

**SALE AND EARNEST  
MONEY AGREEMENT**

DATE: \_\_\_\_\_

SELLER: 2KRMT, INC.

BUYER: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**R E C I T A L:**

Seller desires to sell to Buyer and Buyer desires to purchase from Seller certain real property having the following legal description (the "Property"):

**Lot Number** \_\_\_\_\_  
**NORTHWOOD ESTATES Ph 4**  
**Clackamas County, OR**

**AGREEMENT:**

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 indicated below (the "Purchase Price"); plus, Buyer agrees to reimburse Seller for the current fee of any prepaid System Development Charge (SDC) Fees and Seller warrants to provide Buyer with an SDC credit with the City of Canby for all SDC fees pre-paid by the Seller on behalf of the Buyer:

Purchase Price: \$ \_\_\_\_\_

Prepaid SDC (Parks) \_\_\_\_\_

Prepaid SDC Fees (\_\_\_\_\_) \_\_\_\_\_

**Total Amount Due** \$ \_\_\_\_\_

**2. Earnest Money.** Buyer shall pay the sum of \$5,000.00 as a NON-REFUNDABLE EARNEST MONEY payment (except as provided in paragraphs 5, 6, 7 and 14 below). The non-refundable earnest money shall be applied to the Purchase Price on the Closing Date, as that term is defined below.

**3. Payment.** The Purchase Price plus any SDC pre-payments 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 balance of the purchase price, plus any pre-paid SDC fees, in cash.

**4. Closing.** Closing shall take place on or before forty-five (45) days after execution of this Earnest Money Agreement. Closing shall occur at a location coordinated by Chicago Title. Each party shall pay one-half of the closing escrow fee.

**5. Preliminary Title Report.** Within 15 days after full execution of this Agreement, Seller shall furnish to Buyer a preliminary title report showing the condition of title to the Property, together with copies of all exceptions listed therein (the "Title Report"). If Buyer is not satisfied by the preliminary title report, Buyer may terminate this agreement by written notice to seller within ten (10) days and the Earnest Money shall be refunded to the Buyer. If Buyer fails to give such notice of termination within the applicable time period, the preliminary title report shall be deemed acceptable.

**6. Conditions.** Buyer's obligation to purchase the property is contingent upon receipt and approval of the preliminary title report as provided in paragraph 5.

**7. Deed.** On the Closing Date, Seller shall execute and deliver to Buyer a statutory warranty deed, conveying the Property to Buyer, free and clear of all liens and encumbrances except the Permitted Exceptions.

**8. Title Insurance.** Within 15 days after closing, Seller shall furnish Buyer with title insurance in the amount of the purchase price, standard form, insuring Buyer as the owner of the Property subject only to the usual printed exceptions and the Permitted Exceptions.

**9. Taxes; Prorates.** Real property taxes for the current tax year and other usual items shall be prorated as of the Closing Date.

**10. Possession.** Buyer shall be entitled to possession immediately upon closing.

**11. Plan Approval and Implementation.** Buyer agrees to:

- A.) Submit construction plans to Seller's Standards and Development Committee for approval prior to submittal for a building permit;
- B.) Commence construction on the lot being purchased within six months of closing and complete construction within 18 months of closing; and
- C.) Complete all landscaping within 6 months of completion of the home construction.

**12. Representations.** Buyer represents that it has accepted and executed this Agreement on the basis of its 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 the condition, known or unknown, existing at the time of this Agreement, "AS IS".

**13. Binding Effect/Assignment Restricted.** This Agreement is binding on and will inure to the benefit of Seller and their respective heirs, legal representatives, successors, and assigns. Buyer shall not be allowed to assign its rights under this Agreement.

**14. Remedies.** Except as provided in paragraphs 5 and 6, Seller's remedy for failure to consummate the transaction shall be the non-refundable earnest money as any and all damages. If Seller fails to deliver the deed described in Section 7 above on the Closing Date or otherwise fails to consummate this transaction, the "non-refundable earnest money" shall be refunded to Buyer.

**15. 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 appeal, as set by the appellate courts.

**16. Notices.** All notices and communications in connection with this Agreement shall be given in writing and shall be transmitted by certified or registered mail, return receipt requested, to the appropriate party at the address first set forth above. Any notice so transmitted shall be deemed effective on the date 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.

**17. 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.

**18. Applicable Law.** This Agreement shall be construed, applied, and enforced in accordance with the laws of the State of Oregon.

**19. Acceptance.** This Agreement shall be null and void unless accepted by Seller, by Seller's execution of it, within 3 days of the offer.

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 LAWSUIT 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 197.352. 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, THE EXISTENCE OF FIRE PROTECTION FOR STRUCTURES AND THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 197.352.

SELLER: **2KRMT, INC**

BUYER: \_\_\_\_\_

Signed: \_\_\_\_\_

Signed: \_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

Dated: \_\_\_\_\_, 20\_\_

Dated: \_\_\_\_\_, 20\_\_

Signed: \_\_\_\_\_

Address: \_\_\_\_\_

By: \_\_\_\_\_

\_\_\_\_\_

Dated: \_\_\_\_\_, 20\_\_

\_\_\_\_\_