Department of State Lands), the following described real property ("the Parcel ") situated in the State of Oregon, County of _____ and commonly identified as _____

(Parcel Name; Parcel Map and Tax Lot Number)

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

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

at closing and upon delivery of deed the remaining balance of: \$ _____

2. PROSPECTIVE PURCHASER REPRESENTATION: As of the date of signing this agreement, Prospective Purchaser has sufficient funds available to close this transaction in accordance with the terms proposed in this agreement and is not relying on any contingent source of funds or financing. Prospective Purchaser acknowledges that the earnest money provided to Seller will be forfeited to Seller, if the remaining balance is not provided in accordance with the Closing Schedule established in this Agreement or if financing with the Seller is not arranged and approved by the same deadline.

Prospective Purchaser Initials ____/____ Date _____

3. PARCEL TITLE/DEED: Seller shall convey title to the Parcel in fee simple, **reserving subsurface and geothermal rights**. Seller shall convey marketable title to the Prospective Purchaser by Bargain and Sale Deed with the following Deed Restriction:

"Excepting and reserving to itself, its successors, and assigns all minerals as defined in ORS 273.775 (1), including soil, clay, stone, sand and gravel, and all geothermal resources, as defined in ORS 273.775 (2), together with the right to make such use of the surface as may be reasonably necessary for prospecting for, exploring for, mining, extracting, reinjecting, storing, drilling, for, and removing, such minerals, materials, and geothermal resources.

In the event such use of the premises by a surface rights owner would be damaged by one or more of the activities described above, then such owner, shall be entitled to compensation from state's lessee to the extent of the diminution in value of the real property, based on the actual use by the surface rights owner at the time the state's lessee conducts any of the above activities."

All property rights are subject to any and all existing easements, rights of way, conditions and restrictions of record. Other exceptions and reservations may also apply.

4. SELLER REPRESENTATIONS: Prospective Purchaser should satisfy itself with the information evaluated prior to the sale and not rely solely on any representations made by the Seller. Seller is not responsible for the Prospective Purchaser's inability to inspect the Parcel. Seller does not guarantee ingress and egress to the Parcel.

The Parcel has not been surveyed. Parcel size has been estimated through GIS mapping. Seller is not responsible for inaccuracies in the size of the parcel and has made every effort to provide a reasonably accurate size. Similarly, the Seller has relied on a number of sources for all available information and makes no guarantee or warranties for its accuracy.

Seller knows of no material defects in or about the Parcel. Seller has no knowledge of unrecorded access easements on the Parcel and no knowledge of past or present non-resource use (such as but not limited to cemeteries, landfills, dumps) on the Parcel. Seller is not “a foreign person” under the Foreign Investment in Real Property Tax Act.

Seller agrees to promptly notify Prospective Purchaser if, prior to closing, Seller receives notice of any event or condition which could result in making any previously disclosed material information relating to the Parcel misleading or incorrect.

Prospective Purchaser acknowledges that the above representations are not warranties regarding the condition of the Parcel and are not a substitute for, nor in lieu of, Prospective Purchaser’s own responsibility to conduct a thorough and complete investigation, including the use of professionals, where appropriate, regarding all material matters bearing on the condition of the Parcel, its value and its suitability for Prospective Purchaser’s intended use.

5. “AS-IS”: Prospective Purchaser is purchasing the Parcel “AS-IS”, in its present condition and with all defects apparent or not apparent.

6. TITLE INSURANCE: A preliminary title report has been made available through the Seller. **If Prospective Purchaser does not fully understand the preliminary title report, Prospective Purchaser should contact the title company for clarification.** Seller shall convey marketable title to the Parcel to the Prospective Purchaser. The Seller is NOT furnishing Seller’s title insurance on the Parcel. The Prospective Purchaser is responsible for title insurance on the Parcel if desired.

7. LEVY OF PROPERTY TAXES: As property of the State of Oregon the Parcel has NOT been subject to property tax. Once title is transferred into private ownership, the Parcel will be taxable. The Prospective Purchaser is responsible for obtaining an estimate of annual property taxes from the County Assessor, prior to bidding on the Parcel. There are **no** penalty taxes for the prior state ownership.

8. CLOSING COSTS: The Prospective Purchaser is responsible for obtaining all title insurance, and paying for all closing costs, including, but not limited to, recording fees, document preparation fees and escrow fees. Seller has paid for an appraisal of the property and its timber (if applicable), and endangered plant and animal species review.

9. ESCROW: This transaction will be closed at _____, a neutral escrow located in the State of Oregon. **All costs of escrow and closing fees must be paid by the Prospective Purchaser.**

10. CLOSING: Closing must occur in accordance with the Closing Schedule established in Exhibit A of this Agreement. “Closing” occurs when the deed transferring ownership is recorded and funds are available to Seller or financing has been arranged and approved by the Seller. **Seller and Prospective Purchaser acknowledge that for closing to occur by the closing deadline, it may be necessary to execute documents and deposit Funds in escrow prior to that date.**

11. EARNEST MONEY PAYMENT/ REFUND: If through no fault of the Prospective Purchaser (1) Seller fails to deliver marketable title; or (2) Seller fails to complete this transaction in accordance with this agreement; this agreement will terminate and all earnest money must be promptly refunded to Prospective Purchaser. If Seller approves this Agreement and title is marketable and: (1) Prospective Purchaser’s bank does not pay, when presented, any check given as earnest money; or (2) Prospective Purchaser fails to complete this transaction in accordance with this Agreement; Prospective Purchaser shall forfeit all earnest money paid or agreed to be paid to Seller either as liquidated damages or as otherwise allowed under Oregon law, and this transaction will be terminated. **It is the intention of the parties that the Seller’s sole remedy against the Prospective Purchaser for failure to close this transaction be limited to the amount of the earnest money and all legal fees and collection fees required to collect the earnest money from the Prospective Purchaser .**

12. BINDING EFFECT/CONSENT: This Agreement is binding upon the heirs, personal representatives, successors and assigns of Prospective Purchaser and Seller. However, the Prospective Purchaser's rights under this Agreement or in the Parcel are not assignable without prior written consent of Seller.

13. WAIVER OF RIGHT OF RECISSION: In signing this Agreement, the Prospective Purchaser waives any right of rescission unless: (1) a material condition or event alters the Parcel; or (2) Seller fails to deliver marketable title to the Parcel.

14. APPROVED PROPERTY USES: 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. 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.

PROSPECTIVE PURCHASER SIGNATURE: _____
DATE: _____

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AGREEMENT TO SELL (By Action of the State Land Board April 14, 2009):

(Louise Solliday, Director) **DATE:** _____