

Application for a Permit to Use Ground Water



Oregon Water Resources Department
725 Summer Street NE, Suite A
Salem, Oregon 97301-1266
(503) 986-0900
www.wrd.state.or.us

SECTION 1: APPLICANT INFORMATION AND SIGNATURE

Applicant Information

NAME <u>Luis E Diaz-Hurtado</u>		PHONE (HM) <u>503-504-5232</u>	
PHONE (WK)	CELL <u>9715633732</u>	FAX	
ADDRESS <u>19539 S Springwater Rd</u>			
CITY <u>Estacada</u>	STATE <u>OR</u>	ZIP <u>97023</u>	E-MAIL* <u>luisdiazhurtado@hotmail.com</u>

Organization Information

NAME		PHONE		FAX
ADDRESS			CELL	
CITY	STATE	ZIP	E-MAIL*	

Agent Information – The agent is authorized to represent the applicant in all matters relating to this application.

AGENT / BUSINESS NAME		PHONE		FAX
ADDRESS			CELL	
CITY	STATE	ZIP	E-MAIL*	

Note: Attach multiple copies as needed

* By providing an e-mail address, consent is given to receive all correspondence from the department electronically. (paper copies of the final order documents will also be mailed.)

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By my signature below I confirm that I understand:

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- I am asking to use water specifically as described in this application.
- Evaluation of this application will be based on information provided in the application.
- I cannot use water legally until the Water Resources Department issues a permit.
- Oregon law requires that a permit be issued before beginning construction of any proposed well, unless the use is exempt. Acceptance of this application does not guarantee a permit will be issued.
- If I get a permit, I must not waste water.
- If development of the water use is not according to the terms of the permit, the permit can be cancelled.
- The water use must be compatible with local comprehensive land-use plans.
- Even if the Department issues a permit, I may have to stop using water to allow senior water-right holders to get water to which they are entitled.

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I (we) affirm that the information contained in this application is true and accurate.

Applicant Signature

Luis E Diaz-Hurtado
Print Name and title if applicable

8-23-13
Date

Applicant Signature

Print Name and title if applicable

Date

For Department Use

App. No. G17725

Permit No. _____

Date _____

SECTION 2: PROPERTY OWNERSHIP

Please indicate if you own all the lands associated with the project from which the water is to be diverted, conveyed, and used.

☒ Yes

☒ There are no encumbrances.

☐ This land is encumbered by easements, rights of way, roads or other encumbrances.

☐ No

☐ I have a recorded easement or written authorization permitting access.

☐ I do not currently have written authorization or easement permitting access.

☐ Written authorization or an easement is not necessary, because the only affected lands I do not own are state-owned submersible lands, and this application is for irrigation and/or domestic use only (ORS 274.040).

☐ Water is to be diverted, conveyed, and/or used only on federal lands.

List the names and mailing addresses of all affected landowners (*attach additional sheets if necessary*).

You must provide the legal description of : 1. The property from which the water is to be diverted, 2. Any property crossed by the proposed ditch, canal or other work, and 3. Any property on which the water is to be used as depicted on the map.

SECTION 3: WELL DEVELOPMENT

WELL NO.	NAME OF NEAREST SURFACE WATER	IF LESS THAN 1 MILE:	
		DISTANCE TO NEAREST SURFACE WATER	ELEVATION CHANGE BETWEEN NEAREST SURFACE WATER AND WELL HEAD
1	clackamas River	3350'	300'

Please provide any information for your existing or proposed well(s) that you believe may be helpful in evaluating your application. For existing wells, describe any previous alteration(s) or repair(s) not documented in the attached well log or other materials (*attach additional sheets if necessary*).

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SECTION 4: WATER USE

USE	PERIOD OF USE	ANNUAL VOLUME (ACRE-FEET)
Nursery Use	year round	25

Exempt Uses: Please note that 15,000 gallons per day for single or group **domestic** purposes and 5,000 gallons per day for a single **industrial or commercial** purpose are exempt from permitting requirements.

For irrigation use only:

Please indicate the number of primary and supplemental acres to be irrigated (*must match map*).

Primary: 10 Acres Supplemental: _____ Acres

List the Permit or Certificate number of the underlying primary water right(s): _____

Indicate the maximum total number of acre-feet you expect to use in an irrigation season: _____

- If the use is **municipal or quasi-municipal**, attach **Form M**
 - If the use is **domestic**, indicate the number of households: _____
- If the use is **mining**, describe what is being mined and the method(s) of extraction: _____

SECTION 5: WATER MANAGEMENT

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A. Diversion and Conveyance

What equipment will you use to pump water from your well(s)?

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☒ Pump (give horsepower and type): to be determined

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☐ Other means (describe): _____

Provide a description of the proposed means of diversion, construction, and operation of the diversion works and conveyance of water. water will be pumped from well

and applied to lands using sprinklers and/or drip.

B. Application Method

What equipment and method of application will be used? (e.g., drip, wheel line, high-pressure sprinkler)

drip and sprinklers

C. Conservation

Please describe why the amount of water requested is needed and measures you propose to: prevent waste; measure the amount of water diverted; prevent damage to aquatic life and riparian habitat; prevent the discharge of contaminated water to a surface stream; prevent adverse impact to public uses of affected surface waters. water will be metered and monitored to prevent

adverse impacts.

SECTION 6: STORAGE OF GROUND WATER IN A RESERVOIR

N/A

If you would like to store ground water in a reservoir, complete this section (*if more than one reservoir, reproduce this section for each reservoir*).

Reservoir name: _____ Acreage inundated by reservoir: _____

Use(s): _____

Volume of Reservoir (acre-feet): _____ Dam height (feet, if excavated, write "zero"): _____

Note: If the dam height is greater than or equal to 10.0' above land surface AND the reservoir will store 9.2 acre feet or more, engineered plans and specifications must be approved prior to storage of water.

SECTION 7: USE OF STORED GROUND WATER FROM THE RESERVOIR *N/A*

If you would like to use stored ground water from the reservoir, complete this section (*if more than one reservoir, reproduce this section for each reservoir*).

Annual volume (acre-feet): _____

USE OF STORED GROUND WATER	PERIOD OF USE

SECTION 8: PROJECT SCHEDULE

Date construction will begin: upon issuance of permit.

Date construction will be completed: 5 years

Date beneficial water use will begin: within 5 years

SECTION 9: WITHIN A DISTRICT

☐ Check here if the point of diversion or place of use are located within or served by an irrigation or other water district.

Irrigation District Name	Address	
City	State	Zip

SECTION 10: REMARKS

Use this space to clarify any information you have provided in the application (*attach additional sheets if necessary*).

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Land Use Information Form



Oregon Water Resources Department
725 Summer Street NE, Suite A
Salem, Oregon 97301-1266
(503) 986-0900
www.wrd.state.or.us

Applicant: Luis E. Diaz - Hurtado
First Last

Mailing Address: 19539 S Springwater Rd
Estacada OR 97023 Daytime Phone: 503-504-5232
City State Zip

A. Land and Location

Please include the following information for all tax lots where water will be diverted (taken from its source), conveyed (transported), and/or used or developed. Applicants for municipal use, or irrigation uses within irrigation districts may substitute existing and proposed service-area boundaries for the tax-lot information requested below.

Township	Range	Section	¼ ¼	Tax Lot #	Plan Designation (e.g., Rural Residential/RR-5)	Water to be:			Proposed Land Use:
35	3E	11	NE SE	1200	Farm	☐ Diverted	☐ Conveyed	☒ Used	Nursery
						☐ Diverted	☐ Conveyed	☐ Used	
						☐ Diverted	☐ Conveyed	☐ Used	
						☐ Diverted	☐ Conveyed	☐ Used	

List all counties and cities where water is proposed to be diverted, conveyed, and/or used or developed:

<u>Clackamas County</u>	RECEIVED BY OWRD OCT 10 2013
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B. Description of Proposed Use

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Type of application to be filed with the Water Resources Department:

- ☒ Permit to Use or Store Water
 ☐ Water Right Transfer
 ☐ Permit Amendment or Ground Water Registration Modification
☐ Limited Water Use License
 ☐ Allocation of Conserved Water
 ☐ Exchange of Water

Source of water: ☐ Reservoir/Pond ☒ Ground Water ☐ Surface Water (name) _____

Estimated quantity of water needed: 56.1 ☐ cubic feet per second ☒ gallons per minute ☐ acre-feet

Intended use of water: ☒ Irrigation ☐ Commercial ☐ Industrial ☐ Domestic for _____ household(s)
☐ Municipal ☐ Quasi-Municipal ☐ Instream ☒ Other Nursery

Briefly describe:

<u>Water will be pumped from well and applied to lands.</u>

Note to applicant: If the Land Use Information Form cannot be completed while you wait, please have a local government representative sign the receipt at the bottom of the next page and include it with the application filed with the Water Resources Department.

See bottom of Page 3. →

For Local Government Use Only

The following section must be completed by a planning official from each county and city listed unless the project will be located entirely within the city limits. In that case, only the city planning agency must complete this form. This deals only with the local land-use plan. Do not include approval for activities such as building or grading permits.

Please check the appropriate box below and provide the requested information

- ☒ Land uses to be served by the proposed water uses (including proposed construction) are allowed outright or are not regulated by your comprehensive plan. Cite applicable ordinance section(s): SUBSECTION 401.04; TABLE 401-1
- ☐ Land uses to be served by the proposed water uses (including proposed construction) involve discretionary land-use approvals as listed in the table below. (Please attach documentation of applicable land-use approvals which have already been obtained. Record of Action/land-use decision and accompanying findings are sufficient.) **If approvals have been obtained but all appeal periods have not ended, check "Being pursued."**

Type of Land-Use Approval Needed (e.g., plan amendments, rezones, conditional-use permits, etc.)	Cite Most Significant, Applicable Plan Policies & Ordinance Section References	Land-Use Approval:	
		☐ Obtained ☐ Denied	☐ Being Pursued ☐ Not Being Pursued
	RECEIVED BY OWRD	☐ Obtained ☐ Denied	☐ Being Pursued ☐ Not Being Pursued
	OCT 10 2013	☐ Obtained ☐ Denied	☐ Being Pursued ☐ Not Being Pursued
	SALEM, OR	☐ Obtained ☐ Denied	☐ Being Pursued ☐ Not Being Pursued
		☐ Obtained ☐ Denied	☐ Being Pursued ☐ Not Being Pursued

Local governments are invited to express special land-use concerns or make recommendations to the Water Resources Department regarding this proposed use of water below, or on a separate sheet.

THIS LUCS IS FOR 33E11 - 1200 (33E11_01200) 19539 S. SPENCER WATER RD
OREGON CITY, OR 97045.

Name: GARY HEWITT SR. PLANNER

Signature: [Signature] Phone: 503-742-4519 8-27-13

Government Entity: CLATSOP COUNTY

Note to local government representative: Please complete this form or sign the receipt below and return it to the applicant. If you sign the receipt, you will have 30 days from the Water Resources Department's notice date to return the completed Land Use Information Form or WRD may presume the land use associated with the proposed use of water is compatible with local comprehensive plans.

Receipt for Request for Land Use Information

Applicant name: _____

City or County: _____ Staff contact: _____

Signature: _____ Phone: _____ Date: _____

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STATE OF OREGON
WATER SUPPLY WELL REPORT
(as required by ORS 537.765)

WATER RESOURCES DEPT.
SALEM, OREGON

WELL I.D. # L 23869
START CARD # 101914

Instructions for completing this report are on the last page of this form.

(1) OWNER:

Name Thomas Webb Well Number _____
Address 19539 S. Spring Water Rd.
City Estacada State OR. Zip 97023

(2) TYPE OF WORK

☒ New Well ☐ Deepening ☐ Alteration (repair/recondition) ☐ Abandonment

(3) DRILL METHOD:

☐ Rotary Air ☐ Rotary Mud ☒ Cable ☐ Auger
☐ Other

(4) PROPOSED USE:

☒ Domestic ☐ Community ☐ Industrial ☐ Irrigation
☐ Thermal ☐ Injection ☐ Livestock ☐ Other

(5) BORE HOLE CONSTRUCTION:

Special Construction approval ☐ Yes ☒ No Depth of Completed Well _____ ft.

Explosives used ☐ Yes ☒ No Type _____ Amount _____

HOLE

SEAL

Diameter	From	To	Material	From	To	Sacks or pounds
10"	0	20	Cement	0	20	9 sacks

How was seal placed: Method ☐ A ☐ B ☒ C ☐ D ☐ E

☐ Other

Backfill placed from _____ ft. to _____ ft. Material _____

Gravel placed from _____ ft. to _____ ft. Size of gravel _____

(6) CASING/LINER:

Diameter	From	To	Gauge	Steel	Plastic	Welded	Threaded
Casing: 6"	12	58	250	☒	☐	☒	☐
				☐	☐	☐	☐
				☐	☐	☐	☐
Liner: 4"	78	88	160	☐	☒	☐	☐
4"	18	88		☐	☐	☐	☐
	38	58	160	☐	☒	☐	☐

Final location of shoe(s) 58

(7) PERFORATIONS/SCREENS:

☐ Perforations Method _____
☒ Screens Type 1056T Material PVC

From	To	Slot size	Number	Diameter	Tube/pipe size	Casing	Liner
10 58	88	1056T		4"	2-10"	☒ Screen	☐
						☐	☐
						☐	☐

(8) WELL TESTS: Minimum testing time is 1 hour

☐ Pump ☐ Bailor ☐ Air ☐ Flowing
Yield gal/min _____ Drawdown _____ Drill stem at _____ Time _____
40+ 27 _____ 1 hr.

Temperature of water 56 Depth Artesian Flow Found _____

Was a water analysis done? ☐ Yes By whom _____

Did any strata contain water not suitable for intended use? ☐ Too little

☐ Salty ☐ Muddy ☐ Odor ☐ Colored ☐ Other _____

Depth of strata: _____

(9) LOCATION OF WELL by legal description:

County Clatsop Latitude _____ Longitude _____

Township 3 N or S Range 3 E or W. WM.

Section 11 SE 1/4 SE 1/4

Tax Lot 1200 Lot _____ Block _____ Subdivision _____

Street Address of Well (or nearest address) 19539 S Spring Water Rd.
Estacada OR 97023

(10) STATIC WATER LEVEL:

18 ft. below land surface.

Date 3-13-98

Artesian pressure _____ lb. per square inch.

Date _____

(11) WATER BEARING ZONES:

Depth at which water was first found 51

From	To	Estimated Flow Rate	SWL
51	62	40+	18

(12) WELL LOG:

Ground Elevation _____

Material	From	To	SWL
TOP SOIL	0	2	
clay LT Brown	2	23	
clay LT Brown with Reddors	23	51	
Decomposed Gravel + Gravel	51	62	18
clay Brown	62	88	

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Date started 3-11-98 Completed 3-13-98

(unbonded) Water Well Constructor Certification:

I certify that the work I performed on the construction, alteration, or abandonment of this well is in compliance with Oregon water supply well construction standards. Materials used and information reported above are true to the best of my knowledge and belief.

WWC Number 15-12

Signed Thomas Webb Date 3-13-98

(bonded) Water Well Constructor Certification:

I accept responsibility for the construction, alteration, or abandonment work performed on this well during the construction dates reported above. All work performed during this time is in compliance with Oregon water supply well construction standards. This report is true to the best of my knowledge and belief.

WWC Number 257

Signed W.O. Gorman Date 5-10

ORIGINAL & FIRST COPY-WATER RESOURCES DEPARTMENT SECOND COPY-CONSTRUCTOR THIRD COPY-CUSTOMER

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EXHIBIT "A"

Part of the Z.C. Norton Donation Land Claim No. 46, in Section 11, Township 3 South, Range 3 East of the Willamette Meridian, in the County of Clackamas, State of Oregon, described as follows:

Beginning at a stone set forth the division line corner on the North boundary of said Donation Land Claim, said stone being East 3809.52 feet from the Northwest corner of said claim; thence South 1999.1 feet to an iron pipe; thence East 1624.2 feet to an iron pipe on the Westerly boundary of Market Road No. 28; thence following the Westerly boundary of Market Road No. 28, as follows: North 22°37' West 472 feet to a point; thence North 20°08' West 269.9 feet to a point; thence North 15°20' West 883.00 feet to a point; thence North 25°58' West 710.00 feet to a point on the North boundary of said claim; thence West on claim line 858.3 feet to the Point of Beginning.

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AGREEMENT FOR SALE OF REAL PROPERTY INSTALLMENT CONTRACT WITH BALLOON

Effective Date: February 23, 2005	County and State: Clackamas, Oregon
GRANTOR/SELLER (Name, Address & Zip Code) Pearl Elaine Bonneau 2312 SE 186 th Avenue Portland, Oregon 97233	GRANTEE/BUYER (Name, Address & Zip Code) Luis Diaz-Huerta 14341 SE 172 nd Avenue Clackamas, Oregon 97015 B 528045 200500199
Escrow Agent (Name, Address & Zip Code) Stewart Title of Oregon, 9200 SE Sunnybrook Boulevard, Suite 180, Clackamas, OR 97015 (503) 290-5510 office, (503) 290-5509 fax	

Contract Servicing Provided By (Name, Address, & Zip Code)
Contract Servicing, PO Box 2308, Salem, Oregon 97308
(800) 523-9784

Real Property (Address or Location)
19539 South Springwater Road
Estacada, Oregon 97023

Real Property (Legal Description, Acreage, and Use) *SEE EXHIBIT "A"*
Part of the Z.C. Norton D.L.G. No. 46 in Section 11, Township 3 South, Range 3 East, of the Willamette Meridian, in Clackamas County, Oregon described as follows:

BEGINNING at a stone set for the division line corner on the North boundary of said D.L.G., said stone being East 9869.52 feet from the Northwest corner of said claim, thence South 1999.1 feet to an iron pipe; thence East, 1024.2 feet to an iron pipe on the Western boundary Market Road No. 28 as follows: North 22° 37' West 472 feet to a point; thence North 30° 08' West, 269.9 feet to a point; thence North 15° 20' West 662.00 feet to a point on the North boundary of said claim; thence West on claim line 868.3 feet to the point of beginning.

(MAP AND TAX LOT NO.: 33E11 01200, and 01290)

Purchase Obligation

Buyer is obligated to pay Seller the Purchase Price as follows:

(1) PURCHASE PRICE	\$ 868,000.00
(2) CASH DOWN PAYMENT	\$ 115,000.00
(3) TRADE IN AND/OR DISCOUNT	\$ NONE
(4) TOTAL DOWN PAYMENT	\$ 115,000.00
(5) UNPAID BALANCE OF PURCHASE PRICE (AMOUNT FINANCED)	\$ 753,000.00
(6) FINANCE CHARGE (Charge commences: March 1, 2005) Interest (6.875% per annum on UNPAID BALANCE OF PURCHASE PRICE	\$ 714,154.37
(7) DEFERRED PAYMENT PRICE (Item 1 plus 6)	\$1,582,154.37
(8) ANNUAL PERCENT RATE	6.875%
(9) TOTAL OF PAYMENTS	\$1,445,052.34

The above Total of Payments is payable by the Buyer in 179 monthly installments of \$4,946.67 or more, with 1 final payment of \$559,598.41 beginning on or before the 1st day of March, 2005 and on the 1st day of each successive month thereafter until paid in full, interest to be first deducted and the balance, if any, to be applied to principal.

The unpaid principal balance due may be paid in full at anytime without penalty and in such event, the Buyer shall not be liable for the payment of any unearned interest. Unearned interest shall be the pre-computed interest less interest, paid to date of payment. The interest will be computed on the declining principal balance.

1. **Consideration.** For and in consideration of the monies constituting the Purchase Obligation and for other valuable consideration exchanged between Seller and Buyer, Seller agrees to sell and convey unto Buyer, and Buyer agrees to buy, the above described Real Property pursuant to the terms of this Agreement.

2. **Conveyance.** The deed of Seller conveying the Real Property to Buyer, subject to liens, encumbrances, reservations, restrictions and exceptions set forth on such deed, has been delivered in escrow to the Escrow Agent specified above and shall, as provided by the escrow instructions given to Escrow Agent, be delivered to Buyer upon fulfillment of Buyer's obligations to Seller under the provisions of this Agreement.

3. **Appurtenances.** Seller agrees to sell together with the Real Property all buildings and improvements now or hereafter erected thereon, and all fixtures attached to or used in connection with the Real Property (including, without limiting the generality of the foregoing, all ventilating, heating, air conditioning and/or refrigeration, plumbing and lighting, fixtures) together with all and singular the tenements, hereditaments and appurtenances,

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privileges, water and water rights, pipes, flumes and ditches and the water flowing through the same, thereunto belonging to or in any way appertaining, and the reversion, reversions, remainder, remainders, rents, issues and profits herefrom.

4. **Title in Seller.** Seller hereby covenants that he is well and truly seized of good and perfect title to the Real Property conveyed in fee simple, that he has the good right and lawful authority to convey the same, that the title when conveyed will be free and clear and unencumbered except as to documents of record of which are disclosed herein, and that Seller will warrant and forever defend the same to the Buyer, his successors and assigns against all claims whatsoever.

5. **Current Status of Title and Specific Exceptions Regarding Title.** Buyer hereby acknowledges that as of the date of this contract, title to the property described is vested in: Pearl Elaine Bonneau.

A. As disclosed by the tax roll the premises herein described have been zoned or classified for forest land use. At any time that said land is disqualified for such use, the property may be subject to additional taxes or penalties and interest which Buyer agrees to be solely liable for.

NOTE: Pursuant to ORS 527.665, in any transaction for the conveyance of an ownership interest in forest land, the transferor must provide to the transferee, prior to the date of execution of the conveyance, written notice of any reforestation requirements imposed upon the land pursuant to the Oregon Forest Practices Act. Buyer affirms receipt of above written notice and holds seller harmless from any disputes, claims, or controversies regarding the same.

B. As disclosed by the tax roll the premises herein described have been zoned or classified for farm use. At any time that said land is disqualified for such use, the property may be subject to additional taxes or penalties and interest which Buyer agrees to be solely liable for.

C. Rights of the public in and to any portion of the herein described premises lying within the boundaries of streets, roads, or highways.

D. **Lease, including the terms and provisions thereof:**

From : Thomas Houston Webb and Valerie Ann Webb
To : Gary R. Low, dba Raintree Farm
Dated : March 31, 2000
Recorded : May 10, 2000
Fee No. : 2000030229

E. **Reinstatement, Ratification and Re-Recording of Farmland Lease, including the terms and provisions thereof:**

By and Between : Gary R. Low, dba Raintree Farm and Pearl Elaine Bonneau
Recorded : June 23, 2003
Fee No. : 2003078882

F. **Trust Deed, including the terms and provisions thereof to secure the amount noted below and other amounts secured thereunder, if any:**

Grantor : Pearl Elaine Bonneau
Trustee : First American Title Insurance Company of Oregon
Beneficiary : Mortgage Electronic Registration System, Inc. (MERS) solely as
Nominee for Lender hereinafter defined and Lender's successors and assigns
Lender : Royal Crown Bancorp
Dated : April 22, 2002
Recorded : April 29, 2002
Fee No. : 2002040914
Amount : \$510,000.00
Loan No. : 600332331

8. **Buyer Accepts Terms and Conditions.** Buyer has received copy of and accepts terms and conditions of the above disclosed Specific Exceptions Regarding Title.

9. **Future Encumbrances.** Under the terms of this contract neither Buyer nor Seller may further encumber property for the duration of this contract. The property shall not be used as collateral or otherwise by either Buyer or Seller without written mutual consent.

10. **Taxes and Assessments.** Buyer shall pay to the proper officers all taxes and dues for water and assessments, general and special, which may be levied or assessed upon the Real Property and improvements and appurtenances on or before the date when such taxes or assessments shall become delinquent, mailing to Seller at his address the receipts of proper officers evidencing such payments. Buyer shall purchase and use thereon the amount of water to which Real Property is or shall be entitled, shall not abandon any water rights, power rights, or any rights of whatever nature which are appurtenant to the Real Property, and shall take the same care thereof.

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as a prudent owner would take.

11. **Fire Insurance.** Unless these obligations are changed by this Agreement, Buyer shall continually keep in force, during the life of this Agreement, fire and extended coverage insurance in the amount of not less than the full insurable value of any buildings which may exist on the Real Property. Buyer shall provide fire insurance protection on his furniture, fixtures, and other personal property within the Real Property, in an amount equal to the full insurable value thereof, and promises that any insurance coverage in this regard will contain a waiver of the insurer's right of subrogation against Seller. Buyer shall promptly deliver to Seller the originals or true and exact copies of any and all such policies of insurance. Buyer shall not do or admit to do any act in or about the Real Property which will in any way impair or invalidate the obligation of any policy of insurance on or in reference to the Real Property or any buildings thereon.
12. **Liability Insurance.** Unless otherwise indicated above, Buyer shall at his own risk and expense, during the life of the Agreement, provide and maintain in force policies of liability insurance, with Seller as an additional insured thereunder insuring Buyer to the minimum amount of \$250,000 against any loss or damage, or any claim thereof, resulting from injury to or the death of any one person and to the amount of \$500,000 against any loss or damage, or any claim thereof, resulting from the injury to or the death of any number of persons from any one accident, as a result of or by reason of Seller's interest hereunder or the use and occupancy of the Real Property by Buyer, and to procure and maintain in full force and effect, during the life of this Agreement, a policy or policies of insurance, with Seller as an additional insured thereunder, in an amount not less than \$50,000 insuring Buyer against any loss or damage or any claim thereof resulting from the damage to or destruction of any property belonging to any persons whomsoever, as a result of or by reason of Seller's interest hereunder or the use and occupancy of the Real Property by Buyer. Buyer shall promptly deliver to Seller the originals or true and exact copies of any and all such policies of insurance. All policies shall contain a written obligation of the insurer to notify Seller in writing at least ten days prior to any cancellation thereof.
13. **Indemnification of Seller.** Buyer shall hold Seller harmless from and indemnify Seller for any and all claims raised by and third party against Seller resulting from the Seller's interest hereunder or the acts of Buyer. Such indemnification shall include Seller's reasonable attorney's fees, costs and lost compensation or profits of Seller or his agents resulting from the preparation for and participation in any litigation.
14. **Right of Seller to Pay Obligations of Buyer.** In the event Buyer fails or refuses to pay any sums due to be paid by him under the provisions of this Agreement, or fails or refuses to take any action as herein provided, then, and in such event, Seller, after ten days notice in writing to Buyer, shall have the right to pay any sum or sums due to be paid by Buyer and to do and perform any act necessary; and the amount of such sum or sums paid by Seller for the account of Buyer and the costs of any such action; together with interest thereon at the maximum legal rate per annum from the date of payment thereof by Seller until satisfaction, shall be added to the Purchase Price. The payment by Seller of any sum or sums or the performance by Seller of any such act shall be prima facie evidence of the necessity therefore.
15. **Condemnation.** All awards of damages in connection with any condemnation for public use or injury to any of the Real Property are hereby assigned in full and shall be paid to Seller, who may apply the same to the payment of the principal of the Purchase Obligation, the interest thereon, and any other charges and amounts secured hereby in such manner as Seller may elect. The remaining balance after Seller has been paid in full shall be paid to Buyer.
16. **Care of Property.** Buyer shall take reasonable care of the Real Property and the buildings thereon, maintain the same in good repair and condition as at the original date of this Agreement of Sale, ordinary depreciation excepted, and will commit or permit no waste and do not which will unduly impair or depreciate the value of the Subject Real Property. In the event that Buyer fails to maintain the Real Property in the same good repair and condition as at the original date of this Agreement, ordinary depreciation excepted, then Seller, at his option, may make such necessary repairs to property maintain the Real Property and tax the cost thereof to the Purchase Obligation.
17. **The Right to Inspect Sold Property.** At all convenient and reasonable times during the life of this Agreement, Seller shall have the right and license to go on and into the Real Property to inspect it in order to determine whether the provisions of this Agreement are being kept and performed.
18. **Event of Default.** Each of the following shall be deemed an event of default:
- a. The failure of Buyer to make any payment due hereunder on or before the due date thereof;
 - b. The failure of Buyer to perform any duty required by this Agreement;
 - c. The breach by Buyer of any covenant or warranty contained in this Agreement;
 - d. The sale or attempted sale of the Real Property by Buyer without the consent of Seller;
 - e. The removal or attempted removal by Buyer of any property included in the Real Property without the consent of Seller;
 - f. Abandonment of Real Property by Buyer;
 - g. The filing or execution or occurrence of:
 - (1) A petition in bankruptcy by or against Buyer,

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- (2) A petition or answer seeking a reorganization, composition, readjustment, liquidation, dissolution or other relief of the same or different kind under any provision of the Bankruptcy Act.
 - (3) Adjudication of Buyer as a bankrupt or insolvent, or insolvency in the bankruptcy equity sense.
 - (4) An assignment for the benefit of creditors whether by trust, mortgage or otherwise.
 - (5) A petition or other proceeding by or against Buyer for the appointment of a trustee, receiver, guardian, conservator or liquidator of Buyer with respect to all or substantially all his property.
 - (6) A petition or other proceeding by or against Buyer for its dissolution or liquidation, or the taking of possession of the property of the Buyer by any governmental authority in connection with dissolution or liquidation.
 - (7) The taking by any person of the title created hereby or any part thereof upon execution, attachment, or other process of law or equity.
 - h. A determination by Seller that the security of the Agreement is inadequate or in danger of being impaired or threatened by any cause whatsoever.
19. **Fair Notice of Default.** The parties are desirous of giving one another fair notice of any default before sanctions are imposed. In the event of an act of default with respect to any provision of this Agreement, neither party may institute legal action with respect to such default without first complying with the following condition:
- a. Notice of such event of default must be in writing and mailed to the other party by U.S. Certified Mail, return receipt requested.
 - b. Such written notice shall set forth the nature of the alleged default in the performance of the terms of this Agreement and shall designate the specific paragraph(s) herein, which relate to the alleged act of default.
 - c. Such notice shall also contain a reasonably understandable description of the action to be taken or performed by the other party in order to cure the alleged default and the date by which the default must be remedied, which date may be not less than ten business days from the date of mailing the notice of default.
20. **Default.** In the event of default and after proper notice has been given, Seller, in addition to all other rights provided herein and/or by law or equity, may forfeit the rights of Buyer hereunder. Such forfeiture shall be in the manner prescribed by law in effect at the time of default. In the event of forfeiture, Buyer shall forfeit any and all rights and interests hereunder in and to the Real Property and all appurtenances therein, and Buyer shall surrender to Seller, forthwith, peaceful possession of the Real Property and shall forfeit to Seller any and all payments made hereunder, together with any and all improvements placed on the Real Property by Buyer.
21. **Defaults on Prior Encumbrances.** In the event there are other encumbrances upon the Real Property which are prior in time or prior in right, then and in that event, Buyer promises to comply with the terms of those prior encumbrances. In the event that Buyer fails to comply with those terms and becomes in default on those obligations, such default shall be considered also a default of this Agreement, and Seller or his successors in interest may advance the monies necessary to remedy such default, and, if they do, such money shall be secured by this Agreement and bear the maximum legal rate of interest from the date the monies are tendered. Or Seller may proceed on this default exercising the same remedies he has on this Agreement.
22. **Peaceful Possession.** Until default is made under any provision of this Agreement as herein before provided, Buyer may continue in the peaceful possession of all the Real Property.
23. **Satisfaction of the Purchase Obligation.** When buyer has fully satisfied the Purchase Obligation together with all other obligations hereunder, Buyer shall request that Seller serve notice to Escrow Agent requesting Escrow Agent to record the deed from Seller to Buyer, which deed Escrow Agent will be holding pursuant to Paragraph 2 (Conveyance). If the parties desire, title insurance may be obtained covering the Real Property, which cost shall be apportioned between the parties according to the escrow instructions or other agreement between the parties.
24. **Notices.** Copies of all notices and communications concerning this Agreement shall be mailed to the parties at the addresses written on this Agreement, and any change of address shall be communicated to the other party in writing. Documents which may adversely affect the rights of any party to this Agreement shall be dispatched by certified mail, return receipt requested. For all documents mailed to persons in the continental United States, the time period shall begin running on the day following the date that the document is postmarked. For documents mailed to persons outside the continental United States, the time period begins to run on the date that the document is received by the other party.
25. **Headings.** The marginal or topical headings of the several paragraphs are for convenience only and do not define, limit or construe the contents of these paragraphs.
26. **Waiver.** Any waiver by either party of a breach of any provision of this Agreement shall not operate as or be construed as a waiver of any subsequent breach hereof.
27. **Succession of Benefits.** The provisions of this Agreement shall inure to the benefit or be binding upon the parties hereto, their heirs, personal representatives, conservators, and permitted assigns.
28. **Interpretation.** It is intended by all parties to this Agreement that the laws of Oregon are to be used in the interpretation of the rights and duties of the parties under this Agreement.

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29. Entire Agreement. The terms of this Agreement constitute the entire agreement between the parties, and the parties represent that there are no collateral agreements or side agreements not otherwise provided for within the terms of this Agreement.

30. Time of Essence. Time is of the essence in this Agreement and every term, condition, covenant and provision hereof.

31. Modification. No modification of this Agreement shall be binding unless evidenced by an agreement in writing and signed by both parties.

32. Requirements of Escrow Agent. In the event Escrow Agent requires further documentation before accepting this Agreement, Buyer and Seller agree to comply with Escrow Agent's request so long as these additional requirements do not substantively change this Agreement.

33. Additional Provisions: None.

We have read the foregoing Agreement for Sale and by our signatures below, attest that we agree to all the terms set forth therein, exactly the way that they are written.

Pearl Elaine Bonneau
Pearl Elaine Bonneau

Luis Diaz-Hurtado
Luis Diaz-Hurtado

STATE OF OREGON)
County of Clackamas) ss:



SUBSCRIBED AND SWORN BEFORE ME ON THIS DATE
2-23-2005 by: Pearl Elaine Bonneau

by Laura Mituniewicz

Notary Public Laura Mituniewicz (seal)
My Commission Expires 9-21-2008

STATE OF OREGON)
County of Clackamas) ss:



SUBSCRIBED AND SWORN BEFORE ME ON THIS DATE
2-24-2005 by: Luis Diaz-Hurtado

by Laura Mituniewicz

Notary Public Laura Mituniewicz (seal)

EXHIBIT "A"

Part of the Z.C. Norton Donation Land Claim No. 46, in Section 11, Township 3 South, Range 3 East of the Willamette Meridian, in the County of Clackamas, State of Oregon, described as follows:

Beginning at a stone set forth the division line corner on the North boundary of said Donation Land Claim, said stone being East 3809.52 feet from the Northwest corner of said claim; thence South 1999.1 feet to an iron pipe; thence East 1624.2 feet to an iron pipe on the Westerly boundary of Market Road No. 28; thence following the Westerly boundary of Market Road No. 28, as follows: North 22°37' West 472 feet to a point; thence North 20°08' West 269.9 feet to a point; thence North 15°20' West 683.00 feet to a point; thence North 25°58' West 710.00 feet to a point on the North boundary of said claim; thence West on claim line 858.3 feet to the Point of Beginning.

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