

SALE AGREEMENT AND RECEIPT FOR EARNEST MONEY

DATE: July 29, 2016 (the "Effective Date")

SELLER: Edmund Bartholemy ("Seller")
18485 SW Scholls Ferry Road
Beaverton, Oregon 97007
E-Mail: ed@ Bartholemy.biz and desi@bartholemy.biz

BUYER: West Hills Land Development LLC, or permitted assigns ("Buyer")
3330 NW Yeon Ave, Suite 200
Portland, OR 97210
Phone: (503) 726-7060
Facsimile: (503) 345-0855
E-Mail: dan@westhillsdevelopment.com

RECITALS

A. Seller is the owner of certain real property located in Washington County, Oregon, consisting of approximately 14.12 acres, more or less, described as Tax Lot No. 2S10600-00301, and consisting of approximately 22.42 acres, more or less, described as Tax Lot No. 2S10600-00302, as more particularly described on attached *Exhibit A* (the "Bartholemy Property").

B. Seller desires to sell to Buyer, and Buyer desires to purchase from Seller, a portion of the Bartholemy Property which is an approximately 30 feet wide strip along the Western boundary of the properties located directly to the South (as defined below) of the Bartholemy Property, as more particularly described on attached *Exhibit B* (the "Property"), and shown as the area within the green outline on attached *Exhibit C*.

C. The properties located directly to the South of the Bartholemy Property are Tax Lot No. 2S10600-00500, owned by Brian W. Bellairs and Kathleen G. Bellairs, and Tax Lot No. 2S10600-00600, owned by Lolich Family Farm, L.L.C. (the "Bellairs and Lolich Properties"). Buyer is in contract to purchase the Bellairs and Lolich Properties.

AGREEMENT

Now, therefore, in consideration of the recitals set forth above, which are incorporated herein by this reference, and the mutual promises contained herein, 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 a price of _____ plus certain other post-closing consideration described in Section 5 below (the "Purchase Price").

2. Earnest Money; Seller's Deliveries.

2.1 Earnest Money. Upon the mutual execution of this Agreement, Buyer shall deposit into escrow with the Title Company (defined below) Buyer's promissory note (the "Earnest Money Note") for earnest money in the amount of

"Earnest Money"). Buyer will redeem the Earnest Money Note on or before the last day of the 60-day Due Diligence Period described in Section 7.1.1. Within three (3) days of the redemption of the Earnest Money Note, Buyer shall cause the Title Company to disburse the Earnest Money to Seller or to Seller's tax accommodator, if applicable, who shall then cause the Title Company to return the Earnest Money Note to Buyer marked "PAID IN FULL." Once released to Seller, the Earnest Money shall be nonrefundable except if Seller fails to close the transaction without lawful excuse or as may be otherwise provided in this Agreement. The Earnest Money will be applicable to the Purchase Price payable at Closing (defined in Section 4.1).

2.2 Seller's Deliveries. Immediately upon the execution hereof, Seller shall deliver to Buyer original counterparts or legible photocopies of all documents, feasibility studies, surveys, engineering reports, environmental reports, wetland studies and other items of a similar nature in the possession or under the control of Seller that relate to the Property.

3. Payment of Purchase Price. At Closing, Earnest Money paid shall be credited against the Purchase Price as set forth in Section 4.1, and the balance shall be paid in cash or other immediately available funds.

4. Closing.

4.1 Closing Date. Closing shall occur within 30 days of the later of: (1) Buyer closing its purchase of the Bellairs and Lolich Properties; or (2) the receipt by Buyer of a final land use approval by the City of Beaverton ("City") of a land use application(s) submitted by Buyer for development of the Bellairs and Lolich Properties requiring, as a condition of approval, the dedication of the Property in fee title, or an easement therein, to the City for use as a public street (the "Closing Date"), but no later than November 1, 2018. Closing will occur at the offices of Patricia Parsons, Chicago Title Company, 1211 SW Fifth Avenue, Suite 2130, Portland, Oregon 97204 (the "Title Company"). Buyer shall give Seller no less than sixty (60) days' notice of the Closing Date to allow Seller to cancel any tenancies and otherwise remove its equipment and possessions.

4.2 Deliveries. At Closing, Seller and Buyer shall deposit the following documents and funds in escrow, and the Title Company shall close escrow in accordance with the instructions of Seller and Buyer.

4.2.1 Seller shall deposit the following:

(1) A duly executed and acknowledged statutory warranty deed (the "Deed"), as provided in Section 7.4;

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(2) A duly executed affidavit certifying that Seller is not a foreign person, trust, partnership, or corporation, in compliance with the requirements of IRC §1445;

(3) Such documents as Buyer or the Title Company may require to evidence the authority of Seller to consummate this transaction; and

(4) Such other documents and funds, including, without limitation, escrow instructions, as are required of Seller to close the sale in accordance with this Agreement.

4.2.2 Buyer shall deposit the following:

(1) The cash payment specified in Section 3 less the Earnest Money;

(2) Such documents as Seller or the Title Company may require to evidence the authority of Buyer to consummate the transaction contemplated; and

(3) Such other documents and funds, including, without limitation, escrow instructions, as are required of Buyer to close the sale and purchase of the Property in accordance with this Agreement.

4.3 Costs. Buyer and Seller each shall pay one-half of the escrow fee of the Title Company. Seller shall pay the premium for an ALTA Standard Owner's Title Insurance Policy and the Washington County transfer tax. Buyer shall pay the fee for recording the Deed and any other fees or taxes not allocated between Buyer and Seller in this Section or elsewhere in this Agreement.

5. Land Use Approvals and Development. Buyer, at Buyer's expense, is responsible for obtaining all necessary land-use approvals from the City of Beaverton, Washington County and all other appropriate jurisdictions.

5.1 Development. After Closing, Buyer shall construct the Neighborhood right-of-way street to the Southern Boundary of the Bartholemy Property, as shown on *Exhibit C*, including utility laterals to serve anticipated lots at locations to be determined by Seller. Buyer also agrees to extend certain utilities (sanitary sewer, storm sewer facilities to serve the shaded area on *Exhibit D*, and water services) with sufficient capacity to serve anticipated development on the Bartholemy Property through the Bellairs and Lolic Properties to the Southern Boundary of the Bartholemy Property and grant Seller an easement for such utility lines as shown by the red and blue lines on *Exhibit C* provided, however, if Seller elects to extend such utilities through the Bellairs and Lolic Properties prior to Buyer's development of the Bellairs and Lolic Properties, the cost of such utilities construction shall be at Seller's cost and the easement location shall be outside the lots proposed for the Bellairs and Lolic Properties as shown by the gray shaded area on *Exhibit C*. Buyer further agrees to design stormwater facilities for the Bellairs and/or Lolic Properties in a manner and with sufficient capacity to enable Seller to utilize said stormwater facilities to serve the portion of the Bartholemy Property shown in the shaded area attached as *Exhibit D* to this Agreement, and shall provide Seller with any necessary documentation required by any applicable governing body to enable Seller to utilize said

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stormwater facilities. Buyer will complete such utilities extensions and street construction within one (1) year after closing, unless Buyer is prevented from doing so by naturally occurring events beyond Buyer's control, such as inclement weather. Buyer shall obtain all necessary land use and development approvals prior to commencing construction under this section. If Buyer does not complete the utilities and/or street construction within the time specified under this Section, Seller, in Seller's sole discretion, may construct the Neighborhood right of way and utilities as described in Section 5.1 and shown on Exhibit C across, under, and through the Bellairs and Lolich Properties in a mutually agreed upon location and cost, which agreement shall not be unreasonably withheld by either party, and in a manner and with sufficient capacity to serve the Bartholemy Property, and recover the costs of said construction from Buyer.

5.2 Alterations to Development. Buyer shall consult with and obtain Seller approval, which shall not be unreasonably withheld, prior to altering the location of the utilities or streets as shown in Exhibit C.

6. Preliminary Title Report. Within ten (10) days after the Effective Date, Seller shall deliver to Buyer, at Seller's expense, a preliminary title report (the "Title Report") showing the condition of title to the Property. The Title Report shall be issued by the Title Company. The Title Report shall be accompanied by legible copies of all plats and other documents creating or evidencing exceptions to title referenced in the Title Report (the "Exceptions"). Within fifteen (15) days of receiving the Title Report and copies of all Exceptions, Buyer shall give written notice (the "Initial Notice") to Seller of the Exceptions that Buyer will require Seller to remove on or before any Closing (the "Unacceptable Exceptions"). If Buyer fails to give Seller the Initial Notice within said 15-day period, then Buyer shall be deemed to have approved the Title Report and Exceptions as delivered; provided, however, all monetary Exceptions shall be removed by Seller on or prior to Closing. Seller shall have fifteen (15) days following receipt of the Initial Notice to give written notice to Buyer (the "Reply Notice") identifying the Unacceptable Exceptions that Seller concludes, in good faith, Seller cannot or will not remove. If Seller provides Buyer with a Reply Notice Buyer may exercise any of the following rights by giving written notice to Seller within ten (10) days of receiving the Reply Notice: (1) Buyer may terminate this Agreement within ten (10) days of receipt of the Reply Notice, in which event the Earnest Money paid shall be returned to Buyer and neither party shall have any further liability hereunder; or (2) Buyer may notify Seller in writing that Buyer accepts title to the Property subject to any such Unacceptable Exceptions. Exceptions that are shown on the Title Report and to which Buyer does not object or to which Buyer agrees, in writing, to waive objection, are referred herein to as the "Permitted Exceptions." Unacceptable Exceptions that Seller does not include in a Reply Notice, if any, shall be removed by Seller on or before Closing. Seller shall not cause, permit, or suffer any matter to be recorded with respect to the Property after the date hereof, except with the prior written approval of Buyer, which may be withheld at Buyer's sole discretion.

7. Conditions to Buyer's Obligations.

7.1 Conditions. Buyer's obligation to purchase the Property is contingent on satisfaction of each of the conditions set forth below:

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7.1.1 Buyer's approval, in its sole discretion, of its physical inspection of the Property. Buyer shall have sixty (60) days from the Effective Date (the "Due Diligence Period") to complete its physical inspection of the Property, to include, without limitation, any economic, environmental (as set forth in Section 7.1.4, below), wetland, engineering and other studies and tests of the Property and its feasibility for Buyer's intended development, as well as a review of all applicable zoning and land-use regulations, and any other tests, inspections and reviews necessary to determine the suitability of the Property for Buyer's purposes. Buyer shall bear all costs related to its physical inspection of the Property.

7.1.2 On the Closing Date, the Title Company shall be ready, willing, and able to issue, and shall issue to Buyer upon recordation of the Deed, the Title Insurance Policy.

7.1.3 On or before Closing Date, Seller shall have performed all of the covenants, conditions, agreements, and promises to be performed by it under this Agreement.

7.1.4 On or before the end of the Due Diligence Period, Buyer shall have conducted an environmental review and audit (the "Buyer's Environmental Audit") of the Property, indicating to the satisfaction of Buyer that the Property does not contain, either on its surface or in its subsurface or underlying water table, any Hazardous Substances, as defined below. The Environmental Audit may include a historical review of the use of the Property, review of all regulatory agency permits and compliance and enforcement files and records, soil tests, the acquisition of core samples and water table samples by drilling conducted on the Property, and such other tests and studies as Buyer may deem appropriate. All tests and studies shall be conducted by agents selected by Buyer and performed as Buyer shall direct. Buyer shall be responsible for the cost of all tests and studies undertaken. Buyer shall bear all costs for Buyer's Environmental Audit.

7.1.5 On or before Closing, Buyer shall have obtained an ALTA survey of the Property (the "Survey") from a surveyor designated by Buyer, indicating to Buyer's satisfaction: (1) that there are no discrepancies in the boundaries of the Property; (2) that there are no material encroachments on, or protrusions from, the Property; (3) that the Property has acceptable access to a dedicated public right-of-way; and (4) the number of acres contained within the Property. Buyer shall be responsible for the costs of preparing the Survey.

7.2 Copies to Seller. Buyer shall provide Seller with photocopies of all surveys, engineering reports, and environmental audits that relate to the Property and soils which are prepared by or for Buyer until Closing, at which time the obligations pursuant to this Section 7.2 shall cease.

7.3 License. By execution hereof, Seller grants a license, irrevocable during the term of this Agreement, to Buyer and Buyer's employees and/or consultants to enter on the Property at any reasonable time before the Closing Date for the purpose of conducting such tests or studies as Buyer may deem necessary or appropriate in connection with its evaluation and acquisition of the Property. If Seller is not in possession

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of the Property, Seller shall secure the foregoing license from the party in possession. Buyer shall not interfere with the business being operated on the Property during the investigation period. Seller shall cooperate with Buyer in making such tests and studies provided such cooperation shall be at no cost or expense to Seller. Buyer shall provide Seller with reasonable notice prior to conducting any invasive tests such as boring or excavation. Buyer shall not unreasonably interfere with or disturb the use of the Property by Seller or the rights of any tenants in possession of any portion of the Property. Buyer to provide Seller as additional insureds, on all insurance policies evidencing that Buyer and Buyer's agents or contractors performing the tests and inspections have insurance in the amount of \$1,000,000 for commercial general liability insurance coverage for bodily injury and property damage. Buyer shall defend, indemnify, and hold Seller harmless for, from, and against any claim of loss, or liability, of claim lot lien or damage that Seller may incur by reasons of or in connection with entry on the Property or any activities on the Property by Buyer or its agents, employees, consultants or contractors. Buyer to provide Seller with copies of all reports, surveys and other due diligence studies prepared by Buyer and its contractors related to the Property.

7.4 Deed. On Closing Date, Seller shall execute and deliver to Buyer the Deed conveying the Property in fee title, or an easement to the City of Beaverton for use as a public street, free and clear of all liens, encumbrances, and non-governmental restrictions or covenants except the Permitted Exceptions and except that Seller shall retain a non-exclusive access easement over, across, and through the Neighborhood right of way street as shown on Exhibit C (including the Property) for ingress and egress to the Bartholemey Property. Upon completion by Buyer of its obligations under Section 5 of this Agreement, Seller shall extinguish the easement as part of a conveyance by Buyer of the Neighborhood right of way shown in Exhibit C to the City of Beaverton.

7.5 Title Insurance. Within a reasonable period after Closing, Seller shall cause the Title Company to furnish Buyer with a standard form Owner's ALTA Title Insurance Policy, in the amount of the Purchase Price, insuring fee simple title to the Property vested in Buyer, subject only to the standard printed exceptions and the Permitted Exceptions (the "Title Insurance Policy"). If Buyer desires extended coverage title insurance, Buyer shall pay any additional premium for such coverage and Buyer shall obtain any additional surveys or other documents or information that may be required by the Title Company as a condition to issuance of the extended coverage.

7.6 Taxes; Prorates. All items of expense incurred by Seller prior to the Closing Date shall be paid by Seller at Closing, without proration. Subject to the provisions of Section 4.3 hereof, all real property taxes and assessments payable with respect to the tax year in which a Closing occurs, insurance premiums (if Buyer assumes an existing policy), and other ongoing liabilities assumed by Buyer (e.g., utility services) shall be prorated between Seller and Buyer as of the Closing Date; provided, however, that Seller shall pay any deferred taxes or other special assessments (e.g., farm or forest deferral) on or before the Closing or when due if earlier.

7.7 Possession. Buyer shall be entitled to exclusive possession of the Property at 5:00 pm on the Closing Date.

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8. Representations, Warranties, and Covenants of Seller. Seller acknowledges that the representations, warranties, and covenants of Seller contained in this Agreement, including, without limitation, those contained in this Section 8, are material inducements to Buyer to enter into this Agreement. All representations and warranties of Seller, and Buyer's right to assert a breach of them, shall survive execution of this Agreement, Closing, and the execution and delivery of the Deed. If, before Closing, Buyer discovers or is advised that any of the representations or warranties of Seller was untrue when made, Buyer shall have the option to either: (1) terminate this Agreement and obtain the return of all Earnest Money paid; or (2) continue this Agreement, in either case without waiving any cause of action that Buyer may be entitled to assert against Seller by reason of the breach of such representation or warranty. If, after Closing, Buyer discovers or is advised that any of the representations or warranties of Seller was untrue when made, then Buyer may pursue any remedy available to Buyer at law or in equity by reason of the breach of such representation or warranty. Seller represents, warrants, and covenants as follows:

8.1 Cooperation. Seller shall cooperate with Buyer in applying for, in Seller's name if necessary, all approvals, lot line adjustments, preliminary plat, zone changes, or other governmental actions necessary for the development of the Property including the land use application(s) described in Section 5, and Seller shall join in any and all proceedings and in the execution and delivery of all documents, petitions, plans, plats, or dedications which may be necessary, appropriate, or advisable in connection therewith. Seller shall not be required to incur any expense pursuant to this Section 8.1. Notwithstanding the preceding, in no event shall Seller be obligated to commit to take any action in connection with the land use approvals or actions that, in the event Buyer fails to close this transaction, would impose on Seller any obligation to further improve the Property or expend any further funds in connection with the Property if the sale were no longer in effect unless, prior to committing to such action, Buyer agrees to indemnify Seller for any such future expense. Any such indemnity shall be in a form and substance agreeable to Seller.

8.2 Maintenance. Between the date hereof and the Closing Date, Seller shall maintain the Property, or cause the Property to be maintained, in the same condition as it now exists, ordinary wear and tear excepted, and shall not cause, suffer, or permit any waste.

8.3 Title, Assessments, Contracts or Encumbrances. On the Closing Date, Seller will convey to Buyer fee simple title to the Property, free and clear of all liens and encumbrances except the Permitted Exceptions and the easement retained by Seller as provided in Section 7.4. There are no currently due and payable assessments for public improvements against the Property, there is no local improvement district or other taxing authority in the process of formation that would create a lien on the Property and, to the best of Seller's knowledge, there are no pending or proposed special assessments against the Property. There are no lease agreements, maintenance contracts, service agreements, restrictive covenants not shown in the Title Report, or other agreements or contracts of any nature that pertain to, cover, or affect the Property or any part of it, and between the date hereof and the Closing Date, except as disclosed to Buyer during the

Due Diligence Period. Except for tenancies that can be terminated by the landlord upon no more than 30 days advance notice, Seller shall not enter into any such agreements or contracts nor sell, contract to sell, assign, lease, or otherwise transfer the Property, or in any way restrict the development of the Property, or any part of it, nor grant an option to any third party to acquire all or any portion of it. Seller has received no written notice of any liens to be assessed against the Property.

8.4 Compliance with Laws. The Property complies with all laws, ordinances, and governmental approvals and decisions that relate to it. Seller has not received written notice from any governmental agency of any violation of any statute, law, ordinance, or deed restriction, rule, or regulation with respect to the Property.

8.5 Foreign Person. Seller is not a "foreign person," as that term is defined in Section 1445 of the Internal Revenue Code of 1986, as amended.

8.6 Litigation. Other than proceedings related to development of the Property which have been disclosed to Buyer, there is no litigation, arbitration, or administrative hearing pending before any governmental authority that concerns or affects the Property or any portion of it, and no such proceeding is threatened.

8.7 Development. The Property has unimpeded access to a dedicated public street. Seller has no knowledge of any condition concerning the Property which would impede the development of the Property. Except with respect to any zoning changes necessary to the development of the Property to be requested by Buyer, Seller has no knowledge of any pending changes in land use designation (comprehensive plan or zoning ordinance) that apply to the Property. There are no material encroachments onto the Property.

8.8 Hazardous Substances. Seller shall indemnify, hold harmless, and defend Buyer from and against any and all claims, costs, damages, expenses, fees (including attorneys' fees prior to or at trial or on any appellate review), liabilities, or losses whatsoever arising from or in connection with any breach of the representations and warranties set forth below, which representations and warranties shall survive the Closing and delivery of the Deed, or any termination of this Agreement pursuant to Section 7.1.4. For purposes of this Section 8.8, the phrase "Hazardous Substances" has the same meaning as is designated in ORS 465.200(16). Seller represents, warrants, and covenants that:

(a) To the best of Seller's knowledge, no Hazardous Substances have been placed in or upon, or buried on or beneath the Property and no Hazardous Substances have been emitted or released from the Property in violation of any environmental laws of the federal, state, or local government;

(b) Seller has not brought onto, stored on, buried, used on, disposed of, emitted or released from, or allowed to be brought onto, stored on, buried, used on, disposed of, emitted or released from, the Property any Hazardous Substances in violation of any

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environmental laws of the federal, state, or local government; and

(c) No underground storage tanks have been located on the Property, including (without limitation) any storage tanks that contain, or previously contained, any Hazardous Substances, and Seller agrees not to cause or permit any such tanks to be installed in the Property before Closing.

8.9 No Conflict; Consents. Neither the execution of this Agreement, nor the execution, delivery, or recordation of any document or agreement referenced herein, nor the closing of the transaction contemplated herein, constitutes or will constitute a default under any other agreement or contract that relates to the Property or to which Seller is a party. No consents, documents, or approvals that have not been obtained are necessary to the validity and effectiveness of this Agreement.

8.10 Changed Conditions. If Seller discovers that one or more of the representations or warranties or one of the conditions referred to in this Section 8 has changed after this Agreement is executed, through no fault of Seller, Seller shall immediately inform Buyer, in writing, of such discovery. If the changed condition cannot be cured within thirty (30) days of the date Seller discovers the change, or if Seller, at Seller's option, does not correct the changed conditions as provided herein, then Buyer may terminate this Agreement by giving written notice of termination to Seller within forty-five (45) days after receiving the notice from Seller, and all Earnest Money paid by Buyer shall be returned to Buyer. If the changed condition can be corrected within thirty (30) days after discovery by Seller, Buyer shall not have the right to terminate this Agreement pursuant to this section, except as provided above, and Seller may correct the changed condition within such 30-day period.

9. Bellairs/Lolich Contracts. No later than seven (7) days following the end of the Due Diligence Period, Buyer shall provide copies to Seller of Buyer's agreements with Bellairs and Lolich to purchase the Bellairs and Lolich Properties with all financial terms redacted. If Buyer's agreement to purchase either the Bellairs or Lolich Properties terminates at any time prior to the Closing Date, Seller shall have the right, in his sole discretion, to retain the Earnest Money and terminate this Agreement, with no further obligation to either party.

10. Remedies. TIME IS OF THE ESSENCE REGARDING THIS AGREEMENT. Unless another remedy is provided in this Agreement, if the conditions described in Section 7 above are satisfied or waived by Buyer and the transaction does not thereafter close, for any reason other than Seller's failure to meet its obligations hereunder without legal excuse, Seller shall retain all Earnest Money paid, as LIQUIDATED DAMAGES, WHICH AMOUNT HAS BEEN AGREED BY THE PARTIES TO BE REASONABLE COMPENSATION AND THE EXCLUSIVE REMEDY FOR BUYER'S DEFAULT, GIVEN THAT THE PRECISE AMOUNT OF SELLER'S DAMAGES WOULD BE DIFFICULT TO DETERMINE. If Seller fails to deliver the Deed on the Closing Date or otherwise fails to consummate the transaction contemplated herein without lawful excuse, all Earnest Money paid will be refunded to Buyer. Acceptance by

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Buyer of the refunded Earnest Money will not constitute a waiver of any other remedies available to Buyer in law or equity, including, without limitation, the remedy of specific performance, all of which shall remain available to Buyer. Notwithstanding anything to the contrary contained herein, Seller and Buyer each waive the right to collect punitive or consequential damages from the other party. Seller and Buyer have initialed this provision to emphasize their agreement to the terms of this section.



Seller



Buyer

11. Miscellaneous.

11.1 Binding Effect/Assignment Restricted. This Agreement is binding on and will inure to the benefit of Seller, Buyer, and their respective heirs, devisees, legal representatives, successors, and assigns; provided, however, Buyer may not assign this Agreement to any third party without the prior written approval of the Seller, which consent may be withheld in Seller's sole discretion. This Agreement may be assigned by Buyer without the consent of Seller to an affiliate of Buyer or to a separate entity provided that the affiliate or separate entity is owned or controlled by Walter E. Remmers. For purposes of this provision, the term "control" shall mean the power to direct or cause the direction of the management and policies of the controlled entity through the ownership of more than fifty percent (50%) of the voting securities in such controlled entity.

11.2 Attorney Fees. In the event any legal action, including litigation taken in the context of bankruptcy proceedings, or arbitration is instituted to enforce any term of this Agreement, the prevailing party shall be entitled to recover from the losing party, in addition to all other sums and allowable costs, its reasonable attorney fees, both in preparation for and at trial or arbitration and on any appellate review, such amount to be set by the court or arbitrator before which the matter is heard.

11.3 Notices. All notices and communications in connection with this Agreement shall be given in writing and shall be transmitted by (1) personal delivery; (2) overnight delivery; (3) certified or registered mail, return receipt requested, with a copy sent by regular mail, to the appropriate party at the address first set forth above; or (4) by electronic mail if receipt of such e-mail is confirmed by the recipient. Any notice so transmitted shall be deemed effective on the earlier to occur of actual receipt or the third day after it is placed in the United States mail, postage prepaid. Either party may, by written notice, designate a different address for purposes of this Agreement.

11.4 Real Estate Commission. Buyer shall pay any commission or finder's fees that may be due to any realtor or broker used by Buyer. Seller shall pay any other commission or finder's fees that may be due to any realtor or broker used by Seller.

11.5 Risk of Loss. Seller shall bear the risk of all loss or damage to the Property from all causes, except as caused by Buyer or Buyer's shareholders, directors, officers, agents, independent contractors, consultants and employees, through the Closing Date. If, before any Closing Date, all or part of the Property is damaged by fire or by any other cause of any nature, or if all or any portion of the Property is taken by condemnation, or

if any such condemnation is threatened, Seller shall give Buyer written notice of such event whereupon Buyer may terminate this Agreement by giving written notice to Seller within fifteen (15) days following receipt by Buyer of written notice from Seller of such casualty or condemnation, and Seller will return the Earnest Money paid. If Buyer does not elect to terminate this Agreement, then this Agreement shall continue in force and, if the Property, or portion thereof, is conveyed to Buyer, then all interest of Seller in and to any insurance proceeds or condemnation awards that may be payable to Seller on account of such casualty or condemnation shall be assigned to Buyer at Closing.

11.6 Counterparts. This Agreement may be executed in one or more counterparts, all of which shall be considered one and the same Agreement and shall be effective when one or more counterparts have been signed and delivered by Seller and Buyer.

11.7 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.

11.8 Applicable Law. This Agreement shall be governed by the laws of Oregon. In the event a court of competent jurisdiction holds any portion of this Agreement to be void or unenforceable as written, Seller and Buyer intend that: (1) the offending portion of this Agreement be enforced to the extent permitted by law; and (2) the balance of this Agreement remain in full force and effect.

11.9 Confidentiality. Seller and Buyer and their agents, accountants, attorneys, and consultants shall treat the Purchase Price recited in this Agreement as confidential and shall not disclose it to any person other than the consultants and the entities engaged by the parties to assist in the consummation of this Agreement, such as the real estate brokers, attorneys, accountants, tax authorities, governmental entities and the Title Company. Nothing contained herein shall operate to prevent or limit the right of Seller or Buyer to disclose the terms of this Agreement, or any other information relating to it in conjunction with any litigation, land use proceeding, or other proceeding instituted with respect to this Agreement or the Property.

11.10 Section 1031 Exchange. Seller shall have the right to arrange and effect the Closing of the sale of the Property to Buyer in connection with a simultaneous or non-simultaneous exchange for other property of like kind pursuant to Section 1031 of the Internal Revenue Code of 1986, as amended. Seller shall be responsible for preparing the documents required to effect the exchange and for paying any additional closing, title, or escrow costs incurred in connection with the exchange. Buyer shall cooperate with Seller's efforts to effect an exchange transaction, and shall execute any documents reasonably requested in connection therewith, provided Buyer shall not be required to incur any costs or obligations or to take title to any exchange property other than the Property. The sale of the Property is not conditioned upon Seller's ability to effect an exchange. Notwithstanding the preceding, Buyer shall not be required to delay its

development plans for the Property to comply with this section.

11.11 Arbitration. Any dispute, controversy, or claim arising out of or relating to this Agreement shall be settled by arbitration. Unless the parties otherwise agree, the arbitration shall be administered by Arbitration Service of Portland, Inc. ("ASP"). Judgment on the award rendered by the arbitrator may be entered in the circuit court in the county in which the arbitration occurs, and the resolution of the disputed matter as determined by the arbitrator shall be binding on the parties. There shall be one arbitrator who shall have such qualifications that are mutually agreeable to the parties. Any arbitration shall be conducted in Portland, Oregon, in accordance with the following provisions:

(a) Except as otherwise provided in this Section 10.11, the arbitration shall be conducted in accordance with the rules of ASP.

(b) Arbitration proceedings under this Agreement may be consolidated with arbitration proceedings pending between other parties if the arbitration proceedings arise out of the same transaction or relate to the same subject matter. Consolidation will be by order of the arbitrator in any of the pending cases, or if the arbitrator fails to make such an order, the parties may apply to any court of competent jurisdiction for such an order.

(c) A party may, without inconsistency with this Agreement, seek from a court any interim or provisional relief that may be necessary to protect the rights or property of that party pending the establishment of the arbitration (or pending the arbitrator's determination of the merits of the dispute, controversy, or claim).

(d) The arbitrator shall have authority to issue preliminary and other equitable relief.

(e) Discovery proceedings of the type provided by the Oregon Rules of Civil Court Procedure shall be permitted both in advance of and during recesses of the arbitration hearings. Any dispute relating to such discovery shall be resolved by the arbitrator.

(f) The arbitrator shall have the discretion to order a prehearing exchange of information by the parties and an exchange of summaries of testimony of proposed witnesses.

(g) Except as otherwise expressly limited by this Agreement, the arbitrator shall have the authority to award any remedy or relief that an Oregon court could order or grant, including, without limitation, specific performance of any obligation created under this Agreement, the issuance of an injunction, or the imposition of sanctions for abuse or frustration of the arbitration process, except that the arbitrator shall not have authority to award punitive damages or any other amount for the purpose of imposing a penalty as opposed to compensating for actual damage suffered or loss incurred.

(h) The award shall be in writing, shall be signed by the arbitrator, and shall

include a statement regarding the disposition of any claim. The award shall be kept confidential to the fullest extent permitted by law.

11.12 Statutory Disclosure. 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.

11.13 Saturdays, Sundays, and Legal Holidays. If the time for performance of any of the terms, conditions, and provisions hereof falls on a Saturday, Sunday, or legal holiday, then the time of the performance will be extended to the next business day thereafter.

11.14 Nonmerger. The terms and provisions of this Agreement, including indemnification obligations, will not merge in, but will survive, the closing of the transaction contemplated under this Agreement.

11.15 Agency Disclosure. Daniel E. Grimberg is a licensed real estate broker in the State of Oregon, acting as the Buyer's agent in this transaction, and there is no real estate commission due Mr. Grimberg as a result of this transaction.

11.16 Progress - Progress Updates. Buyer shall use its best efforts to complete all land use approvals necessary to develop the Bellairs and Lolic Properties and its development obligations under Section 5 of this Agreement in a timely manner and ahead of the deadlines imposed by this Agreement. Buyer shall provide Seller with a written monthly progress report of all activities related to its efforts to obtain land use approvals to develop the Bellairs and Lolic Properties, and its efforts to complete the development required by this Agreement.

11.17 Memorandum/Recording. Buyer shall cause a memorandum of this Agreement, executed and acknowledged by both parties, to be recorded upon closing by Buyer of each of the Bellairs and Lolic Properties.

IN WITNESS WHEREOF, the undersigned have caused this Sale Agreement and Receipt for Earnest Money to be executed and delivered as of the day and year first above written.

SELLER:



Edmund Bartholemy

BUYER:

West Hills Land Development LLC

By: 

Walter E. Remmers, Member

**EXHIBIT A
LEGAL DESCRIPTION
OF BARTHOLEMY PROPERTY**

PARCEL I:

A tract of land in the Northwest quarter of Section 6, Township 2 South, Range 1 West of the Willamette Meridian, in the County of Washington and State of Oregon, described as follows:

Beginning at a point on the North line of Section 6, North 89° 19' 46" East 20.00 feet from the Northwest corner of said section; thence along said North line 89° 19' 46" East 1,409.52 feet to the Westerly sixteenth corner on the North line of Section 6; thence South 00° 26' 48" East on the Southerly extension of the sixteenth line from Section 31, Township 1 South, Range 1 West of the Willamette Meridian, 539.47 feet to an iron rebar; thence South 89° 20' 08" West 277.32 feet to an iron pipe; thence South 00° 00' 07" East 329.45 feet to an iron pipe; thence South 47° 50' 11" West 507.47 feet to an iron pipe; thence South 89° 24' 15" West 370.80 feet to an iron pipe; thence South 24° 02' 38" West 126.80 feet to an iron pipe; thence South 55° 40' 19" West 380.56 feet to a point 30.00 feet Easterly of, when measured at right angles to the West line of said Section 6 (a ½ inch iron pipe bears South 55° 40' 19" West 11.58 feet); thence South 00° 29' 33" East parallel with the West line of said section, 1,121.70 feet to an iron rebar; thence continuing South 00° 29' 33" East to the center line of Scholls Ferry Road; thence Southwesterly along the center line of Scholls Ferry Road 10.00 feet, more or less, to a point 20.00 feet Easterly of, when measured at right angles to, the West line of said Section 6; thence North 00° 29' 33" West parallel with the West line of said Section 6, a distance of 2,650 feet, more or less, to the point of beginning.

PARCEL II:

A tract of land in the Northwest quarter of Section 6, Township 2 South, Range 1 West of the Willamette Meridian, in the County of Washington and State of Oregon, to-wit:

That portion of the Westerly 20.00 feet of the Northwest quarter of said Section 6 lying Northerly of the center line of S.W. Scholls Ferry Road.

**EXHIBIT B
LEGAL DESCRIPTION
OF PROPERTY**

See attached *Offsite Right of Way Dedication Lolich-Bellairs Property Description* and map of the same.

EXHIBIT B
OFFSITE RIGHT OF WAY DEDICATION
LOLICH-BELLAIRS PROPERTY
DESCRIPTION
July 29, 2016

That portion of the tract of land described in statutory special warranty deed to Edmund J. Bartholemy recorded March 30, 1994 as Document No. 94030668, Washington County Deed Records, in the northwest quarter of Section 6, Township 2 South, Range 1 West, Willamette Meridian, Washington County, Oregon, lying easterly and southeasterly of the following described line:

Beginning at a point on the northerly right of way line of S.W. Scholls Ferry Road 30.00 feet from, when measured at right angles to, the centerline thereof as shown on Survey Number 31940, Washington County Survey Records, said point also being 30.00 feet from, when measured at right angles to, the southerly extension of the west line of that tract of land described in bargain and sale deed to Lolich Family Farm, L.L.C. recorded November 16, 2015 as Document No. 2015-095295;

thence parallel with and 30.00 feet from, when measured at right angles to, said west line of Lolich tract and the west line of that tract of land described in warranty deed to Brian W. Bellairs and Kathleen G. Bellairs recorded December 15, 2011 as Document No. 2011-089128, Washington County Deed Records, North $01^{\circ}38'36''$ East, a distance of 1093.76 feet;

thence northeasterly along the arc of a 290.00 foot radius non-tangent curve to the right (the radius point bears South $69^{\circ}50'53''$ East) through a central angle of $37^{\circ}38'52''$, an arc length of 190.55 feet (chord bears North $38^{\circ}58'33''$ East, a distance of 187.14 feet) to a point 30.00 feet from, when measured at right angles to, the northwest line of said Bellairs tract;

thence along a line parallel with said northwest line of Bellairs tract, North $57^{\circ}47'58''$ East, a distance of 189.14 feet;

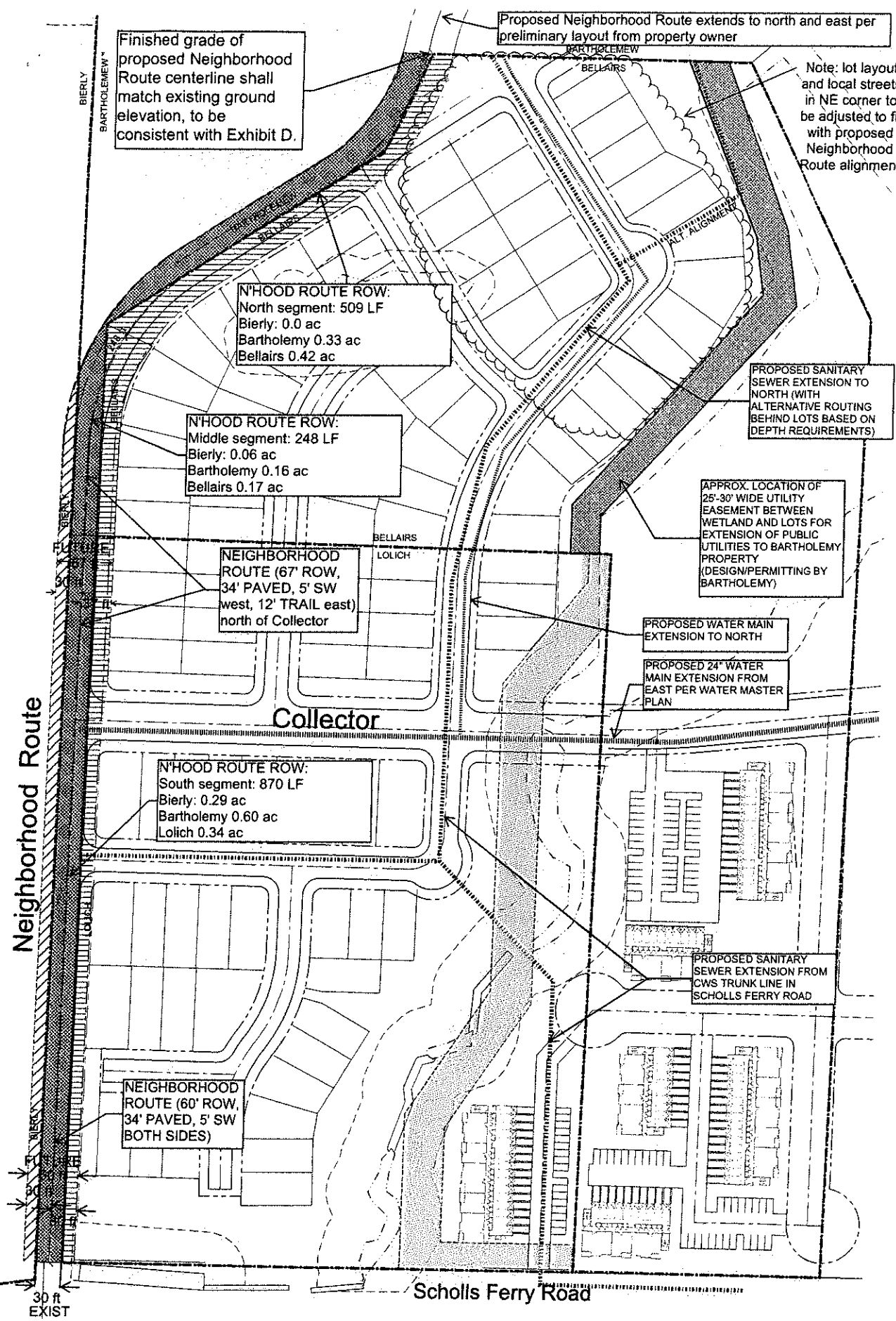
thence northeasterly along the arc of a 230.00 foot radius curve to the left through a central angle of $40^{\circ}39'04''$, an arc length of 163.18 feet (chord bears North $37^{\circ}28'27''$ East, a distance of 159.78 feet) to a point on the westerly extension of the north line of said Bellairs Tract;

thence along said westerly extension, South $88^{\circ}32'16''$ East, a distance 34.77 feet to the most northerly northwest corner of said Bellairs tract.

Contains 1.097 acres, more or less.

**EXHIBIT C
CONCEPTUAL DEVELOPMENT PLAN**

See attached.



Finished grade of proposed Neighborhood Route centerline shall match existing ground elevation, to be consistent with Exhibit D.

Proposed Neighborhood Route extends to north and east per preliminary layout from property owner

Note: lot layout and local streets in NE corner to be adjusted to fit with proposed Neighborhood Route alignment

N'HOOD ROUTE ROW:
North segment: 509 LF
Bierly: 0.0 ac
Bartholemy 0.33 ac
Bellairs 0.42 ac

N'HOOD ROUTE ROW:
Middle segment: 248 LF
Bierly: 0.06 ac
Bartholemy 0.16 ac
Bellairs 0.17 ac

NEIGHBORHOOD ROUTE (67' ROW, 34' PAVED, 5' SW west, 12' TRAIL east) north of Collector

PROPOSED SANITARY SEWER EXTENSION TO NORTH (WITH ALTERNATIVE ROUTING BEHIND LOTS BASED ON DEPTH REQUIREMENTS)

APPROX. LOCATION OF 25'-30' WIDE UTILITY EASEMENT BETWEEN WETLAND AND LOTS FOR EXTENSION OF PUBLIC UTILITIES TO BARTHOLEMY PROPERTY (DESIGN/PERMITTING BY BARTHOLEMY)

PROPOSED WATER MAIN EXTENSION TO NORTH

PROPOSED 24" WATER MAIN EXTENSION FROM EAST PER WATER MASTER PLAN

Collector

N'HOOD ROUTE ROW:
South segment: 870 LF
Bierly: 0.29 ac
Bartholemy 0.60 ac
Lolich 0.34 ac

PROPOSED SANITARY SEWER EXTENSION FROM CWS TRUNK LINE IN SCHOLLS FERRY ROAD

NEIGHBORHOOD ROUTE (60' ROW, 34' PAVED, 5' SW BOTH SIDES)

Neighborhood Route

30 ft EXIST

Scholls Ferry Road

N'HOOD ROUTE ROW TOTAL AREA:	
Bierly:	0.35 ac
Bartholemy:	1.09 ac
Lolich:	0.34 ac
Bellairs:	0.58 ac

Lolich and Bellairs Properties
Conceptual Development Plan
 West Hills Land Development

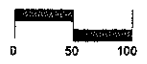


EXHIBIT C
 7/29/16

05-02-2016

Exhibit D

