

## Real Estate Purchase and Sale Agreement

THIS AGREEMENT, dated as of December 5, 2019, is made by and between **Spokane RV Resort Owners Association**, a Washington non-profit corporation ("Seller"), and **Grapevine 7, Inc.**, a Colorado corporation ("Purchaser") with reference to the following facts:

### RECITALS

- A. Seller's predecessors in interest were the developers of Spokane RV Resort, Deer Park Washington, a Condominium (the "Condominium") Phase 1 and Phase 2 of which are shown on the amended plat recorded under Spokane County Auditor's File No. 5962210 in Volume 10 of Condominiums, pages 67-68, records of Spokane County. Phase 3 is shown on the plat recorded under Spokane County Auditor's File No. 6071993 in Volume 10 of Condominiums, pages 71-72, records of Spokane County. The Declaration for the Condominium ("Declaration") was filed under Spokane County Auditor's File No. 4851662, and was amended by documents filed under Spokane County Auditor's File No. 5962209 (amending various provisions of the Declaration, 6071992 and 6249093 (adding Phase 3 to the Condominium), and 6179360 and 6242409 (withdrawing Phase 2 from the Condominium).
- B. Seller's predecessors in interest developed a portion of Phase 1 of the Condominium into 66 lots for resale as fee owned lots and associated common area (the "Association Property"). The 66 developed lots in the Association Property are described on Exhibit B and include 16 lots owned by Purchaser. The balance of Phase 1 was never developed. Seller's predecessors in interest developed Phase 3 into a transient RV park.
- C. Seller's predecessors in interest sold to Purchaser the undeveloped remainder of Phase 1 of the Condominium, and 16 then unsold lots in the Association Property and Phase 3.
- D. Purchaser may develop the undeveloped portion of Phase 1 (other than the 16 lots thereof in the Association Property and continue to maintain Phase 3 as a commercial transient RV park, which uses are incompatible with the non-profit governing structure of Seller. In connection with such development and use, Purchaser wishes to purchase the common area associated with the Association Property (as described on Exhibit A) to serve as amenities for Purchaser's proposed commercial development.
- E. In connection with of the transaction described in this Agreement, Seller and Purchaser have or will enter into an "Amenity and Common Utilities Usage Agreement," whereby Purchaser will manage and maintain the common area Property which is the subject of this Agreement for the joint use of the lots within the Association Property and users of Purchaser's anticipated commercial development.

- F. For purposes of clarity, (i) the transaction contemplated under this Agreement and the Amenity and Common Utilities Usage Agreement does not include that portion of the common area within the Association Property currently used as a dog park, and legally described as Tract D of Phase 1 of the Condominium, and (ii) Purchaser waives any claim to be a successor Declarant under Section 21.6 of the Declaration.

## AGREEMENT

Purchaser and Seller agree as follows:

**Section 1. Definitions.** The following terms when used in this Agreement shall have the following meanings:

**1.1 "Property"** means that certain real property including contents situated in Spokane County, Washington, as more particularly described on Exhibit A, together with all improvements thereon and any and all rights, easements and appurtenances thereto.

**1.2 "Title Company"** means Spokane County Title, Spokane, Washington.

**1.3 "Closing Agent"** means Spokane County Title, Spokane, Washington.

**Section 2. Agreement to Sell and Purchase.** Seller agrees to sell to Purchaser and Purchaser agrees to purchase from Seller the Property for 1,270,000 Dollars less 777,000 Dollars as a credit for the Purchaser's 60.63% current ownership of the Property leaving a sales price of **500,000 Dollars** on the terms and conditions specified in this agreement.

**Section 3. Payment.** The purchase price is payable in immediately available funds at closing.

**Section 4. Title, Title Insurance and Survey.**

**4.1 Title.** At closing, Seller shall deliver to Purchaser through the Closing Agent a statutory bargain and sale deed to the Property, conveying to Purchaser good and marketable title to the Property free and clear of all liens, encumbrances or defects except for the Permitted Exceptions (defined in Section 4.2 below) and such other documents as are reasonably required to complete the closing pursuant to this Agreement. The Title Company and Closing Agent are authorized to correct and substitute any legal descriptions contained in this Agreement.

**4.2 Preliminary Title Commitment.** Purchaser may obtain, at Seller's expense, a preliminary commitment for an owner's standard coverage policy of title insurance from the Title Company showing the condition of Seller's title to the Property, together with legible copies of all instruments which appear as conditions or exceptions to title. Within 20 days after the date of this Agreement, Purchaser shall give written notice to Seller of any deficiency or title exceptions, covenants, conditions or restrictions disclosed therein to which Purchaser

objects, and Seller shall have the option of curing such deficiency or title exception, covenant, condition or restriction. If, after consultation with Purchaser, Seller is unwilling or unable to cure or remove any deficiency or title exceptions, covenants, conditions or restrictions which are unacceptable to Purchaser, then Purchaser may elect to terminate this Agreement in accordance with Section 6 or waive such objection and proceed with the closing. In the event that Purchaser waives its objection to any such matter, then such matter, together with all other exceptions and conditions disclosed in the preliminary commitment or other documents for which Purchaser had no objection, shall become a "Permitted Exception" for purposes of this Agreement.

**4.3 Title Insurance.** At closing, and at Seller's expense, Seller shall cause an ALTA standard coverage form of owner's title insurance policy to be issued by Title Company to Purchaser pursuant to the preliminary title commitment in the face amount of the purchase price (with standard owner's inflation protection endorsement) insuring Purchaser's title, with and subject to no exceptions other than the Permitted Exceptions approved and the printed form of General Exceptions contained in such ALTA owner's policy other than the boundary, area, lien and encroachment exceptions which shall be deleted. If title is not insurable as provided above and cannot be made so insurable by the date of closing, all rights of Purchaser terminated; provided, however, Purchaser may waive any defects and elect to purchase.

**4.4 Additional Costs.** If Purchaser wishes extended coverage title insurance, it shall pay the additional premium for such coverage and the cost of a survey required by the Title Company as a condition to issuance of such coverage. Purchaser shall pay the cost of any endorsements to the title policy.

**Section 5. Possession.** Purchaser shall be entitled to possession of the Property on closing.

**Section 6. Contingencies.** Seller's and Purchaser's respective obligation to close this transaction shall be contingent upon the following contingencies, each of which shall conclusively be deemed unsatisfied, unless Purchaser provides written notice to Seller of satisfaction or waiver of the contingencies on or before the Closing Date:

(a) **Approval of Sale.** A vote by the 80% of the members of Seller approving this transaction.

(b) **Reduction of Condominium.** A vote by the 67% of the members of Seller approving the reduction of the Condominium to the 66 lots in Phase 1 currently held in fee, as more particularly described on Exhibit B. Purchaser covenants to, and hereby grants the Board of Seller its proxy to, vote all of its voting power (including the 16 lots owned by Purchaser in the Association Property) in favor of reduction of the Condominium.

(c) Amenity and Common Utilities Usage Agreement. Seller and Purchaser entering into the Amenity and Common Utilities Usage Agreement.

If each of the foregoing contingencies is not satisfied or waived as provided herein, the Agreement and all rights, liabilities and obligations of the parties hereto shall terminate.

**Section 7. Closing.**

**7.1 Closing.** The sale and purchase of the Property shall be closed at the Closing Agent on a date mutually acceptable to Purchaser and Seller (the "Closing Date"), which date shall, in any event, not be later than thirty (30) days after the satisfaction or waiver of the last contingency described in Section 6, whichever is later. If, for any reason the sale is not consummated by the Closing Date then, absent extension by Seller and Purchaser, this Agreement shall terminate in accordance with the terms and conditions herein.

**7.2 Proration of Taxes, Rents, Etc.** Taxes for the current year, water and other utilities, rent, local improvement district assessment installments, and other income and expense items related to the Property shall be prorated as of closing.

**7.3 Closing Costs.**

(a) Seller shall pay (i) the premium for the standard coverage title policy, (ii) one-half of the Closing Agent's escrow fee, (iii) State of Washington excise tax upon the conveyance of the Property, and (iv) except as provided in subparagraph (b) below, all other costs necessary to close this sale in accordance with this Agreement.

(b) Purchaser shall pay (i) survey costs and the additional premium, if any, for extended coverage title insurance and any endorsements to the title policy, (ii) the recording fee for the deed conveying the Property, (iii) state and local sales taxes on personal property, and (iv) one-half of the Closing Agent's escrow fee.

**7.4 Duties of Closing Agent at Closing.** When all funds and documents have been deposit with the Closing Agent, the Closing Agent shall complete the transfer of the Property and shall distribute funds and documents in accordance with the written instructions to be provided by the parties.

**Section 8. Representations and Warranties, Disclaimer.**

**8.1 Representations and Warranties.** Seller represents and warrants to Purchaser, as of the date of this Agreement and as of the Closing Date, as follows:

(a) Seller has received no notice from any governmental authority that the Property, or any part thereof, is in violation of any law or regulation applicable to the Property, and Seller has no knowledge of any facts which might be a basis for any such notice;

(b) To Seller's knowledge, without investigation, there are no obvious or unobvious defects in the Property or any portion thereof:

(c) To Seller's knowledge, without investigation, no toxic, dangerous or hazardous substances have at any time prior to closing been improperly generated, treated, stored or disposed of, or otherwise deposited in or on the Property, including without limitation the surface waters and subsurface waters thereof, no underground tanks have been located on the Property, and there are no substances or conditions in or on the Property which may support a claim or cause of action under federal, state or local environmental statutes, regulations, ordinances or regulatory requirements: and

(d) There are no actions, suits, claims or legal proceedings or any other proceedings affecting the Property, at law or equity, before any court or governmental agency.

Should any of the foregoing representations or warranties prove to be untrue or inaccurate, Seller hereby agrees, to the fullest extent permitted by applicable law, to release, defend, indemnify and hold harmless Purchaser (and Purchaser's officers, directors, shareholders, agents, employees, and representatives) and their successors and assigns from and against any and all claims, demands, costs, penalties, fees, expenses, harm, injury, damages or liability (including, but not limited to, attorneys' fees) arising directly or indirectly on account of or in connection with the facts and circumstances giving rise to the untruth or inaccuracy of such representations and warranties.

**8.2 Disclaimer.** Purchaser's agent has (or will have prior to the Closing Date), independently and personally inspected the Property and improvements, and all matters bearing on the value of the Property in Purchaser's judgment and for Purchaser's purposes, and that Purchaser has entered into this Agreement based upon such personal examination and inspection. Purchaser agrees that the Property is to be sold to and accepted by Purchaser, at closing, in its then condition AS-IS and WITH ALL FAULTS, without warranty (express or implied) of any kind except as set forth in this Agreement. Purchaser acknowledges that Purchaser is relying on its own knowledge and investigations with respect to the Property and not on any representations of Seller, except as specifically set forth in this Agreement. Seller makes no representations to Purchaser relative to the following matters, and Purchaser shall independently verify any information provided to Purchaser regarding the following matters: zoning of the Property and surrounding neighborhood properties; utility districts; anticipated or proposed utility or sewer assessments; utility connection/hookup charges; general facilities charges and future assessments; proposed or future widening of city and

county road and state highways; school districts and their respective elementary, junior and high school names and locations thereof; public or private nature of roads serving the Property and by whom maintained; the Property's corners, boundary lines and exact land size; square footage, dimensions and/or boundaries; or existence of termites or other pests. Purchaser acknowledges that Purchaser is not relying upon any information from Seller regarding the matters listed in this Section, and Purchaser is relying solely upon information independently obtained.

**Section 9. Risk of Loss.** Seller shall deliver the Property to Purchaser at closing in the same condition existing as of the date of this Agreement. Risk of loss or damage to the Property by condemnation or eminent domain proceedings (or deed in lieu thereof), or by fire or any other casualty on or before closing will be on Seller and, thereafter, will be on Purchaser. If the Property is damaged before closing, Purchaser may, at its option either: (a) close and receive an assignment of any insurance proceeds payable in connection with such damage, or (b) terminate this Agreement.

**Section 10. Brokerage Commissions.** Seller and Purchaser each represent to the other that there are no individuals or entities entitled to brokerage commissions or finder's fees in connection with this transaction, and that if any claims for brokerage commissions or finder's fees or like payments arise out of or in connection with this transaction, all such claims and costs including reasonable attorney fees shall be defended by, and if sustained, paid by, the party whose alleged actions or commitment form the basis of such claims.

**Section 11. Defaults.** Time is of the essence. If Seller fails to fully perform its obligations under this Agreement, Purchaser may enforce specific performance of this Agreement, or may rescind this Agreement, at Purchaser's election. In the event Purchaser defaults in its obligations under this Agreement, prior to Closing, Seller's sole remedy shall be to terminate this Agreement by written notice delivered to Purchaser.

**Section 12. Miscellaneous.**

**12.1 Assignment.** Purchaser may assign its rights under this Agreement; provided such assignee shall assume and agree to perform all of Purchaser's obligations hereunder. Such assignment and assumption of liability by the assignee shall not relieve Purchaser of any liability under this Agreement. This Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of both parties.

**12.2 Non-Merger.** The provisions of this Agreement shall not be deemed merged in the deed, but shall survive the closing and continue in full force and effect.

**12.3 Waiver.** Waiver by either party of any covenant, condition or provision of this Agreement shall not operate as or be considered to be a waiver by such party of any other covenant, condition or provision hereof, or of any subsequent breach of either party.

**12.4 Entire Agreement.** This Agreement and the exhibits attached hereto set forth the Entire Agreement between Seller and Purchaser relating to the transaction contemplated hereby. No modification or amendment of this Agreement shall be valid unless the same is in writing and signed by each of the parties hereto.

**12.5 Applicable Law.** This Agreement is governed by and shall be construed in accordance with the laws of the State of Washington.

**12.6 Attorneys' Fees.** In the event any suit or action is brought by either party under this Agreement to enforce any of its terms, it is agreed that the prevailing party shall be entitled to reasonable attorneys' fees and costs to be fixed by the court, including such fees and costs as may be incurred in any appellate proceeding.

**12.7 Notices.** All notices, demands or other communications which are required or permitted to be given under this Agreement shall be in writing, and either personally delivered or mailed to the other party at the address set forth below its signature on this Agreement, or at such other addresses as either party may give to the other by notice in writing pursuant to the terms of this Section.

**12.8 Additional Acts.** Seller and Purchaser hereby agree to perform, execute, and/or deliver or cause to be performed, executed, and/or delivered at closing or thereafter, any and all such further acts, documents and assurances as Purchaser or Seller, as the case may be, may reasonably require to consummate the transaction contemplated hereby.

**12.9 Foreign Investment Affidavit.** The parties agree to comply in all respects with Internal Revenue Code Section 1445 and the regulations issued thereunder, hereinafter referred to as the "Regulations." If Seller is not a "foreign person" as defined in the Regulations), Seller shall deliver to Purchaser through escrow a non-foreign certificate, properly executed and in form and content acceptable to Purchaser. If Seller is a "foreign person" or fails or refuses to deliver the non-foreign certificate as indicated above, or Purchaser receives notice, or has actual knowledge that such non-foreign certificate is false, a tax equal to ten percent (10%) of the purchase price shall be withheld through escrow and paid by Closing Agent to the Internal Revenue Service in the manner prescribed by the Regulations, unless such withholding is reduced or excused in the manner prescribed by the Regulations. In the event of any such withholding, Seller's obligations to deliver title hereunder shall not be excused or otherwise affected.

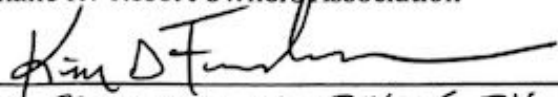
**12.10 Negotiation and Construction.** This Agreement and each of the terms and provisions hereof are deemed to have been explicitly negotiated between the parties, and the language in all parts of this Agreement shall, in all cases, be construed according to its fair meaning and not strictly for or against either party. The recitals above and the exhibits attached to this Agreement are made a part of this Agreement by this reference.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the date first above written.

SELLER:

Spokane RV Resort Owners Association

By:



Title: PRESIDENT OF SPOKANE RV HOA

Address:

1205 North Country Club Drive  
Deer Park, WA, 99006-8181

PURCHASER:

Grapevine 7, Inc.

By:



Title: CEO OF GRAPEVINE 7 INC

Address:

10555 Horseshoe Bend Road  
Boise, ID, 83714



**Exhibit A**  
Real Property

<b>Tax Parcel No.</b>	<b>Description</b>
29361.1205	Office, Pavilion, Pool, Laundry, Rest Rooms
29362.1201	Strip in undeveloped portion of Phase 1
29362.1202	Grass Strip north of Parcel 29362.1203
29362.1203	Triangle Area
29362.1208	Park B Roads
29362.1801	Mail Station, Grassy Area at North end of Park A (Bocce Ball Court)
29362.1802	Entrance Road to Park B, Roads in Park A
29362.1803	Grassy areas east/west of entry, play area, south dog run
29362.1804	Drainage Easements in Park A, between sites 17 & 19, 54 & 56, 57&59

<b>Tax Parcel No.</b>	<b>Legal Description</b>
29361.1205	SPOKANE RV RESORT CONDOMINIUMS 1ST AMEND TR "E" (AFN# 5962210) (SUBSERVIENT COMMON AREA)
29362.1201	DEER PARK GOLF & COUNTRY CLUB CONDOMINIUMS TR "A" (OPEN SPACE)
29362.1202	SPOKANE RV RESORT CONDOMINIUMS 1ST AMEND TR "B" (AFN# 5962210) (SUBSERVIENT COMMON AREA)
29362.1203	SPOKANE RV RESORT CONDOMINIUMS 1ST AMEND TR "C" (AFN# 5962210) (SUBSERVIENT COMMON AREA)
29362.1208	SPOKANE RV RESORT CONDOMINIUMS 1ST AMEND PRIVATE ROADS (AFN# 5962210) (PRIVATE LANES - SUBSERVIENT COMMON AREA)
29362.1801	SPOKANE RV RESORT CONDOMINIUMS PHASE 3 TRACT "A" (AFN 6071993) (SUBSERVIENT COMMON AREA)
29362.1802	SPOKANE RV RESORT CONDOMINIUMS PHASE 3 TRACT "B" COMMON ROAD (AFN 6071993) (SUBSERVIENT COMMON AREA)
29362.1803	SPOKANE RV RESORT CONDOMINIUMS PHASE 3 TRACT "C" (AFN 6071993) (SUBSERVIENT COMMON AREA)
29362.1804	SPOKANE RV RESORT CONDOMINIUMS PHASE 3 DRAINAGE EASEMENT LOTS (AFN 6071993) (SUBSERVIENT COMMON AREA)

**Exhibit B**  
Association Property

The following Lots and Tract within Spokane RV Resorts, Deer Park Washington, a Condominium (the "Condominium") as more particularly shown on the amended plat recorded under Spokane County Auditor's File No. 5962210 in Volume 10 of Condominiums, pages 67-68, records of Spokane County:

Fee Owned Lots

- Block A, Lots 1-21
- Block B, Lots 1-18
- Block C, Lots 1-11
- Block D, Lots 1-5
- Block I, Lots 1-11

Common Area  
Tract D