

UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

vs.

GLOBAL ONLINE DIRECT, INC.,
BRYANT E. BEHRMANN and
LARRY "BUCK" E. HUNTER,

Defendants.

Civil Action No. 1:07-CV-0767-WSD

**AMENDED DECLARATION OF MICHAEL A. GRASSMUECK IN
SUPPORT OF MOTION FOR ORDER (i) AUTHORIZING THE SALE OF
CERTAIN REAL PROPERTY FREE AND CLEAR OF ALL LIENS,
CLAIMS, INTERESTS AND ENCUMBRANCES; (ii) AUTHORIZING THE
RECEIVER TO PAY CERTAIN LIENS AND CLAIMS FROM THE SALE
OF THE REAL PROPERTY; (iii) RELIEVING THE RECEIVER FROM
THE PROVISIONS OF 28 USC §§ 2001-2002; AND (iv) APPROVING THE
REAL ESTATE BROKER'S COMMISSION**

I, Michael A. Grassmueck, declare:

1. I am the duly appointed receiver (the "Receiver") for Global Online Direct, Inc. ("Global") and its subsidiaries Global Online Depository, Global Online SPIP, Global Online Auction Stores, Triple Diamond B, Bodaga Bay, Bodaga Bay Trucking, Inc., Catherine Crick Riders, Double B Broadcasting, Inc., The AM Show, Double B MPG, Global Online Direct, U Loan We Pay, and Bargain Hunter, Inc., and their subsidiaries and affiliates and any entities controlled by them (collectively referred to as the "Receivership Entities").

2. I submit this declaration (the "Declaration") in support of the motion for authorization to (i) sell certain real property free and clear of all liens, claims, interests and encumbrances; (ii) pay certain liens and claims from the sale of the real property; (iii) relieve the Receiver from the provisions of 28 USC §§ 2001-2002; and (iv) approve the real estate broker's commission (the "Motion"). I have personal knowledge of the facts stated in this Declaration as to which I could and would personally and competently testify if called upon to do so.

3. Since my appointment, in addition to carrying out my other duties as Receiver, I have caused to be investigated, and exercised control over, various assets of Global and the Receivership Entities.

The Receivership Estate Properties

4. In my investigation and review of the assets, I previously identified real properties owned by the Receivership Entities ("Receivership Estate Properties"), and real properties for which the receivership estate ("Receivership Estate") asserted an interest. I, along with my staff, conducted an extensive investigation and analysis in connection with the prospective sale of certain properties.

The Application to Employ Broker

5. On August 20, 2007, I caused to be filed an Application to employ the Broker, as property manager and real estate broker, to manage and sell the Receivership Estate Properties. The Application was approved pursuant to Court order entered on October 30, 2007 (the "Broker Employment Order").

6. Pursuant to the Application, and a broker agreement entered into between Broker and Receiver (the "Broker Agreement"), I sought authority to pay the Broker a sales commission from the sale of the Receivership Estate Properties of six percent (6%), if the sales price is less than or equal to \$200,000, and five and one half percent (5.5%) if the sales price is greater than \$200,000. All sales of the Receivership Estate Properties are to be governed by the Receiver's Earnest Money

Agreement, subject to Court approval. The Court entered its Order approving the Application on October 30, 2007.

The Marketing of the Receivership Estate Properties

7. The Receivership Estate's Broker marketed the Receivership Estate Properties by, among other things, listing them with several real estate listing services in Oregon, including "Real Estate Source", "The Real Estate Guide", and the "Home Builders Guide", listing them on the web at "GoodmanMLS", "Century 21. com", and the "Realtor.com", and advertising them in a public newspaper, "The Observer", which is circulated in the area where the Properties are located. The Broker also sent flyers to Broker's clients in his efforts to market the Sale Properties.

8. The Receivership Estate Properties were listed and advertised for a period of time, after which the Receivership Estate began receiving offers to purchase the Properties, including the offer for the property located at 2711 Bearco Loop, La Grande, Oregon 97875 ("Bearco Property").

9. The accepted offer for the Bearco Property was derived through arms-length negotiations, and I believe that the accepted offer, at this time, is the best offer that the Receivership Estate will receive for the Property. However, I reserve the right to pursue a higher and better offer to the extent received, and seek as part of the Court's order authority to sell the Bearco Property to the highest bidder.

The Bearco Property

10. On or about October 21, 2009, the Receiver entered into a Receiver's Earnest Money Agreement, with proposed buyer Roberto Arceo-Sanchez ("Sanchez"). A true and correct copy of the Earnest Money Agreement is attached hereto as Exhibit "A". Sanchez agreed to purchase the Bearco Property for the amount of \$115,000.

11. Sanchez has paid an earnest money deposit, and will pay the balance of the purchase price following Court approval of the sale of the Bearco Property

and at closing of the sale of the Bearco Property. The Earnest Money Agreement also provides at Section 3.2 that Sanchez acknowledges that the sale of the Bearco Property may be subject to higher bids. See Exhibit "A".

12. Since the purchase price is less than \$200,000, the Broker would be entitled to a 6% commission from the sale of the Bearco Property in accordance with the Broker Agreement. I estimate a net return from the sale of the Bearco Property of \$97,264.77, after payment of the Broker's Commission of \$6,900, closing and title charges of \$616.00, and property taxes of \$12,000, and after certain credit to property taxes of \$1,780.77. But this net return amount may actually be higher by the time of entry of the order on this Motion, if a higher bid for the Bearco Property is received and accepted.

13. I assert that the purchase price obtained for the Bearco Property is reasonable, based on the values for similar properties located in La Grande, Oregon, and the length of time for which the Bearco Property was marketed.

14. I note that the comparative value (comps) for similar properties in La Grande, Oregon are close to the purchase price for the Bearco Property (which is 3,948 square feet in building size). A property located at 2203 Adams Ave., La Grande, Oregon, with a building size of 4,986 square feet sold for \$111,000 on June 4, 2009; a property located at 2208 E. L Ave., La Grande, Oregon, with a building size of 5,216 square feet sold for \$105,000 on March 4, 2008; and a property located at 3302 Union Street, Oregon, with a building size of 2,400 square feet, sold for \$120,000 on April 14, 2009. Based on these comps, this Bearco Property purchase price of \$115,000 is close to the range of prices (between \$105,000 to \$120,000) for similarly sized real property in this locale. Further, the Receivership Estate's Broker has marketed the Bearco Property for approximately 11 months, so the offer was obtained after a long-standing period of marketing the Bearco Property.

The Relief Requested

15. Pursuant to the Application, and the Earnest Money Agreement, the sale of the Bearco Property is subject to Court approval. Thus, pursuant to the Motion, I seek Court approval of the sale of the Bearco Property free and clear of all liens, claims and encumbrances, with such liens, claims and encumbrances attaching to the proceeds of sale, subject to higher bids. The Bearco Property shall be sold "AS IS," "WHERE IS," and "WITH ALL FAULTS", and without any representations or warranties in respect to the condition of the Bearco Property.

16. Further, I request that the Court authorize me to sell to the highest bidder for the Bearco Property, and to authorize me to pay from the proceeds of sale, the valid liens, taxes, and claims, on the Bearco Property, subject to any objections to such liens, taxes, and claims by the Receivership Estate.

17. I additionally request that the Court waive the provisions of 28 U.S.C. §§ 2001(a) and 2002, which provide for the sale of the Bearco Property pursuant to a foreclosure-type or public auction process. Further, I request that the Court waive the provisions of 28 U.S.C. § 2001(b) applying to private sales, including requiring certain appraisals, newspaper publications for the private sale, and confirmation of the private sale.

18. In accordance with my business judgment, the waivers of Sections 2001(a) and 2002 are appropriate. I believe the most effective method for the Receivership Estate to realize the highest price for the sale of the Bearco Property is through the commercially reasonable and customary method of listing the Bearco Property with a broker and conducting a private sale. Further, I believe that listing and selling the Bearco Property through a broker for the highest price offered, is the best method to obtain the highest and best price for the Bearco Property, without having to incur the additional expenses in complying with Section 2001(b).

19. Finally, I request that the Court approve the Broker's applicable sales commission, from the proceeds of sale of the Bearco Property, as described in the Motion and in the Receiver's Application to Employ Property Manager and Real Estate Broker, filed on August 20, 2007, which was approved by the Broker Employment Order.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed this 24 day of November, 2009, at Portland, Oregon.


MICHAEL A. GRASSMUECK

EXHIBIT A

RECEIVER'S EARNEST MONEY AGREEMENT

Roberto Arcos-Sanchez ("Buyer"), whose address is P.O. Box 8 Clatsop OR 97135, offers to purchase from Michael A. Grassmuck, Inc., Receiver ("Receiver" or "Seller"), whose address is PO Box 5248, Portland, Oregon 97208-5248, the real property, all water rights, and all improvements thereon and appurtenances thereto, commonly known as 2111 Bear Co Loop LaGrande OR located in Wagon County, Oregon, and more particularly described on the attached Exhibit A (the "Land") together with any personal property located thereon owned by Seller and used or useful in connection with the operation of the Land (the "Personal Property") (the Land and the Personal Property are collectively referred to herein as the "Property") for the purchase price of \$115,000 (the "Purchase Price") on the terms set forth in this RECEIVER'S EARNEST MONEY AGREEMENT (this "Agreement");

1. PAYMENT OF PURCHASE PRICE:

1.1. Concurrently with the execution of this Agreement, Buyer has delivered to Listing Agent/ & Selling Agent an earnest money deposit in the amount of \$2500.00 (the "Earnest Money"). The Earnest Money shall be deposited as provided in Section 21 below and shall be applicable to the Purchase Price upon the Closing.

1.2. Buyer shall deliver into Escrow the balance of the Purchase Price (i.e. \$112,500) in immediately available funds in accordance with Section 3 below.

1.3. The Earnest Money and the balance of the Purchase Price shall be made payable to: Chicago Title

1.4. If a loan is being assumed in connection with Buyer's acquisition of the Property, Buyer shall (a) pay any assumption fee required in connection with the assumption of the loan, and (b) purchase the reserve account, if any, held in connection with such loan.

1.5. Special conditions: Subject to purchaser's being able to obtain financing

2. TITLE AND CONDITION OF PROPERTY: The Property is to be conveyed by Receiver's Deed as described below. Prior to Closing, a title report for the Property (the "Title Report") showing the Seller's status of title shall be provided to Buyer by Abstract & Title, Title Company. The Title company shall be Chicago Title Company (the "Closing Escrow"). Costs of the Title Report shall be borne equally by the Buyer and Seller. The Title Report shall be conclusive evidence of the status of the Seller's record title. Seller shall have no obligation to eliminate or ameliorate any matters relating to the condition of title to the Property.

Seller [Signature] 10/24/09
Initial Date
Buyer RAS 10-19-09
Initial Date

2.1. The deed for the Property, which is to be delivered to the Buyer shall be a Receiver's Deed (the "Receiver's Deed"). The Receiver's Deed shall convey the Receiver's interest, if any, in the Property. Under the Receiver's Deed, neither Receiver, Seller, nor the Seller's agent make any warranties, express, implied or statutory, as to the title of the Property, its quality or quantity. Buyer shall look solely to the title insurance policy obtained in this transaction, if any, by Buyer for any assurance as to the ability of the Receiver to provide marketable title to the Property.

2.2. It is agreed that if the title to the Property is not marketable or cannot be made so within thirty (30) days after written notice, together with a written statement of defects, is delivered to the Seller, the Earnest Money delivered to Receiver shall be refunded to Buyer.

2.3. If the title to the Property is marketable, and Buyer fails to timely make payments of the Purchase Price as set forth in Section 1 above, or otherwise neglects or refuses to comply with any of the conditions of this Agreement within twenty (20) days of written notice from Seller, then Seller shall have the following options at Seller's sole discretion:

- (a) The Earnest Money shall be forfeited to the Seller as liquidated damages.
- (b) Seller shall be entitled to specific performance by Buyer; or
- (c) Seller shall be entitled to recover damages from Buyer for Buyer's failure to complete the sale and fulfill the obligations set forth in this Agreement.

2.4. Buyer understands that Seller makes no representations or warranties, express, implied or statutory, as to the Property or any aspect thereof or any improvement thereon. Buyer is purchasing the Property in its existing condition, "AS-IS, WHERE-IS, WITH ALL FAULTS", that is, with all defects, if any. Seller makes no representations or warranties regarding the quality or quantity of the Property. Buyer is purchasing the Property having been given the opportunity to perform any tests and inspections regarding the Property desired by Buyer and to review all documents relating to the Property. By completing the sale of the Property, Buyer acknowledges that (a) Buyer has conducted any and all inspections and tests regarding the Property which Buyer desired to conduct, (b) Buyer has reviewed all documents relating to the Property that Buyer desired to review, and (c) Buyer is satisfied with all aspects of the Property.

2.5. THE PARTIES ARE AWARE THAT THE RECEIVER MAY SELL THE PROPERTY ONLY AFTER APPROVAL OF THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF GEORGIA, ATLANTA DIVISION (THE "DISTRICT COURT") AS TO THIS AGREEMENT AND ITS TERMS. THE PARTIES AGREE THAT THE SALE OF THE PROPERTY IS CONTINGENT UPON RECEIVING SUCH APPROVAL FROM THE DISTRICT COURT. IF THIS AGREEMENT IS NOT APPROVED BY THE DISTRICT COURT AND THE BUYER HAS COMPLIED WITH THE

Seller: [Signature] 10-12-09
 Initial Date

Buyer: R.A.S. 10-19-09
 Initial Date

TERMS OF THIS AGREEMENT TO THE DATE OF SAID DISAPPROVAL, THE EARNEST MONEY DELIVERED IN CONNECTION WITH THIS AGREEMENT SHALL BE RETURNED TO THE BUYER.

2.6. The Personal Property includes all built-in appliances, all-to-wall carpeting, drapery and curtain rods, window and door screens, storm doors and windows, irrigation, plumbing, ventilation, cooling and heating fixtures and equipment including oil tanks, water heaters, attached electric light and bathroom fixtures, light bulbs, fluorescent lamps, window blinds, awnings, attached television antennae, shrubs, trees, and all other fixtures, but excludes detached fireplace tools and NONE.

2.7. The following Personal Property, in "AS-IS" condition, is included in the Purchase Price: any that is there. Unless otherwise stated herein, the Personal Property in this transaction has no value and is not security for any unpaid balances owed.

2.8. The Property will be sold subject to any and all leases, licenses and rental or occupancy agreements relating to the Property (collectively, the "Leases"). Buyer acknowledges that Buyer has had an opportunity to review the Leases.

3. DISTRICT COURT APPROVAL: This Agreement is expressly contingent upon final approval from the District Court of the sale of the Property in accordance with the terms of this Agreement.

3.1. Seller shall not submit a "Motion to Authorize Sale" or otherwise request that the District Court approve the transaction described in this Agreement until Buyer has notified Seller in writing that all conditions to Buyer's offer have been satisfied or the satisfaction of such conditions is deemed to have occurred as provided in Section 13 below.

3.2. Buyer acknowledges that the sale of this Property is be subject to notice and overbid requirements and that the District Court may auction the Property and allow bidding in excess of any written offer to purchase the Property (including, without limitation, this Agreement). If there is an auction or overbid, Buyer shall have the right, but not the obligation, to participate in any further bid proceeding. In the event the District Court does not approve the sale of the Property in accordance with the terms of this Agreement, including the Purchase Price, and Buyer has complied with all terms and conditions of this Agreement, then this Agreement shall be considered as having never been executed and the parties shall have no liability to one another arising out of this Agreement or the transaction proposed herein. In the event of a bidding procedure or auction, any bid by Buyer, apart from this Agreement, shall be on the terms set by the Seller or the District Court, as applicable, at the time of bidding.

4. CLOSING: If the District Court approves the sale of the Property pursuant to this Agreement, Buyer and Seller shall open an escrow (the "Escrow") with the Title Company.

Seller	<u>[Signature]</u>	<u>10/21/09</u>
	Initial	Date
Buyer	<u>RAS</u>	<u>10-19-09</u>
	Initial	Date

promptly following the District Court's entry of an order approving the sale (the "Order"). The Closing will take place at the offices of the Title Company located at 1211 SW 5th Ave, Suite 2130, Portland, Oregon 97204 (Diane Petterson). Closing documents shall be executed and Buyer's funds deposited into Escrow on or before ten (10) days after entry of the Order, or as soon thereafter as financing documents can be prepared and marketable title delivered, but not to exceed ten (10) additional business days. Notwithstanding the foregoing, Buyer's ability to obtain financing for the Property is not a condition to Closing. For purposes of this Agreement, "Closing" shall mean the date on which the Receiver's Deed is recorded in the office of the recorder of the county in which the Property is located. Time is of the essence of this Agreement.

5. **POSSESSION:** Seller shall deliver possession of the Property to Buyer upon the Closing subject to the Leases and the rights of tenants thereunder, if any.

6. **PRORATIONS:** Prorations for rents and other receivables under the Leases, if any, taxes and assessments for the current tax period, interest on assumed obligations, other prepaid expenses attributable to the Property, and gas, water, electricity, sewer and other utilities and operating expenses relating to the Property shall be made on a calendar year basis as of the date of the Closing. If the parties are unable to obtain final meter readings for any utilities as of the date of the Closing, then such expenses shall be estimated as of the Closing based on the prior operating history of the Property. Upon the Closing, Buyer shall be credited with any security deposits and prepaid rentals made by tenants under the Leases, if any. Buyer shall pay Seller for any unused heating fuel on the Property, if any, upon the Closing. Seller shall terminate any utility services in its name as of the Closing and Buyer shall be responsible for all such utilities as of the Closing.

7. **DEFERRED TAX PROVISIONS:** If the Property will have a deferred tax status after the Closing, and if the deferred status terminates for any reason, Buyer shall be solely responsible for all deferred taxes and shall hold Seller harmless therefrom.

8. **BINDING EFFECT/CONSENT:** Buyer shall not assign, transfer or convey its rights and/or obligations under this Agreement and/or with respect to the Property without the prior written consent of Seller, which Seller may withhold in its sole, absolute and subjective discretion. Any attempted assignment without the prior written consent of Seller shall be void and Buyer shall be deemed in default hereunder. Any permitted assignment shall not relieve, alter or release the assigning party from its primary liability under this Agreement. Subject to the terms of this Section 8, this Agreement is binding upon Buyer, and the heirs, executors, administrators, successor and assigns of the Buyer.

9. **SQUARE FOOTAGE AND MEASUREMENT:** Buyer acknowledges that any size or dimension figures for the Property used by Seller or Seller's agent are estimates only, and are not intended to be relied upon to determine the value of the Property, its fitness for Buyer's purposes, or for any other purpose. Buyer has personally inspected the Property, is independently satisfied with the size, value, and utility of the Property and is not relying on any

Seller [Signature] 10/19/09
Initial Date

Buyer RAS 10.19.09
Initial Date

representations or warranties of Seller in connection with Buyer's decision to purchase the Property.

10. APPROVED USES: THE PROPERTY DESCRIBED IN THIS INSTRUMENT MAY NOT BE WITHIN A FIRE PROTECTION DISTRICT PROTECTING STRUCTURES. THE PROPERTY IS SUBJECT TO LAND USE LAWS AND REGULATIONS THAT, IN FARM OR FOREST ZONES, MAY NOT AUTHORIZE CONSTRUCTION OR SITING OF A RESIDENCE AND THAT LIMIT LAWSUITS AGAINST FARMING OR FOREST PRACTICES AS DEFINED IN ORS 30.930 IN ALL ZONES. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 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

11. FOREIGN INVESTMENT IN REAL PROPERTY TAX ACT: The Foreign Investment in Real Property Tax Act (FIRPTA) IRC § 1445, requires that every person who purchases real property from a "foreign person" deduct and withhold from the Seller's proceeds ten percent (10%) from the gross sale price with certain exceptions. A "foreign person" is defined to include a non-resident alien individual, foreign corporation, foreign partnership, foreign trust and foreign estate. Seller and Buyer agree to execute and deliver, as appropriate, any instrument, affidavit, or statement, and to perform any acts reasonably necessary to carry out the provisions of FIRPTA.

12. GENERAL PROVISIONS:

12.1. NO MERGER: The obligations set forth in this Agreement shall not merge with the transfer or conveyance of title to any portion of the Property but shall remain in effect until fulfilled.

12.2. SEVERABILITY: If any portion of this Agreement shall be held to be invalid or unenforceable to any extent, the validity and enforceability of the remaining provisions shall not be affected by such invalidity or unenforceability.

12.3. COUNTING OF DAYS: Whenever a time period is set forth in days in this Agreement, the first day from which the designated period of time begins to run shall not be included. The last day of the period so computed shall be included, unless it is a Saturday, Sunday, or legal holiday, in which event such period shall run until the end of the next day which is not a Saturday, Sunday, or legal holiday.

12.4. NOTICES: All notices or other communications required or permitted hereunder shall be addressed as follows and be in writing, and shall be personally delivered, sent

Seller: [Signature] 10/21/09
Initial Date
Buyer: 10-19-09
Initial Date

EM agreement # 7659

by overnight mail or sent by registered or certified mail, postage prepaid, return receipt requested, and shall be effective only upon actual receipt thereof or if delivery is rejected, upon the date delivery is attempted but rejected. Any party may, by written notice delivered as provided herein, designate a different address for purposes of this Agreement.

Buyer:

Ruberto Arceo Sanchez
P.O. Box 8
Starkville, OR 97875

Seller:

Michael A. Grassmbeck
P.O. Box 5248
Portland, Oregon 97208-5248

12.5. ENTIRE AGREEMENT: This Agreement, together with the exhibits described herein, 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.

12.6. GOVERNING LAW: This agreement shall be construed, applied and enforced in accordance with the laws of the State of Oregon. Any dispute arising from this agreement shall be submitted to the District Court.

12.7. EXECUTION IN COUNTERPARTS: This Agreement may be executed in any number of counterparts and by different parties on separate counterparts. Each counterpart, when so executed and delivered, shall be deemed to be an original and all of which, taken together, shall constitute but one and the same agreement.

13. COMPLETION OF INSPECTION: Buyer shall have 10 days from the date the Seller signs this agreement to conduct all inspections with respect to the Property. If Buyer fails to notify Seller in writing within such time that Buyer is withdrawing Buyer's offer made herein, then Buyer shall be deemed to have accepted the condition of the Property and waived all conditions to Buyer's offer to purchase the Property. If Buyer timely notifies Seller in writing of Buyer's withdrawal of the offer, then this Agreement shall be of no further binding effect and Seller shall return Buyer's Earnest Money.

14. DATE OF EXECUTION: The date of this Agreement shall be deemed to be the last day of execution set forth below the names of the respective parties.

15. ACCEPTANCE OF FAX SIGNATURES: The parties agree that either Buyer or Seller, or both, may initially sign this Agreement and return signature pages via facsimile. Any such facsimile transmission of signature pages shall be binding on all parties as if such parties had delivered original signatures. The parties further agree to send and/or return, via regular mail, originals of any such faxed documents.

Seller

Initial

Date

Buyer

Initial

Date

16. CLOSING COSTS: All the costs of Closing not specifically mentioned herein shall be paid by the Buyer. Buyer's ability to obtain the closing costs payable by Buyer hereunder is not a condition to Closing.

17. DISCLOSURE OF INFORMATION ON LEAD-BASED PAINT AND LEAD-BASED PAINT HAZARDS

LEAD WARNING STATEMENT

Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase.

By signing this agreement, the Seller hereby states that it has no knowledge of lead-based paint and/or lead-based paint hazards in any housing or other improvement on the Property, and that the Seller has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in any housing or other improvement on the Property.

By signing this agreement, Buyer acknowledges that Buyer (a) has received the pamphlet "Protect Your Family from Lead in Your Home", and (b) has a period of ten (10) days from the date of execution of this Agreement by Buyer and Seller to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based hazards.

The Seller acknowledges that it is informed as to Seller's obligations under 42 U.S.C. 4852(d) and is aware of its responsibility to ensure compliance. The lead warning statement set forth above is also attached hereto as Exhibit B.

18. ATTORNEY FEES: In any suit, action, proceeding or arbitration between Buyer and Seller arising out of this Agreement, the losing party agrees to pay the prevailing party's reasonable attorney's fees and costs awarded by the court or courts in which the action, including any appeal thereof, is tried, heard, or decided. As used in this Section 18, the term "party" includes Buyer, Seller, the Listing Broker, and the Selling Broker.

19. BACKUP OFFERS: Until the Closing, Seller shall have the right to accept backup offers for the sale of the Property, may continue to market the Property and negotiate with third parties concerning the sale of the Property. Seller is entitled to execute "backup"

Seller: [Signature] 10/21/09
Initial: _____ Date: _____
Buyer: R.A.S. 10-19-09
Initial: _____ Date: _____

EM agreement # 7689

agreements and offers for the sale of the Property, which agreements and/or offers shall be subject to Buyer's full and timely performance of this Agreement.

20. **EARNEST MONEY INSTRUCTIONS:** Buyer instructs that the Earnest Money be handled as follows: The funds are to be deposited with Chicago Title Co., 1211 SW 5th Ave, Suite 2130, Portland, Oregon 97201, within 5 days of Buyer's and Seller's mutual acceptance of this Agreement. The undersigned Listing Broker Selling Broker acknowledges receipt of earnest money from Buyer of \$ 2500.00 in the form of Check (copy attached).

Seller [Signature] 10/21/09
Initial Date
Buyer R.A.S. 10-19-09
Initial Date

21. **FINAL AGENCY ACKNOWLEDGMENT:** Buyer and Seller hereby acknowledge and consent to the following agency relationships in this transaction:

(1) Country 21 ("Selling Broker") and Jamse Flowers (Selling Firm) are agents of (check one):
 the Buyer exclusively ("buyer agency")
 the Seller exclusively ("seller agency or subagency")
 both the Buyer and the Seller ("in-company transaction")

(2) Country 21 ("Listing Broker") and Anna Goodner (Listing Firm) are agents of (check one):
 the Seller exclusively ("seller agency")
 both the Buyer and the Seller ("in-company transaction")

UNLESS OTHERWISE DISCLOSED HEREIN, THE LISTING AGENT REPRESENTS THE SELLER AND THE SELLING AGENT REPRESENTS THE BUYER.

Buyer shall sign this acknowledgment at the time of signing this Agreement before submission to Seller. Seller shall sign this acknowledgment at the time this Agreement is first submitted to Seller, even if this Agreement will be rejected or a counter offer will be made. Seller's signature to this Final Agency Acknowledgment shall not constitute acceptance of the Agreement or any terms therein.

Buyer: [Signature] Print: Roberto Arce ^{catcher} Date: _____
Buyer: _____ Print: _____ Date: _____

Seller: [Signature] Print: _____ Date: 10/21/09
Seller: _____ Print: _____ Date: _____

Listing Broker: Country 21 Address: 2307 E Adams Ave, La Grande
Phone: 541-963-1207 Licensee: Anna Goodner

Selling Broker: Country 21 Address: _____
Phone: 541-963-1215 Licensee: Jamse Flowers

Seller: [Signature] 10/21/09
Initial: _____ Date: _____

Buyer: RAS 10-19-09
Initial: _____ Date: _____

EM agreement # 7559

22. **AGREEMENT TO PURCHASE:** BUYER HEREBY ACKNOWLEDGES RECEIPT OF A COMPLETELY FILLED-IN COPY HEREOF WHICH BUYER HAS FULLY READ AND UNDERSTANDS. Buyer directs that the deed or contract be prepared in the following manner:

Roberts Arlio - Sanchez

This offer shall automatically expire on Oct 23 at 5 AM if not accepted by the Seller within that time.

Buyer A (Signature) Roberts Arlio Date 10-19-09 AM PM
Buyer B (Signature) _____ Date _____ AM _____ PM _____
Address P.O. Box 8, Stubbins, OR 9 Zip: 97875
Phone Home _____ Work _____ Work _____ Fax _____

23. **AGREEMENT TO SELL:** SELLER ACKNOWLEDGES A COMPLETELY FILLED-IN COPY OF THIS AGREEMENT HAS BEEN PROVIDED WHICH SELLER HAS FULLY READ AND UNDERSTANDS. Seller hereby

- (a) approves and accepts the foregoing offer at the price and conditions set forth above X or (b)
- (b) Seller declines the foregoing offer _____; or
- (c) Seller makes the attached counter offer _____

Seller (Signature) [Signature] Date: 10/21/09 AM PM
Seller's Tax ID# _____
Address _____ Zip: _____
Phone _____ Fax _____

Seller [Initials] 10/21/09
Initial Date
Buyer R.A.S. 10-19-09
Initial Date

EM agreement # 7659

BUYER'S ACKNOWLEDGEMENT

Date: _____ at _____ AM _____ PM. Buyer affirms the foregoing agreement and acknowledges receipt of a copy hereof signed by the Seller.

Buyer A (Signature) _____ Tax ID or SS#: _____

Buyer B (Signature) _____ Tax ID or SS#: _____

Listing Firm Broker Initials/Date AG / 10-19-09

Selling Firm Broker Initials/Date _____

Seller [Signature] 10/19/09
Initial Date

Buyer RAS 10-19-09
Initial Date

EXHIBIT A

LEGAL DESCRIPTION OF THE LAND

MMP# 00-53804BD
Lot# 2200

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EXHIBIT
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Seller [Signature] 10/19/09
Date
Buyer RAS 10-19-09
Date

EXHIBIT B

LEAD WARNING STATEMENT

Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase.

Seller:  10/19/09
Initial Date
Buyer: R A S 10-19-09
Initial Date

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EXHIBIT B
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ADDENDUM A TO
RECEIVER'S EARNEST MONEY AGREEMENT

RECEIPT DATED 10-19, 2009

THIS ADDENDUM TO RECEIVER'S EARNEST MONEY AGREEMENT (this "Addendum") is made and executed as of 10-19, 2009 by MICHAEL A. GRASSMUECK, Receiver, as "Seller", and Roberto Arceen-Sanchez, as "Buyer", in connection with that certain RECEIVER'S EARNEST MONEY AGREEMENT executed by Buyer on 10-19, 2009 (the "Receiver's Agreement") with respect to certain real property more particularly described in the Receiver's Agreement. The terms of the Receiver's Agreement are herein incorporated by this reference, and all terms and conditions of the Receiver's Agreement shall remain in full force and effect except as herein modified or deleted. All terms not defined in this Addendum shall have the same meanings given to them in the Receiver's Agreement. In the event of any inconsistencies between this Addendum and the Receiver's Agreement, the terms of this Addendum shall control.

NOTICE IS GIVEN that the Receiver will sell the Property, reimburse the parties entitled thereto for any secured creditor's fees and costs, and compensate any real estate broker entitled to a commission upon the terms and conditions set forth in the Receiver's Agreement and without further notice unless, within twenty (20) days of the mailing date (plus a 3-day mailing period) of the "Notice Of Intent To Sell Property At Private Sale And Compensate Real Estate Broker And/Or Pay Any Secured Creditor's Fees And Costs":

- (a) the Receiver receives a bid exceeding the Purchase Price and otherwise upon terms which are the same or more favorable to the estate as the terms set forth in the Receiver's Agreement, or
- (b) an interested party files with the District Court a request for hearing or written objections to the sale, the reimbursement of fees and costs, or the broker's compensation, setting for the specific grounds for such objection.

If no request for a hearing or written objection is filed with the District Court but the Receiver receives an upset bid (as described in paragraph (a) above) within 20 days of the mailing date (plus a 3-day mailing period) of the "Notice Of Intent To Sell Property At Private Sale And Compensate Real Estate Broker And/Or Pay Any Secured Creditor's Fees And Costs", the Receiver will notify all persons who have expressed an interest in purchasing the Property of the date, time and place of a meeting at which the Receiver will conduct an auction and sell the Property to the highest bidder without further notice.

Buyer Roberto Arceen-Sanchez Date 10-19-09

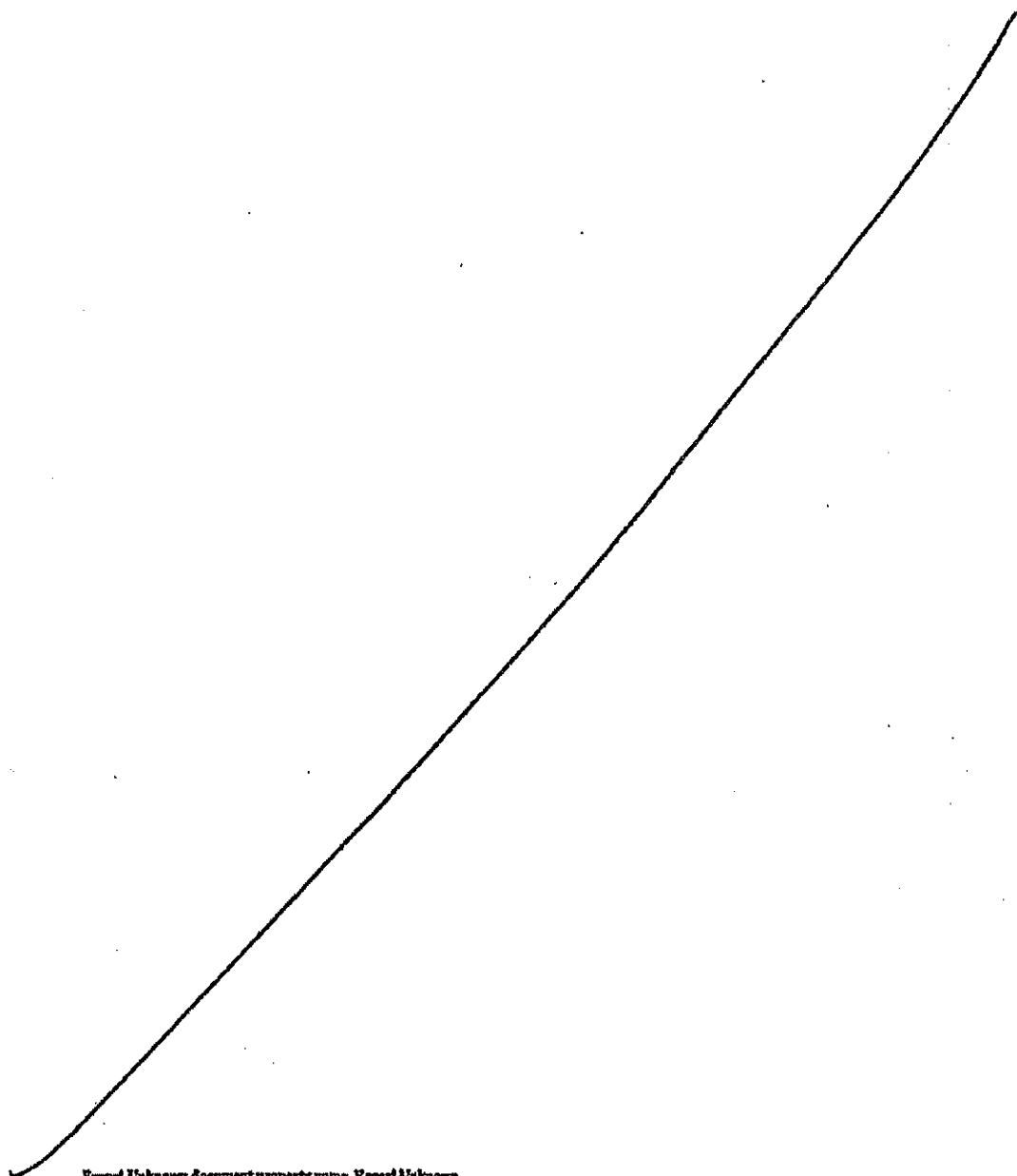
Buyer _____ Date _____

Selling Agent Jamie Flowers Date 10-19-2009

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ADDENDUM

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ADDENDUM

**OREGON REAL ESTATE AGENCY
DISCLOSURE PAMPHLET
OAR 863-015-215 (4)**

RAS

This pamphlet describes agency relationships and the duties and responsibilities of real estate licensees in Oregon. This pamphlet is informational only and neither the pamphlet nor its delivery to you may be construed to be evidence of intent to create an agency relationship.

Real Estate Agency Relationships

An "agency" relationship is a voluntary legal relationship in which a real estate licensee (the "agent"), agrees to act on behalf of a buyer or a seller (the "client") in a real estate transaction.

Oregon law provides for three types of agency relationships between real estate agents and their clients:

Seller's Agent – Represents the seller only;

Buyer's Agent – Represents the buyer only;

Disclosed Limited Agent – Represents both the buyer and seller, or multiple buyers who want to purchase the same property. This can be done only with the written permission of both clients.

The actual agency relationships between the seller, buyer and their agents in a real estate transaction must be acknowledged at the time an offer to purchase is made. Please read this pamphlet carefully before entering into an agency relationship with a real estate agent.

**Duties and Responsibilities of an Agent
Who Represents Only the Seller or Only the Buyer**

Under a written listing agreement to sell property, an agent represents only the seller unless the seller agrees in writing to allow the agent to also represent the buyer. An agent who agrees to represent a buyer acts only as the buyer's agent unless the buyer agrees in writing to allow the agent to also represent the seller. An agent who represents only the seller or only the buyer owes the following affirmative duties to their client, as well as other parties and their agents involved in a real estate transaction:

1. To deal honestly and in good faith;
2. To present all written offers, notices and other communications in a timely manner whether or not the seller's property is subject to a contract for sale or the buyer is already a party to a contract to purchase;
3. To disclose material facts known by the agent and not apparent or readily ascertainable to a party; in addition to Nos. 1, 2, and 3, above, an agent who represents only the seller or only the buyer owes the following affirmative duties only to their client:
4. To exercise reasonable care and diligence;
5. To account in a timely manner for money and property received from or on behalf of the client;
6. To be loyal by not taking action that is adverse or detrimental to the client's interest in a transaction;
7. To disclose in a timely manner any conflict of interest, existing or contemplated;
8. To advise the client to seek expert advice on matters related to the transaction that are beyond the agent's expertise;
9. To maintain confidential information from or about the client except under subpoena or court order, even after termination of the agency relationship; and
10. When representing a seller, to make a continuous, good faith effort to find a buyer for the property, except that a seller's agent is not required to seek additional offers to purchase the property while the property is subject to a contract for sale. When representing a buyer, to make a continuous, good faith effort to find property for the buyer, except that buyer's agent is not required to seek additional properties for the buyer while the buyer is subject to a contract for purchase or to show properties for which there is no written agreement to pay compensation to the buyer's agent.

None of the above affirmative duties of an agent may be waived, except #10, which can only be waived by written agreement between the client and agent.

Under Oregon law, a seller's agent may show properties owned by another seller to a prospective buyer and may list competing properties for sale without breaching any affirmative duty to the seller. Similarly, a buyer's agent may show properties in which the buyer is interested to other prospective buyers without breaching any affirmative duty to the buyer.

Unless agreed to in writing, an agent has no duty to investigate matters that are outside the scope of the agent's expertise.

For further details, Buyer is encouraged to review the Oregon Property Buyer Advisory at "<http://www.rea.state.or.us/>" or at "<http://www.oregonrealtors.org/>".

Duties and Responsibilities of an Agent Who Represents More than One Client in a Transaction

One agent may represent both the seller and the buyer in the same transaction, or multiple buyers who want to purchase the same property only under a written "Disclosed Limited Agency" agreement, signed by the seller, buyer(s) and their agent.

When different agents associated with the same real estate firm establish agency relationships with different parties to the same transaction, only the principal broker (the broker who supervises the other agents) will act as a Disclosed Limited Agent for both the buyer and seller. The other agents continue to represent only the party with whom the agent already has an established agency relationship unless all parties agree otherwise in writing. The supervising principal broker and the agents representing either the seller or the buyer have the following duties to the buyer and seller:

1. To disclose a conflict of interest in writing to all parties;
2. To take no action that is adverse or detrimental to either party's interest in the transaction; and
3. To obey the lawful instruction of both parties.

An agent acting under a Disclosed Limited Agency agreement has the same duties to the client as when representing only a seller or only a buyer, except that the agent may not, without written permission, disclose any of the following:

1. That the seller will accept a lower price or less favorable terms than the listing price or terms;
2. That the buyer will pay a greater price or more favorable terms than the offering price or terms; or
3. In transactions involving one-to-four residential units only, information regarding the real property transaction including, but not limited to, price, terms, financial qualifications or motivation to buy or sell.

No matter whom they represent, an agent *must* disclose information the agent knows or should know that failure to disclose would constitute fraudulent misrepresentation. Unless agreed to in writing, an agent acting under a Disclosed Limited Agency agreement has no duty to investigate matters that are outside the scope of the agent's expertise.

You are encouraged to discuss the above information with the agent delivering this pamphlet to you. If you intend for that agent, or any other Oregon real estate agent, to represent you as a Seller's Agent, Buyer's Agent, or Disclosed Limited Agent, you should have a specific discussion with him/her about the nature and scope of the agency relationship. Whether you are a buyer or seller, you cannot make a licensee your agent without their knowledge and consent, and an agent cannot make you their client without your knowledge and consent.