

RESOLUTION NO. 2012-10

A Resolution of North Kootenai Water District, Kootenai County, Idaho, approving the acquisition and/or purchase of real property by the District; authorizing the Chair and Vice Chair of the Board of Directors of the District as authorized signatories to sign a letter of commitment; and providing for other matters properly relating thereto.

NORTH KOOTENAI WATER DISTRICT  
Kootenai County, Idaho

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE NORTH KOOTENAI WATER DISTRICT, Kootenai County, Idaho, as follows:

WHEREAS, North Kootenai Water District (the "District") is a water district under and by virtue of the constitution and laws of the state of Idaho and is governed by an elected Board of Directors ("Board"); and

WHEREAS, pursuant to Idaho Code §42-3212(f), the Board is vested with authority to acquire real property, which includes the purchase of such real property; and

WHEREAS, the Board has authorized the District Manager to negotiate the acquisition and purchase of certain real property, specifically the real property located at 13649 Meyer Road, Rathdrum, Idaho; and

WHEREAS, the Board desires to approve the acquisition and purchase of such real property based on the terms and conditions set forth in the documents attached hereto as Exhibit "A" and incorporated herein by this reference; and

WHEREAS, the Board hereby authorizes either the Chair of the Board or the Vice Chair of the Board of the District to sign any documentation necessary to consummate the purchase of such real property; and

NOW, THEREFORE, IT IS HEREBY FURTHER RESOLVED as follows:

Section 1: INCORPORATION OF RECITALS

The Board hereby incorporates the recitals set forth herein as a part of this resolution.

Section 2: APPROVAL OF PURCHASE OF REAL PROPERTY

The Board hereby approves the acquisition and purchase of the real property located at 13649 Meyer Road, Rathdrum, Idaho, in accordance with the terms and conditions set forth in the documents attached hereto as Exhibit "A."

Section 3: AUTHORIZED SIGNATORIES

The Board hereby approves Tom Crimmins, Chair of the Board of the District and/or Shirley Stoller, Vice Chair of the Board of the District, to serve as the authorized signatories of the District authorized to sign any documentation necessary to consummate the acquisition and purchase of the real property approved in Section 2 of this Resolution.

Section 4: RATIFICATION

The Board hereby ratifies all acts taken by members of the Board and/or agents on behalf of the Board or District relative to purchasing said real estate.

Section 5: SEVERABILITY

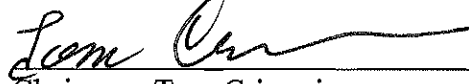
If any section, paragraph, clause, or provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of each section, paragraph, clause, or provision shall in no manner affect any remaining provision of this Resolution.

Section 6: EFFECTIVE DATE OF RESOLUTION

This Resolution shall take effect and be in force and effect from and after its passage and approval.


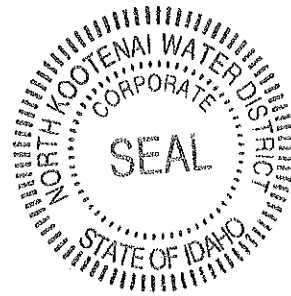
PASSED at a regular meeting of the Board of Directors of the North Kootenai Water District, held on the 5<sup>th</sup> day of April, 2012, upon which a roll call vote was duly taken and duly enacted.

NORTH KOOTENAI WATER DISTRICT



Chairman, Tom Crimmins

ATTEST:

  
Secretary, Alanna Brooks

\*\*\*\*\*

I, the undersigned, Secretary of the North Kootenai Water District, Kootenai County, Idaho hereby certify that the foregoing Resolution is a full, true, and correct copy of a Resolution duly adopted at a regular meeting of the Board of Directors, duly and regularly held at a regular meeting place thereof on April 5, 2012, of which meeting all members of said Board had due notice and at which a majority thereof were present; and that at said meeting said Resolution was adopted by the following vote:

AYES, and in favor thereof, Boardmembers: 5

NAYS, Boardmembers: 0

ABSENT, Boardmembers: 0

ABSTAIN, Boardmembers: 0

I further certify that I have carefully compared the same with the original Resolution on file and of record in my office; that said Resolution is a full, true, and correct copy of the original Resolution adopted at said meeting; and that said Resolution has not been amended, modified, or rescinded since the date of its adoption, and is now in full force and effect.

IN WITNESS WHEREOF, I have set my hand and affixed the official seal of the Board on April 5, 2012.

NORTH KOOTENAI WATER DISTRICT


  
Secretary



EXHIBIT "A"



RE-23 COMMERCIAL/INVESTMENT REAL ESTATE PURCHASE AND SALE AGREEMENT



THIS IS A LEGALLY BINDING CONTRACT, READ THE ENTIRE DOCUMENT, INCLUDING ANY ATTACHMENTS. IF YOU HAVE ANY QUESTIONS, CONSULT YOUR ATTORNEY AND/OR ACCOUNTANT BEFORE SIGNING.

ID# alm31612 DATE March 16, 2012
LISTING AGENCY Select Properties/Associated Brokers Office Phone # 208-209-2711 Fax #
Listing Agent Bill Robinette E-Mail spselect@gmail.com Phone # 208 661 0145
SELLING AGENCY Century 21 Boutler & Associates Office Phone # 208 765 3730 Fax #
Selling Agent Shawn J. McMahon E-Mail ShawnM1031@gmail.com Phone # 208-676-2022

1. BUYER: North Kootenai Water District
(Hereinafter called "BUYER") agrees to purchase, and the undersigned SELLER agrees to sell the following described real estate hereinafter referred to as
PROPERTY COMMONLY KNOWN AS 13649 Meyer Road
Bathrum City Kootenai County, ID, Zip 83858 legally described as: Lots 1 & 2, Block 1, Leo Industrial Park
OR Legal Description Attached as addendum # (Addendum must accompany original offer.)

2. \$ 295,000.00 PURCHASE PRICE: Two Hundred Ninety-Five Thousand and Zero/100 DOLLARS, payable upon the following TERMS AND CONDITIONS (not including closing costs):

3. FINANCIAL TERMS: Note: A+C+D+E must add up to total purchase price.
(A). \$ 10,000.00 EARNEST MONEY: BUYER hereby deposits Ten Thousand and Zero/100 DOLLARS as Earnest Money evidenced by: [ ] cash [X] personal check [ ] cashier's check [ ] note (due date):
[ ] other and a receipt is hereby acknowledged. Earnest Money to be deposited in trust account
[ ] upon receipt, or [ ] upon acceptance by BUYER and SELLER and shall be held by: [ ] Listing Broker [ ] Selling Broker
[X] other Kootenai County Title Company for the benefit of the parties hereto.
THE RESPONSIBLE BROKER SHALL BE: Jane Schippers

(B). ALL CASH OFFER: [ ] NO [X] YES If this is an all cash offer do not complete Sections 3C and 3D, fill blanks with "0" (ZERO). IF CASH OFFER, BUYER'S OBLIGATION TO CLOSE SHALL NOT BE SUBJECT TO ANY FINANCIAL CONTINGENCY. BUYER agrees to provide SELLER within business days (five [5] if left blank) from the date of acceptance of this agreement by all parties, evidence of sufficient funds and/or proceeds necessary to close transaction. Acceptable documentation includes, but is not limited to, a copy of a recent bank or financial statement or contract(s) for the sale of BUYER'S current residence or other property to be sold.

(C). \$ 0.00 NEW LOAN PROCEEDS: This Agreement is contingent upon BUYER obtaining the following financing:
[ ] FIRST LOAN of \$ not including mortgage insurance, through [ ] CONVENTIONAL, [ ] IHFA, [ ] RURAL DEVELOPMENT, [ ] OTHER with interest not to exceed % for a period of year(s) at: [ ] Fixed Rate [ ] Other. In the event BUYER is unable, after exercising good faith efforts, to obtain the indicated financing, BUYER'S Earnest Money may be returned at BUYER'S request. BUYER shall pay no more than point(s) plus origination fee if any. SELLER shall pay no more than point(s). Any reduction in points shall first accrue to the benefit of the [ ] BUYER [ ] SELLER [ ] Divided Equally [ ] N/A.
[ ] SECOND LOAN of \$ with interest not to exceed % for a period of year(s) at: [ ] Fixed Rate [ ] Other. BUYER shall pay no more than point(s) plus origination fee if any. SELLER shall pay no more than point(s). Any reduction in points shall first accrue to the benefit of the [ ] BUYER [ ] SELLER [ ] Divided Equally [ ] N/A.

LOAN APPLICATION: BUYER [ ] has applied [ ] shall apply for such loan(s) within business days (five [5] if left blank) of SELLER'S acceptance. Within business days (ten [10] if left blank) of final acceptance of all parties, BUYER agrees to furnish SELLER with a written confirmation showing lender approval of credit report, income verification, debt ratios, and evidence of sufficient funds and/or proceeds necessary to close transaction in a manner acceptable to the SELLER(S) and subject only to satisfactory appraisal and final lender underwriting. If such written confirmation is not received by SELLER(S) within the strict time allotted, SELLER(S) may at their option cancel this agreement by notifying BUYER(S) in writing of such cancellation within business days (three [3] if left blank) after written confirmation was required. If SELLER does not cancel within the strict time period specified as set forth herein, SELLER shall be deemed to have accepted such written confirmation of lender approval and shall be deemed to have elected to proceed with the transaction, SELLER'S approval shall not be unreasonably withheld. If an appraisal is required by lender, the PROPERTY must appraise at not less than purchase price or BUYER'S Earnest Money may be returned at BUYER'S request. BUYER may also apply for a loan with different conditions and costs and close transaction provided all other terms and conditions of this Agreement are fulfilled, and the new loan does not increase the costs or requirements to the SELLER.

(D). \$ FINANCING:
[ ] Additional financial terms are specified under the heading "OTHER TERMS AND/OR CONDITIONS" (Section 4).
[ ] Additional financial terms are contained in a financing addendum of same date, attached hereto, signed by both parties.

(E). \$285,000.00 APPROXIMATE FUNDS DUE FROM BUYERS AT CLOSING: (Not including closing costs) Cash at closing to be paid by BUYER at closing in GOOD FUNDS, includes: cash, electronic transfer funds, certified check or cashier's check.

4. OTHER TERMS AND/OR CONDITIONS: This Agreement is made subject to the following special terms, considerations and/or contingencies which must be satisfied prior to closing This offer is subject to Buyer's property at 1841 W Hayden Avenue, Hayden, Idaho, closing on or before April 30, 2012. Buyer's property is in escrow and is a cash sale subject to the 3rd party buyer completing their due diligence. North Kootenai Water District would like to close as soon as possible.

BUYER'S Initials (Signature) Date 3/16/12 SELLER'S Initials (Signature) Date 3-17-12

EXHIBIT A

PROPERTY ADDRESS: 13649 Meyer Road Rathdrum ID#: stm31612

5. SECTION 1031 TAX DEFERRED EXCHANGE: By checking either or both of the boxes that follow, it is hereby acknowledged by the parties that the Buyer, Seller intends to use the purchase and sale of the PROPERTY as an integral part of a tax deferred like-kind exchange as allowed under Section 1031 of the Internal Revenue Code (the "Exchange"). For purposes of this paragraph, the party participating in the Exchange shall be identified as the "Exchanger." If either box above is checked, then the parties recognize that a material part of the Exchanger's consideration for entering into the agreement for the purchase and sale of the PROPERTY is the successful completion of the exchange. The parties agree to assist each other in the completion of such exchange by cooperating with each other by signing any and all relevant documents provided that the party not doing the Exchange shall not incur any liabilities, costs, fees, or taxes in excess of those which that party would have incurred had this transaction not been an Exchange.

6. ITEMS INCLUDED & EXCLUDED IN THIS SALE: All existing fixtures and fittings that are attached to the PROPERTY are INCLUDED IN THE PURCHASE PRICE (unless excluded below), and shall be transferred free of liens. These include, but are not limited to, all seller-owned attached floor coverings, attached television antennas, satellite dish, attached plumbing, bathroom and lighting fixtures, window screens, screen doors, storm doors, storm windows, window coverings, garage door opener(s) and transmitter(s), exterior trees, plants or shrubbery, water heating apparatus and fixtures, attached fireplace equipment, awnings, ventilating, cooling and heating systems, all ranges, ovens, built-in dishwashers, fuel tanks and irrigation fixtures and equipment that are now on or used in connection with the PROPERTY and shall be included in the sale unless otherwise provided herein. BUYER should satisfy himself/herself that the condition of the included items is acceptable.

(A). ADDITIONAL ITEMS SPECIFICALLY INCLUDED IN THIS SALE: Speakers in the front entry area, refrigerator and coffeemaker in coffee bar area.

(B). ITEMS SPECIFICALLY EXCLUDED IN THIS SALE: All of Seller's personal property in the shop and office.

7. TITLE CONVEYANCE: Title of SELLER is to be conveyed by [X] warranty deed [ ] special warranty deed or [ ] deed, and is to be marketable and insurable except for rights reserved in federal patents, state or railroad deeds, building or use restrictions, building and zoning regulations and ordinances of any governmental unit, and rights of way and easements established or of record. Liens, encumbrances or defects to be discharged by SELLER may be paid out of purchase money at date of closing. No liens, encumbrances or defects which are to be discharged or assumed by BUYER or to which title is taken subject to, exist unless otherwise specified in this Agreement.

8. TITLE INSURANCE: There may be types of title insurance coverages available other than those listed below and parties to this agreement are advised to talk to a title company about any other coverages available that will give the buyer additional coverage.

(A). PRELIMINARY TITLE COMMITMENT: Prior to closing the transaction, [X] SELLER or [ ] BUYER shall furnish to BUYER a preliminary commitment of a title insurance policy showing the condition of the title to said PROPERTY. BUYER shall have 5 business days (five [5] if left blank) from receipt of the preliminary commitment or not fewer than twenty-four (24) hours prior to closing, within which to object in writing to the condition of the title as set forth in the preliminary commitment. If BUYER does not so object, BUYER shall be deemed to have accepted the conditions of the title. It is agreed that if the title of said PROPERTY is not marketable, or cannot be made so within 5 business days (five [5] if left blank) after notice containing a written statement of defect is delivered to SELLER, BUYER'S Earnest Money deposit will be returned to BUYER and SELLER shall pay for the cost of title insurance cancellation fee, escrow and legal fees, if any.

(B). TITLE COMPANY: The parties agree that Kootenai County Title Company located at 1450 Northwest Boulevard shall provide the title policy and preliminary report of commitment.

(C). STANDARD COVERAGE OWNER'S POLICY: SELLER shall within a reasonable time after closing furnish to BUYER a title insurance policy in the amount of the purchase price of the PROPERTY showing marketable and insurable title subject to the liens, encumbrances and defects elsewhere set out in this Agreement to be discharged or assumed by BUYER unless otherwise provided herein. The risk assumed by the title company in the standard coverage policy is limited to matters of public record. BUYER shall receive a ILTA/ALTA Owner's Policy of Title Insurance. A title company, at BUYER's request, can provide information about the availability, desirability, coverage and cost of various title insurance coverages and endorsements. If BUYER desires title coverage other than that required by this paragraph, BUYER shall instruct closing agency in writing and pay any increase in cost unless otherwise provided herein.

(D). EXTENDED COVERAGE LENDER'S POLICY (Mortgagee policy): The lender may require that BUYER (Borrower) furnish an Extended Coverage Lender's Policy. This extended coverage lender's policy considers matters of public record and additionally insures against certain matters not shown in the public record. This extended coverage lender's policy is solely for the benefit of the lender and only protects the lender.

9. SQUARE FOOTAGE VERIFICATION: BUYER IS AWARE THAT ANY REFERENCE TO THE SQUARE FOOTAGE OF THE REAL PROPERTY OR IMPROVEMENTS IS APPROXIMATE. IF SQUARE FOOTAGE IS MATERIAL TO THE BUYER, IT MUST BE VERIFIED DURING THE INSPECTION PERIOD.

10. COVENANTS, CONDITIONS AND RESTRICTIONS (CC&Rs): As part of the BUYER'S inspection of the PROPERTY as set forth in Section 14, BUYER is responsible for obtaining and reviewing a copy of any CC&Rs which may affect the PROPERTY. BUYER shall have business days (ten [10] if left blank) (but in no event shall such time period exceed that time period set forth for inspections in Section 14) to review and approve of any such CC&Rs that may affect the PROPERTY. Unless BUYER delivers to SELLER a written and signed objection to the terms of any applicable CC&Rs with particularity describing BUYER'S reasonable objections within such time period as set forth above, BUYER shall be deemed to have conclusively waived any objection to the terms of any CC&Rs affecting the PROPERTY.

11. MOLD DISCLAIMER: BUYER is hereby advised that mold and/or other microorganisms may exist at the Property. Upon closing BUYER acknowledges and agrees to accept full responsibility and risk for any matters that may result from mold and/ or other microorganisms and to hold SELLER and any Broker or agent representing SELLER or BUYER harmless from any liability or damages (financial or otherwise) relating to such matters.

BUYER'S Initials [Signature] Date 3/16/12 SELLER'S Initials [Signature] Date 3-17-12

PROPERTY ADDRESS: 13649 Meyer Road Rethrum ID#: str31612

12. MINERAL RIGHTS: Any and all mineral rights appurtenant to the property are included in and are part of the sale of this property unless otherwise agreed to by the parties in writing.

13. WATER RIGHTS: Any and all water rights including but not limited to water systems, wells, springs, lakes, streams, ponds, rivers, ditches, ditch rights, and the like, if any, appurtenant to the property are included in and are a part of the sale of this property unless otherwise agreed to by the parties in writing.

14. INSPECTION/DUE DILIGENCE:

(A). BUYER shall have the right to conduct due diligence inspections, investigations, tests, surveys and other studies at BUYER'S expense unless otherwise indicated below or agreed upon in writing by the parties. BUYER chooses  to have inspection(s)  not to have inspection(s). If BUYER chooses not to have inspection, skip the remainder of this Section 14. BUYER shall, within 20 business days (thirty [30] if left blank) of acceptance, complete these inspections and give to SELLER written notice of disapproved items. BUYER is strongly advised to exercise these rights and to make BUYER's own selection of professionals with appropriate qualifications to conduct inspections of the entire PROPERTY. The closing of this transaction is conditioned upon BUYER's satisfaction or waiver of the following contingencies.

INSPECTION ITEM:		COSTS PAID BY				INSPECTION ITEM:		COSTS PAID BY			
		BUYER	SELLER	SHARED EQUALLY	N/A			BUYER	SELLER	SHARED EQUALLY	N/A
Environmental Inspection (Phase I)		X				Hazardous Waste report(s)					X
Environmental Inspection (Phase II)					X	Other substances hazardous to human health (e.g. mold, radon, asbestos, etc.)					X
Environmental Inspection (Phase III)					X	Review of seller's relevant business documents			X		
Survey			X			Utilities and Zoning Studies		X			
Water Rights					X	Pest, dry rot & structural inspection(s)					X
Flood Zone Hazard					X	Compliance with American With Disabilities Act					X
Soil(s) and Percolation Test(s)					X	Well/Septic					X

14. The following documents and materials shall be provided by the SELLER to the BUYER as part of the BUYER'S inspection/due diligence: Seller to locate property corners.

(B). SATISFACTION/REMOVAL OF INSPECTION DUE DILIGENCE CONTINGENCIES:

1. If BUYER does not within the strict time period specified give to SELLER written notice of disapproved items, BUYER shall conclusively be deemed to have: (a) completed all inspections, investigations, review of applicable documents and disclosures; (b) elected to proceed with the transaction and (c) assumed all liability, responsibility and expense for repairs or corrections other than for items which SELLER has otherwise agreed in writing to repair or correct.

2. If BUYER does within the strict time period specified give to SELLER written notice of disapproved items, BUYER shall provide to SELLER pertinent section(s) of written inspection reports. SELLER shall have 5 business days (five [5] if left blank) in which to respond in writing. SELLER, at their option, may correct the items as specified by BUYERS in their letter or may elect not to do so. If SELLER agrees to correct the items asked for in BUYER'S letter, then both parties agree that they will continue with the transaction and proceed to closing. This will remove BUYER'S inspection contingency.

3. If SELLER elects not to correct the disapproved items, or does not respond in writing within the strict time period specified, then the BUYER(S) have the option of either continuing the transaction without the SELLER being responsible for correcting these deficiencies or giving the SELLER written notice within 5 business days (five [5] if left blank) that they will not continue with the transaction and demand the return of their Earnest Money.

4. If BUYER does not give such written notice of cancellation within the strict time periods specified, BUYER shall conclusively be deemed to have elected to proceed with the transaction without repairs or corrections other than for items with SELLER has otherwise agreed in writing to repair or correct. SELLER shall make the PROPERTY available for all inspections. BUYER shall keep the PROPERTY free and clear of liens; indemnify and hold SELLER harmless from all liability, claims, demands, damages and costs; and repair any damages arising from the inspections. No inspections may be made by any governmental building or zoning inspector or government employee without the prior consent of SELLER unless required by local law.

15. RESIDENTIAL PROPERTY CONDITION DISCLOSURE: Idaho Code § 55-2501 et seq. requires that any person intending to transfer "residential real property" deliver to the transferee or his agent, within ten (10) calendar days of the acceptance of an offer to purchase, a SELLER PROPERTY CONDITION DISCLOSURE FORM. "Residential real property" means real property that is improved by a building or other structure that has one (1) to four (4) dwelling units or an individually owned unit in a structure of any size. This also applies to real property which has a combined residential and commercial use. The property  is  is not subject to the Property Condition Disclosure Act.

16. CONDITION OF PROPERTY AT CLOSING: Upon expiration of the Inspection/Due Diligence period and thereafter, BUYER agrees to purchase the PROPERTY in as-is-condition, where is, with all faults and with no further repairs required unless otherwise agreed upon by the parties in writing. BUYER will assume all obligations with respect to the PROPERTY. SELLER shall maintain the PROPERTY until the closing in its present condition, ordinary wear and tear excepted.

BUYER'S Initials [Signature] Date 3/14/12

SELLER'S Initials [Signature] Date 3-17-12

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PROPERTY ADDRESS: 13649 Meyer Road Rathdrum ID# stm31612

17. LEAD-BASED PAINT DISCLOSURE: Properties that meet the criteria of "target housing" require certain disclosures regarding lead-based paint hazards. The term lead-based paint hazard is intended to identify lead-based paint and all residual lead-containing dusts and soils regardless of the source of the lead. Pursuant to 42 USCA § 4851 et seq., "target housing" means any housing constructed prior to 1978, except housing for the elderly or persons with disabilities (unless any child who is less than six (6) years of age resides or is expected to reside in such housing for the elderly or persons with disabilities) or any zero-bedroom dwelling. A "residential dwelling" means a single-family dwelling, including attached structures such as porches and stoops; or a single-family dwelling unit in a structure that contains more than one (1) separate residential dwelling unit, and in which each such unit is used or occupied, or intended to be used or occupied, in whole or in part, as the home or residence of one (1) or more persons. "Residential real property" means real property on which there is situated one (1) or more residential dwellings used or occupied, or intended to be used or occupied, in whole or in part, as the home or residence of one (1) or more persons.

The subject property [ ] is [X] is not defined as "Target Housing" regarding lead-based paint or lead-based paint hazards. If yes, BUYER hereby acknowledges the following: (a) BUYER has been provided an EPA approved lead-based paint hazard information pamphlet, "Protect Your Family From Lead in Your Home," (b) receipt of the Seller's Disclosure of Information and Acknowledgment Form and have been provided with all records, test reports or other information, if any, related to the presence of lead-based paint hazards on said property, (c) that this contract is contingent upon BUYER'S right to have the property tested for lead-based paint hazards to be completed no later than [ ] or the contingency will terminate, (d) that BUYER hereby [ ] waives [ ] does not waive this right, (e) that if test results show unacceptable amounts of lead-based paint on the property, BUYER has the right to cancel the contract subject to the option of SELLER (to be given in writing) to elect to remove the lead-based paint and correct the problem which must be accomplished before closing, (f) that if the contract is cancelled under this clause, BUYER'S earnest money deposit will be returned to BUYER. Additionally, if any structure was built before 1978 and is a residential home, apartment or child-occupied facility such as a school or day-care center, federal law requires contractors that disturb lead-based paint in that structure to provide the owner with a "Renovate Right" pamphlet. The contractor shall be certified and follow specific work practices to prevent lead contamination.

18. RISK OF LOSS OR NEGLECT: Prior to closing of this sale, all risk of loss shall remain with SELLER. In addition, should the PROPERTY be materially damaged by fire, neglect, or other destructive cause prior to closing, this agreement shall be voidable at the option of BUYER.

19. ADDITIONAL COSTS: The parties agree to pay the following costs as indicated below. None of the costs to be paid by the parties in this section creates an inspection or performance obligation other than strictly for the payment of costs. There may be other costs incurred in addition to those set forth below. Such costs may be required by the lender, by law, or by other such circumstances

Table with columns: COSTS, BUYER, SELLER, SHARED EQUALLY, N/A, COSTS, BUYER, SELLER, SHARED EQUALLY, N/A. Rows include Appraisal fee, Long term Escrow fees, Closing fee, Additional Title ins., Water Rights, Flood certification / tracking fee, Title ins. Standard Coverage owners policy, Lenders Extended Policy, Attorney contract preparation and/or review fee.

20. Upon closing SELLER agrees to pay up to EITHER [ ] % (N/A if left blank) of the purchase price OR \$ [ ] (N/A if left blank) of lender-approved BUYER'S closing costs, lender fees, and prepaid costs which includes but is not limited to those items in BUYER columns marked above.

21. ESCROW/COLLECTION: If a long-term escrow/collection is involved, then the escrow/collection holder shall be [ ] N/A. Each party agrees to pay one-half of escrow/collection fees and escrow setup fees.

22. CLOSING AGENCY: The Closing Agency for this transaction shall be [ ] Kootenai County Title Company located at [ ]

23. CLOSING DATE: On or before the closing date, BUYER and SELLER shall deposit with the Closing Agency all funds and instruments necessary to complete the sale. The closing date shall be no later than [ ] May 15, 2012. "Closing Date" means the date on which all documents are either recorded or accepted by an escrow/collection agency and the sale proceeds are available to SELLER.

24. POSSESSION/PRORATION: BUYER shall be entitled to possession [X] UPON CLOSING or [ ] DATE TIME [ ] AM [ ] PM. Taxes and water assessments (using the last available assessment as a basis), rents, insurance premiums, interest and reserve on liens, encumbrances or obligations assumed, fuel in fuel tank, and utilities shall be prorated as of the day of closing or Any tenant deposits held by SELLER shall be credited to BUYER at closing.

25. "NOT APPLICABLE" DEFINED: The letters "n/a," "N/A," "n.a.," and "N.A." as used herein are abbreviations of the term "not applicable." Where this agreement uses the term "not applicable" or an abbreviation thereof, it shall be evidence that the parties have contemplated certain facts or conditions and have determined that such facts or conditions do not apply to the agreement or transaction herein.

26. TRANSMISSION OF DOCUMENTS: Facsimile or electronic transmission of any signed original document, and retransmission of any signed facsimile or electronic transmission shall be the same as delivery of an original. At the request of either the BUYER or SELLER, or the LENDER, or the Closing Agency, the BUYER and SELLER will confirm facsimile or electronic transmitted signatures by signing an original document.

27. BUSINESS DAYS: A business day is herein defined as Monday through Friday, 8:00 A.M. to 5:00 P.M. in the local time zone where the subject real PROPERTY is physically located. A business day shall not include any Saturday or Sunday, nor shall a business day include any legal holiday recognized by the state of Idaho as found in Idaho Code §73-108. The time in which any act required under this agreement is to be performed shall be computed by

BUYER'S Initials ( [Signature] ) Date [3/16/12] SELLER'S Initials ( [Signature] ) Date [3-17-12]

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PROPERTY ADDRESS: 13649 Meyer Road Bathdrum ID#: stm31612

241 excluding the date of execution and including the last day. The first day shall be the day after the date of execution. If the last day is a legal holiday, then the  
242 time for performance shall be the next subsequent business day.

243  
244 **27. CALENDAR DAYS:** A calendar day is herein defined as Monday through Sunday, midnight to midnight, in the local time zone where the subject real  
245 PROPERTY is physically located. A calendar day shall include any legal holiday. The time in which any act required under this agreement is to be performed  
246 shall be computed by excluding the date of execution and including the last day, thus the first day shall be the day after the date of execution. Any reference  
247 to "day" or "days" in this agreement means the same as calendar day, unless specifically enumerated as a "business day."

248  
249 **28. DEFAULT: IF BUYER defaults** in the performance of this Agreement, SELLER has the option of: (1) accepting the Earnest Money as liquidated  
250 damages or (2) pursuing any other lawful right or remedy to which SELLER may be entitled. If SELLER elects to proceed under (1), SELLER shall make  
251 demand upon the holder of the Earnest Money, upon which demand said holder shall pay from the Earnest Money the costs incurred by SELLER's Broker  
252 on behalf of SELLER and BUYER related to the transaction, including, without limitation, the costs of title insurance, escrow fees, credit report fees,  
253 inspection fees and attorney's fees; and said holder shall pay any balance of the Earnest Money, one-half to SELLER and one-half to SELLER's Broker,  
254 provided that the amount to be paid to SELLER's Broker shall not exceed the Broker's agreed to commission. SELLER and BUYER specifically  
255 acknowledge and agree that if SELLER elects to accept the Earnest Money as liquidated damages, such shall be SELLER's sole and exclusive remedy, and  
256 such shall not be considered a penalty or forfeiture. If SELLER elects to proceed under (2), the holder of the Earnest Money shall be entitled to pay the costs  
257 incurred by SELLER's Broker on behalf of SELLER and BUYER related to the transaction, including, without limitation, the costs of Brokerage fee, title  
258 insurance, escrow fees, credit report fees, inspection fees and attorney's fees, with any balance of the Earnest Money to be held pending resolution of the  
259 matter. **IF SELLER defaults,** having approved said sale and fails to consummate the same as herein agreed, BUYER'S Earnest Money deposit shall be  
260 returned to him/her and SELLER shall pay for the costs of title insurance, escrow fees, credit report fees, inspection fees, Brokerage fees and attorney's  
261 fees, if any. This shall not be considered as a waiver by BUYER of any other lawful right or remedy to which BUYER may be entitled.

262  
263 **29. ATTORNEY'S FEES:** If either party initiates or defends any arbitration or legal action or proceedings which are in any way connected with this  
264 Agreement, the prevailing party shall be entitled to recover from the non-prevailing party reasonable costs and attorney's fees, including such costs and fees  
265 on appeal.

266  
267 **30. EARNEST MONEY DISPUTE / INTERPLEADER:** Notwithstanding any termination of this contract, BUYER and SELLER agree that in the event  
268 of any controversy regarding the Earnest Money and things of value held by Broker or closing agency, unless mutual written instructions are received by the  
269 holder of the Earnest Money and things of value, Broker or closing agency shall not be required to take any action but may await any proceeding, or at  
270 Broker's or closing agency's option and sole discretion, may interplead all parties and deposit any moneys or things of value into a court of competent  
271 jurisdiction and shall recover court costs and reasonable attorney's fees.

272  
273 **31. SEVERABILITY:** In the case that any one or more of the provisions contained in this Agreement, or any application thereof, shall be invalid, illegal or  
274 unenforceable in any respect, the validity, legality or enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

275  
276 **32. COUNTERPARTS:** This Agreement may be executed in counterparts. Executing an agreement in counterparts shall mean the signature of two  
277 identical copies of the same agreement. Each identical copy of an agreement signed in counterparts is deemed to be an original, and all identical copies  
278 shall together constitute one and the same instrument.

279  
280 **33. SALES PRICE INFORMATION:** Pursuant to Idaho Code §54-2083(d), a "sold" price of real property is not confidential client information.

281  
282 **34. REPRESENTATION CONFIRMATION:** Check one (1) box in Section 1 and one (1) box in Section 2 below to confirm that in this transaction, the  
283 brokerage(s) involved had the following relationship(s) with the BUYER(S) and SELLER(S).

284  
285 Section 1:

- 286  A. The brokerage working with the BUYER(S) is acting as an AGENT for the BUYER(S).
- 287  B. The brokerage working with the BUYER(S) is acting as a LIMITED DUAL AGENT for the BUYER(S), without an ASSIGNED AGENT.
- 288  C. The brokerage working with the BUYER(S) is acting as a LIMITED DUAL AGENT for the BUYER(S) and has an ASSIGNED AGENT  
289 acting solely on behalf of the BUYER(S).
- 290  D. The brokerage working with the BUYER(S) is acting as a NONAGENT for the BUYER(S).

291  
292 Section 2:

- 293  A. The brokerage working with the SELLER(S) is acting as an AGENT for the SELLER(S).
- 294  B. The brokerage working with the SELLER(S) is acting as a LIMITED DUAL AGENT for the SELLER(S), without an ASSIGNED AGENT.
- 295  C. The brokerage working with the SELLER(S) is acting as a LIMITED DUAL AGENT for the SELLER(S) and has an ASSIGNED AGENT  
296 acting solely on behalf of the SELLER(S).
- 297  D. The brokerage working with the SELLER(S) is acting as a NONAGENT for the SELLER(S).

298 Each party signing this document confirms that he has received, read and understood the Agency Disclosure Brochure adopted or approved by the Idaho  
299 real estate commission and has consented to the relationship confirmed above. In addition, each party confirms that the brokerage's agency office policy  
300 was made available for inspection and review. EACH PARTY UNDERSTANDS THAT HE IS A "CUSTOMER" AND IS NOT REPRESENTED BY A  
301 BROKERAGE UNLESS THERE IS A SIGNED WRITTEN AGREEMENT FOR AGENCY REPRESENTATION.

302  
303 **35. AUTHORITY OF SIGNATORY:** If BUYER or SELLER is a corporation, partnership, trust, estate, or other entity, the person executing this  
304 agreement on its behalf warrants his or her authority to do so and to bind BUYER or SELLER.

305  
306 **36. ASSIGNMENT:** This Agreement and any rights or interests created herein  may  may not be sold, transferred, or otherwise assigned.

307  
BUYER'S Initials [Signature] Date 3/10/12 SELLER'S Initials [Signature] Date 3-17-12

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PROPERTY ADDRESS: 13649 Meyer Road Bathrum ID#: stm31612

308 37. ENTIRE AGREEMENT: This Agreement, including any Addendums or exhibits, constitutes the entire Agreement between the parties and no
309 warranties, including any warranty of habitability or representations have been made or shall be binding upon either party unless herein set forth.

311 38. TIME IS OF THE ESSENCE IN THIS AGREEMENT.

313 39. ACCEPTANCE: This offer is made subject to the acceptance of SELLER and BUYER on or before (Date) March 20, 2012 at (Local
314 Time in which PROPERTY is located) 4:00 [ ] A.M. [X] P.M. If acceptance of this Agreement is not received within the time specified, the offer is
315 withdrawn and the entire Earnest Money, if any, shall be refunded to BUYER on demand.

317 40. BUYER'S SIGNATURES:

318 SEE ATTACHED BUYER'S ADDENDUM(S): (Specify number of BUYER addendum(s) attached.)

321 BUYER [ ] does [X] does not currently hold an active Idaho real estate license.

322 BUYER Signature [Signature] BUYER (Print Name) MICHAEL R. GALANTE
323 Date 3/16/12 Time 3:15 [ ] A.M. [X] P.M. Phone # 208-772-7619 Cell # 208-661-9827
324 Address Hayden State ID Zip 83835
325 E-Mail Fax # 208-762-0355

333 BUYER [ ] does [ ] does not currently hold an active Idaho real estate license.

335 BUYER Signature \_\_\_\_\_ BUYER (Print Name) \_\_\_\_\_
336 Date \_\_\_\_\_ Time \_\_\_\_\_ [ ] A.M. [ ] P.M. Phone # \_\_\_\_\_ Cell # \_\_\_\_\_
337 Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_
338 E-Mail \_\_\_\_\_ Fax # \_\_\_\_\_

345 41. SELLER'S SIGNATURES: On this date, I/We hereby approve and accept the transaction set forth in the above Agreement and agree to carry out all
346 the terms thereof on the part of the SELLER.

347 [X] SIGNATURE(S) SUBJECT TO ATTACHED COUNTER OFFER
348 [ ] SIGNATURE(S) SUBJECT TO ATTACHED ADDENDUM(S) # \_\_\_\_\_

351 SELLER [ ] does [ ] does not currently hold an active Idaho real estate license.

352 SELLER Signature [Signature] SELLER (Print Name) \_\_\_\_\_
353 Date 3-17-12 Time 9:30 A.M. [ ] P.M. Phone # \_\_\_\_\_ Cell # \_\_\_\_\_
354 Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_
355 E-Mail \_\_\_\_\_ Fax # \_\_\_\_\_

361 CONTRACTOR REGISTRATION # (if applicable) \_\_\_\_\_

365 SELLER [ ] does [ ] does not currently hold an active Idaho real estate license.

367 SELLER Signature \_\_\_\_\_ SELLER (Print Name) \_\_\_\_\_
368 Date \_\_\_\_\_ Time \_\_\_\_\_ [ ] A.M. [ ] P.M. Phone # \_\_\_\_\_ Cell # \_\_\_\_\_
369 Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_
370 E-Mail \_\_\_\_\_ Fax # \_\_\_\_\_

375 CONTRACTOR REGISTRATION # (if applicable) \_\_\_\_\_



**RE-13 COUNTER OFFER # \_\_\_\_\_ (1,2,3 etc.)**  
**THIS COUNTER OFFER SUPERSEDES ALL PRIOR COUNTER OFFERS**



THIS IS A LEGALLY BINDING CONTRACT, READ THE ENTIRE DOCUMENT, INCLUDING ANY ATTACHMENTS.  
 IF YOU HAVE ANY QUESTIONS, CONSULT YOUR ATTORNEY AND/OR ACCOUNTANT BEFORE SIGNING.

1 This is a COUNTER OFFER to the Purchase and Sale Agreement Dated: \_\_\_\_\_  
 2  
 3 ADDRESS: 13649 MEYER RD. ID#: STM 31612  
 4  
 5 BUYER: JACOR INC.  
 6  
 7 SELLER: NORTH KOOTENAI WATER DISTRICT  
 8

9 The parties accept all of the terms and conditions in the above-designated Purchase and Sale Agreement with the following changes:  
 10  This is a SELLER counter offer. The SELLER reserves the right to withdraw this offer or accept any other offers prior to the receipt of a  
 11 true copy of signed acceptance of this Counter Offer within the time frame specified herein.  
 12  This is a BUYER counter offer. The undersigned BUYER reserves the right to withdraw this offer at any time prior to the receipt of a  
 13 true copy of signed acceptance of this Counter Offer within the time frame specified herein.  
 14

15 SALE PRICE TO BE \$335,000. TRANSACTION  
 16 IS SUBJECT TO LENDER COOPERATION RE.  
 17 REGARDING OUTSTANDING INDEBTEDNESS  
 18 & MUST PAY REAL ESTATE TAXES.  
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39 To the extent the terms of this Counter Offer modify or conflict with any provisions of the Purchase and Sale Agreement including all prior  
 40 Addendums, the terms in this Counter Offer shall control. All other terms of the Purchase and Sale Agreement including all prior  
 41 Addendums not modified by this Counter Offer shall remain the same. Buyer and Seller acknowledge the down payment and/or loan  
 42 amount on Page 1 of Purchase & Sale Agreement may change if purchase price is changed as part of this Counter Offer. Upon its  
 43 execution by both parties, this agreement is made an integral part of the aforementioned Agreement.  
 44

45 If a signed acceptance is not delivered on or before (date): 3-20-2012 at 5:00  A.M.  P.M.  
 46 this Counter Offer shall be deemed to have expired.  
 47

48 DELIVERY: Delivery shall be to the agent/broker working with the maker of the Counter Offer in person, by mail, facsimile or electronic  
 49 transmission of any signed original document, and retransmission of any signed original document. Retransmission of any signed facsimile  
 50 or electronic transmission shall be deemed to be the same as delivery of an original.  
 51

52  
 53 SELLER [Signature] Date 3-17-12 Time 9:30  A.M.  P.M.  
 54 SELLER \_\_\_\_\_ Date \_\_\_\_\_ Time \_\_\_\_\_  A.M.  P.M.  
 55 BUYER \_\_\_\_\_ Date \_\_\_\_\_ Time \_\_\_\_\_  A.M.  P.M.  
 56 BUYER \_\_\_\_\_ Date \_\_\_\_\_ Time \_\_\_\_\_  A.M.  P.M.  
 57  
 58  
 59  
 60

DATE: 3-16-12

**AFFILIATED BUSINESS ARRANGEMENT  
DISCLOSURE STATEMENT**

Property Address: 13649 MEYER ROAD, PAHADROM, ID

Century 21 Beutler and Associates

This is to give you notice that the principals of Century 21 Beutler and Associates have a business relationship with Kootenai Title Insurance Company (also known as Kootenai County Title Insurance Company). The principals of Century 21 Beutler and Associates are shareholders of Kootenai Title Insurance Company. Said principals own less than seventy-five percent (75%) of the Company, but more than fifty percent (50%). Because of this relationship, the principals of Century 21 Beutler & Associates may receive a financial or other benefit.

You are **NOT** required to use Kootenai Title Insurance Company (Kootenai County Title Insurance Company) for your transaction. There are other title and escrow providers available with similar services and charges. You are free to shop around to determine that you are receiving the best services and the best rate for these services.

Michael A. Beutler  
Client Signature

3/16/12  
Date

[Signature]  
Client Signature

3-17-12  
Date



**RE-13 COUNTER OFFER # \_\_\_\_\_ (1,2,3 etc.)**  
**THIS COUNTER OFFER SUPERSEDES ALL PRIOR COUNTER OFFERS**



THIS IS A LEGALLY BINDING CONTRACT, READ THE ENTIRE DOCUMENT, INCLUDING ANY ATTACHMENTS.  
 IF YOU HAVE ANY QUESTIONS, CONSULT YOUR ATTORNEY AND/OR ACCOUNTANT BEFORE SIGNING.

1 This is a COUNTER OFFER to the Purchase and Sale Agreement Dated: \_\_\_\_\_

2  
3 ADDRESS: \_\_\_\_\_ ID#: \_\_\_\_\_

4  
5 BUYER: \_\_\_\_\_

6  
7 SELLER: \_\_\_\_\_

8  
9 The parties accept all of the terms and conditions in the above-designated Purchase and Sale Agreement with the following changes:  
 10  This is a SELLER counter offer. The SELLER reserves the right to withdraw this offer or accept any other offers prior to the receipt of a  
 11 true copy of signed acceptance of this Counter Offer within the time frame specified herein.  
 12  This is a BUYER counter offer. The undersigned BUYER reserves the right to withdraw this offer at any time prior to the receipt of a  
 13 true copy of signed acceptance of this Counter Offer within the time frame specified herein.

14 \_\_\_\_\_  
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 38 \_\_\_\_\_

39 To the extent the terms of this Counter Offer modify or conflict with any provisions of the Purchase and Sale Agreement including all prior  
 40 Addendums, the terms in this Counter Offer shall control. All other terms of the Purchase and Sale Agreement including all prior  
 41 Addendums not modified by this Counter Offer shall remain the same. Buyer and Seller acknowledge the down payment and/or loan  
 42 amount on Page 1 of Purchase & Sale Agreement may change if purchase price is changed as part of this Counter Offer. Upon its  
 43 execution by both parties, this agreement is made an integral part of the aforementioned Agreement.

44  
45 If a signed acceptance is not delivered on or before (date): \_\_\_\_\_ at \_\_\_\_\_  A.M.  P.M.  
 46 this Counter Offer shall be deemed to have expired.

47  
48 DELIVERY: Delivery shall be to the agent/broker working with the maker of the Counter Offer in person, by mail, facsimile or electronic  
 49 transmission of any signed original document, and retransmission of any signed original document. Retransmission of any signed facsimile  
 50 or electronic transmission shall be deemed to be the same as delivery of an original.

51  
52  
53 SELLER \_\_\_\_\_ Date \_\_\_\_\_ Time \_\_\_\_\_  A.M.  P.M.

54 SELLER \_\_\_\_\_ Date \_\_\_\_\_ Time \_\_\_\_\_  A.M.  P.M.

55 BUYER \_\_\_\_\_ Date \_\_\_\_\_ Time \_\_\_\_\_  A.M.  P.M.

56 BUYER \_\_\_\_\_ Date \_\_\_\_\_ Time \_\_\_\_\_  A.M.  P.M.