



Pacific Power | Utah Power  
Rocky Mountain Power  
825 NE Multnomah  
Portland, Oregon 97232

May 14, 2009

***VIA ELECTRONIC FILING  
AND OVERNIGHT DELIVERY***

Oregon Public Utility Commission  
550 Capitol Street NE, Ste 215  
Salem, OR 97301-2551

Attention: Filing Center

**RE: Docket UP-\_\_\_\_  
Application of PacifiCorp Requesting Approval of the Sale of the Sportsman Park  
Property**

Enclosed for filing by PacifiCorp dba, Pacific Power ("PacifiCorp") is PacifiCorp's Application Requesting Approval of the Sale of the Sportsman Park Property. An original and one copy will be provided via overnight delivery.

PacifiCorp is filing this Application based on the recommendation of Commission Staff in its Audit No. 2008-002 ("Audit Report").


PacifiCorp respectfully requests that all formal correspondence and data requests regarding this matter be addressed to:

By E-mail (preferred): [datarequest@pacificorp.com](mailto:datarequest@pacificorp.com).

By regular mail: Data Request Response Center  
PacifiCorp  
825 NE Multnomah, Suite 2000  
Portland, OR 97232

Please direct informal questions with respect to this filing to Joelle Steward at 503-813-5542.

Very truly yours,

  
Andrea L. Kelly  
Vice President, Regulation

Enclosures

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

UP \_\_\_\_\_

In the Matter of the Application of  
PACIFICORP Requesting Approval of the  
Sale of the Sportsman Park Property

APPLICATION OF PACIFICORP AND  
WAIVER OF PAPER SERVICE

1           Pursuant to ORS 757.480(1)(a) and OAR 860-027-0025, PacifiCorp, d.b.a.  
2 Pacific Power (“Company”), seeks approval from the Public Utility Commission of  
3 Oregon (“Commission”) for the sale of certain Company property, the Sportsman Park  
4 Property, no longer useful or necessary for providing utility service to the public.  
5 Additionally, pursuant to OAR 860-013-0070(4), the Company respectfully waives paper  
6 service in this docket.

7 **I.     Background**

8           The Company owned the Sportsman Park Property located in Klamath Falls,  
9 Oregon, which consisted of three parcels containing approximately 346 acres. The  
10 Company seeks approval for the sale of these parcels to the Klamath Sportsman Park  
11 Association. Included with this Application as Attachment A is a copy of the Agreement  
12 for Sale and Purchase of Real Property. The sale took place on November 30, 2007.

13           The Company files this Application in response to the Commission Staff Audit  
14 Report No. 2008-002, dated March 11, 2009. The Company did not previously file for  
15 approval of this sale because at the time of sale, the Company had classified the  
16 Sportsman Park Property as “non-utility,” as the Sportsman Park Property was no longer  
17 needed for utility purposes and was no longer necessary and useful in the performance of  
18 the Company’s duties to the public.

1           The Sportsman Park Property was originally purchased for the J.C. Boyle Hydro  
2 Plant dam and reservoir and was subsequently deemed unnecessary for the project by the  
3 Company’s hydro relicensing team. The Company entered into a lease agreement with  
4 Klamath Sportsman’s Park Association (“Association”) in 1990 to allow local sportsmen  
5 to use the Sportsman Park Property for outdoor sporting activities and for the  
6 Association’s permanent facility for the association activities and meetings. The  
7 Company was subsequently approached by the Association to donate the Sportsman Park  
8 Property to the Association. The Company and the Association eventually agreed upon a  
9 sale to the Association through a letter of intent dated May 2005, which provided the  
10 Association the opportunity to purchase the Sportsman Park Property within eighteen  
11 months of the date of the letter of intent, for the 2005 appraised price of \$750,000. This  
12 allowed the Association time to raise the funding for the purchase. The purchase was  
13 finalized in November 2007. The total compensation for the Sportsman Park Property  
14 was \$748,648.79. Oregon’s allocated share of the gain on the sale is \$201,964.85. Since  
15 the Sportsman Park Property was utility property for the majority of the Company’s  
16 ownership, the Oregon allocated share of the gain is currently being passed through to  
17 customers in Schedule 96, the property sales balancing account adjustment.

18 **II. Compliance with OAR 860-027-0025(1) Filing Requirements**

19 **A. Exact Name and Address of Principal Business Office**

20 The Company’s exact name and address of its principal business office are:

21           PacifiCorp  
22           825 NE Multnomah Street  
23           Portland, OR 97232

24 **B. State in which incorporated; date of incorporation; other states in**  
25 **which authorized to transact utility business**

1 PacifiCorp is a corporation organized and existing under and by the laws of the  
2 State of Oregon. PacifiCorp's date of incorporation is August 11, 1987. PacifiCorp is  
3 authorized to provide retail electric service in Oregon, California, Washington, Idaho,  
4 Wyoming and Utah.

5 **C. Communications and notices**

6 All notices and communications with respect to this Application should be  
7 addressed to:

PacifiCorp Oregon Dockets  
825 NE Multnomah, Ste 2000  
Portland, OR 97232  
OregonDockets@pacificorp.com

Michelle Mishoe  
Legal Counsel  
PacifiCorp  
825 NE Multnomah, Ste 1800  
Portland, OR 97232  
Telephone: 503.813.5977  
Facsimile: 503.813.7252  
Email: [michelle.mishoe@pacificorp.com](mailto:michelle.mishoe@pacificorp.com)

8 In addition, PacifiCorp respectfully requests that all data requests regarding this  
9 matter be addressed to:

10 By e-mail (**preferred**) datarequest@pacificorp.com

11 By regular mail Data Request Response Center  
12 PacifiCorp  
13 825 NE Multnomah, Suite 2000  
14 Portland, OR 97232

15 Informal inquires may also be directed to Joelle Steward, Regulatory Affairs  
16 Manager, at (503) 813-5542.

17 **D. Principal officers**

<u>Name</u>	<u>Title</u>
Gregory E. Abel	Chairman of Board & Chief Executive Officer
A. Robert Lasich	President, PacifiCorp Energy
A. Richard Walje	President, Rocky Mountain Power

R. Patrick Reiten	President, Pacific Power
Mark C. Moench	Senior Vice President & General Counsel, PacifiCorp, Rocky Mountain Power
Douglas K. Stuver	Senior Vice President & Chief Financial Officer
Bruce N. Williams	Vice President, Treasurer
Natalie L. Hocken	Vice President & General Counsel

1           **E.       Description of business; designation of territories served**

2           The Company engages in the generation, purchase, transmission, distribution and  
3           sale of electric energy in Benton, Clackamas, Clatsop, Coos, Crook, Deschutes, Douglas,  
4           Gilliam, Hood River, Jackson, Jefferson, Josephine, Klamath, Lake, Lane, Lincoln, Linn,  
5           Marion, Morrow, Multnomah, Polk, Sherman, Tillamook, Umatilla, Wallowa, Wasco,  
6           and Washington Counties in Oregon. PacifiCorp also engages in the generation,  
7           purchase, transmission, distribution and sale of electric energy in the states of  
8           Washington, California, Idaho, Wyoming and Utah.

9           **F.       Statement showing for each class and series of capital stock: brief  
10           description; amount authorized; amount outstanding; amount held as  
11           required securities; amount pledged; amount owned by affiliated  
12           interests; amount held in any fund**

13           Not applicable. See request for waiver in Section IV below.

14           **G.       Statement showing for each class and series of long-term debt and  
15           notes: brief description of amount authorized; amount outstanding;  
16           amount held as required securities; amount pledged; amount held by  
17           affiliated interests; amount in sinking and other funds**

18           Not applicable. See request for waiver in Section IV below.

19           **H.       Purpose of application; description of consideration and method of  
20           arriving at amount thereof**

21           The Company seeks approval of the sale of approximately 346.4 acres of property  
22           to the Association. To arrive at the valuation for the Sportsman Park Property, the

1 Company relied upon an appraisal prepared by Real Property Consultants, a copy of  
2 which is included with this Application as Attachment B.

3 **I. Statement of facilities to be disposed of; description of present use and**  
4 **proposed use; inclusion of all operating facilities of parties to the**  
5 **transaction**

6 The Sportsman Park Property was not necessary or useful for utility purposes.  
7 Prior to the sale, the Sportsman Park Property was under a lease agreement with the  
8 Association for use by local sportsmen for outdoor sporting activities and for its  
9 permanent facility for the association activities and meetings, beginning in 1990 until the  
10 time it was sold. The Sportsman Park Property was originally in FERC account 33010  
11 Fee Land – Hydro until its transfer to FERC account 121010, non-utility, in January  
12 2006. The Sportsman Park Property had been deemed neither necessary nor useful for  
13 utility purposes. To the best of the Company’s knowledge, the Sportsman Park Property’s  
14 current use under its new ownership is for purposes similar to those during the lease  
15 agreement with the Company.

16 **J. Statement by primary account of cost of the facilities and applicable**  
17 **depreciation reserve**

18 Please refer to Attachment C, which is an Excel spreadsheet containing the  
19 necessary information demonstrating the cost of the facilities by primary account.

20 **K. Required filings with other state or federal regulatory bodies**

21 The Company was not required to make any filings regarding the sale of the  
22 Sportsman Park Property with any other regulatory bodies because the value of the  
23 transaction did not meet the threshold dollar amounts for filing in other jurisdictions.

24 **L. Facts relied upon by applicant to show transaction is within the public**  
25 **interest**

1           ORS 757.480 requires Commission approval for sales of property necessary and  
2 useful in the performance of public service with a value in excess of \$100,000. See ORS  
3 757.480(1)(a). OAR 860-027-0025(1)(I) requires that the utility show that such a  
4 proposed sale is “consistent with the public interest.” The Commission has previously  
5 held that this standard requires a “no harm” showing.<sup>1</sup>

6           The sale of the Sportsman Park Property is consistent with the public interest  
7 because there was no impact to the Company’s customers, as the Sportsman Park  
8 Property was no longer considered necessary or useful for utility purposes.

9           **M.   Reasons relied upon for entering into the proposed transaction;**  
10           **benefits to customers**

11           Please refer to section I. and L. above.

12           **N.   Amount of stock, bonds, or other securities, now owned, held or**  
13           **controlled by applicant, of the utility from which stock or bonds are**  
14           **proposed to be acquired**

15           Not applicable. See request for waiver in Section IV below.

16           **O.   Statement of franchises held; date of expiration; facilities of**  
17           **transferees**

18           Not applicable. See request for waiver in Section IV below.

19           **III.   Compliance with OAR 860-027-0025(2) Filing Requirements**

20           **A.   Exhibit A. Articles of Incorporation**

21           Not applicable. See request for waiver in Section IV below.

22           **B.   Exhibit B. Bylaws**

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<sup>1</sup> See, e.g., *In the Matter of a Legal Standard for Approval of Mergers*, Docket UM 1011, Order No. 01-778 (Sept. 4, 2001) (“The remainder of the statutory scheme, those statutes governing transfer, sale, affiliated interest transactions, and contracts, either expresses no standard (for instance, ORS 757.480, .485) and has been read to require a no harm standard, or contains a ‘not contrary to the public interest’ standard (ORS 757.490, .495.)”) (emphasis added); *In the Matter of the Application of PacifiCorp*, Docket UP 168, Order No. 00-112, at 6 (Feb. 29, 2000) (regarding the sale of the Centralia generating plant); *In the Matter of Portland General Electric*, Docket UP 158, Order No. 00-111, at 2 (Feb. 29, 2000) (regarding the sale of the Colstrip generating units); *In the Matter of the Application of Portland General Electric*, Docket UP 165/UP 170, Order No. 99-730, at 7(Nov. 29, 1999) (regarding the sale of the Centralia generating plant).

1 Not applicable. See request for waiver in Section IV below.

2 **C. Exhibit C. Resolution of directors authorizing transaction**

3 This transaction did not require approval from the Company's board of directors.

4 See request for waiver in Section IV below.

5 **D. Exhibit D. Mortgages, trust, deeds or indentures securing obligation**  
6 **of each party**

7 There are no such documents associated with this transaction. See request for  
8 waiver in Section IV below.

9 **E. Exhibit E. Balance sheet showing booked amounts, adjustments to**  
10 **record the proposed transaction and pro forma, with supporting fixed**  
11 **capital or plant schedules in conformity with the forms in the annual**  
12 **report**

13 The sale of the Sportsman Park Property did not materially affect the Company's  
14 balance sheet. See request for waiver in Section IV below.

15 **F. Exhibit F. Known contingent liabilities**

16 There are no known contingent liabilities associated with this transaction.

17 **G. Exhibit G. Comparative income statements showing recorded results**  
18 **of operations, adjustments to record the proposed transaction and pro**  
19 **forma, in conformity with the form in the annual report**

20 The sale of the Sportsman Park property did not materially affect the Company's  
21 income statements. See request for waiver in Section IV below.

22 **H. Exhibit H. Analysis of surplus for the period covered by income**  
23 **statements referred to in G**

24 The sale of the Sportsman Park property did not materially affect the Company's  
25 income statements. See request for waiver in Section IV below.

26 **I. Exhibit I. Copy of contract for transaction and other written**  
27 **instruments**



1 Included with this Application as Attachment A is a copy of the Agreement for  
2 Sale and Purchase of Real Property.

3 **J. Exhibit J. Copy of each proposed journal entry to be used to record**  
4 **the transaction**

5 Please refer to Attachment C.

6 **K. Exhibit K. Copy of each supporting schedule showing the benefits, if**  
7 **any, which each applicant relies upon to support the facts required by**  
8 **(1)(l) of this rule and reasons as required by (1)(m).**

9 The Company relies upon this Application and attached documentation to  
10 provide support for OAR 860-027-0025(1)(l) and (1)(m).

11 **IV. Request for Waiver of certain filing requirements**

12 Oregon Administrative Rules 860-027-0025(1) and (2) require certain information  
13 and exhibits be provided when filing an application for authority to transfer property.

14 The Company either provides the required information as noted above, or seeks the  
15 Commission's waiver of the requirements as follows:

16 (a) The information required in OAR 860-027-0025(1)(a)-(e), (h)-(m) is  
17 provided in the Application above. Because this transaction does not involve the  
18 acquisition or sale of financial instruments, the Company respectfully requests waiver of  
19 the requirements of OAR 860-027-0025(1)(f), (g), (n) and (o). A grant of this waiver will  
20 not impede the Commission's analysis of this Application.

21 (b) OAR 860-027-0025(2)(a) & (b) require submittal of a copy of the  
22 Company's articles of incorporation and bylaws. The Company respectfully requests a  
23 waiver of these filing requirements on the grounds that production of these documents  
24 would not advance the Commission's analysis of this application because the subject

1 transaction involves the sale of non-utility property and does not affect the Company's  
2 corporate structure or governance.

3 (c) OAR 860-027-0025(2)(c) requires submittal of a copy of the board of  
4 director's resolution authorizing the transaction. PacifiCorp respectfully requests a waiver  
5 of this requirement, as no board resolution was necessary for approval of this transaction.

6 (d) OAR 860-027-0025 (2)(d) requires submittal of the security documents  
7 for financing the obligations of the parties to this transaction. The Company respectfully  
8 requests a waiver of this provision, as no security documents were required.

9 (e) OAR 860-027-0025(2)(e) requires submittal of balance sheets showing  
10 booked amounts, adjustments to record the proposed transaction and pro forma  
11 information. The Company respectfully requests that the requirement to provide pro  
12 forma information be waived because the subject transaction did not expected to  
13 materially affect the Company's financial statements.

14 (f) OAR 860-027-0025(2)(f) requires submittal of a statement of all known  
15 contingent liabilities as of the date of the Application. The Company respectfully  
16 requests a waiver of this requirement, as the Company is unaware of any contingent  
17 liabilities that remain outstanding as of the date of this Application.

18 (g) OAR 860-027-0025(2)(g) & (h) require submittal of comparative income  
19 statements showing the results of operations as affected by the transaction and an analysis  
20 of "surplus" for the period of the income statements, respectively. For the reasons set  
21 forth in Section IV(e) above, the Company respectfully requests a waiver of these  
22 requirements.

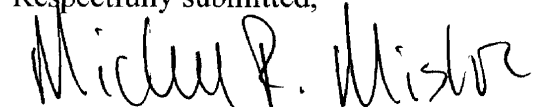
1 (h) OAR 860-027-0025(2)(k) requires submittal of schedules upon which the  
2 applicant relies for the contention that the transaction is in the public interest. The  
3 Company relies upon the statements made in this application and respectfully requests a  
4 waiver of this filing requirement.

5 **V. Request for Approval**

6 PacifiCorp respectfully requests a Commission order finding that sale of the  
7 Sportsman Park property located in Klamath Falls, Oregon will not harm PacifiCorp's  
8 customers and is consistent with the public interest;

DATED this 14th day of May, 2009.

Respectfully submitted,



Michelle R. Mishoe, # 07242  
Legal Counsel  
Pacific Power

**ATTACHMENT A**  
**SPORTSMAN PARK PURCHASE AND SALE AGREEMENT**



**Real Estate Management Department  
Sales & Purchase Transmittal Form (SPTF)**  
Revised 6/3/08 Robin Moore

<input type="checkbox"/> <b>ACQUISITION OF PROPERTY</b> Order/WBS Element _____ Land & Bldg. Y/N _____	<input type="checkbox"/> <b>EASEMENT SALE</b> Sale Price <u>\$750,000.00</u>	<input checked="" type="checkbox"/> <b>DISPOSITION OF PROPERTY</b> Partial Sale Y/N <u>NO</u> Land & Bldg. Y/N _____
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DATE: 11/20/07

AGENT: Dennis Harper

PROPERTY NAME: Sportsman Park

YARDI PARCEL #s: ORKL-0510A-B

ACREAGE: 346 acres

FERC ACCOUNT: \_\_\_\_\_

TAX ASSESSOR ID# 3907-02900/00500, 00600, 00100, 00200

All original documents are to be retained in the property file. Electronic copies should be attached in the order listed below and sent with the SPTF form to the distribution list.

1. Copy of Closing Statement: Dated 11/30/07 from AmeriTitle Title Company, File # MT81063-MS
2. Copy of agreement of conveyance. Please specify: PSA & Closing Doc's

Grantor: PacifiCorp

Grantee: Klamath County

Is the counterparty to PacifiCorp an Affiliated Interest/Related Party? Y/N: NO  
If yes, notify Office of General Counsel representative and attach copy of e-mail.

3. Copy of legal description (include acreage)? Y/N: YES
4. Copy of survey or site map? Y/N: YES
5. If partial sale or easement sale\*, copy of legal description (include acreage) of remainder and FMV calculation? Y/NA: NA \*Not required for easement sale less than \$10K.
6. If land and building purchase or sale, description of value assignment to each? Y/NA: NA
7. If retained right, description of right and retained value calculation? Y/NA: NA
8. If purchase of property, copy of environmental assessment? Y/NA: NA

Do you have any indication of potential environmental liabilities? Y/N: NO  
If yes, notify CBS Finance representative and attach copy of e-mail.

9. If purchase of property, copy of ER? Y/NA: NA
10. Include any attachments, descriptions, or detail to assist package recipients. Examples would be options paid, note receivable, transaction contingencies, etc: Additional information? Y/N: YES Explain: Exchange documents and appraisal summary. (Large appraisal analysis book in file)

I attest to the accuracy and timeliness of this transaction.



Manager, Transaction Services

Laura Harper for Dennis Harper

Date: 12-16-08

**AGREEMENT FOR SALE AND PURCHASE  
OF REAL PROPERTY**

This Agreement for Sale and Purchase of Real Estate (this "Agreement") is entered into as of the 20th day of November 2007, by and between PacifiCorp, an Oregon corporation, ("Seller") and Klamath County, or assigns ("Buyer").

**RECITALS**

A. Seller owns that real property totaling approximately 346 acres located in the County of Klamath, State of Oregon comprised of the following tax lots: :

<b>Tax Account No.</b>	<b>Key No.</b>
3907-02900-00500-000	486076
3907-02900-00600-000	486094
3907-03200-00100-000	486281
3907-03200-00200-000	486254

B. Subject to the terms and conditions herein, Buyer desires to purchase and Seller desires to convey to Buyer the real property described in Recital A together with all improvements, appurtenances, rights, privileges and easements belonging thereto (collectively referred to herein as the "Property") as more particularly shown on Exhibit A which attached hereto and incorporated herein by reference.

NOW, THEREFORE, Buyer and Seller agree as follows:

**ARTICLE I**

**AGREEMENT TO PURCHASE AND SELL; PURCHASE PRICE**

1.1 Purchase and Sale. Subject to the terms and conditions set forth in this Agreement, Seller agrees to convey to Buyer, and Buyer agrees to purchase and take from Seller, all right, title and interest in and to the Property.

1.2 Purchase Price. The purchase price for the Property shall be Seven Hundred Fifty Thousand and no/100 Dollars (\$750,000.00) (the "Purchase Price").

1.3 Payment of Purchase Price. Buyer shall pay the Purchase Price to Seller as follows:

- (a) Upon execution of this Agreement by Buyer, Buyer shall pay an earnest money deposit of Five Thousand and no/100 Dollars (\$5,000.00) (the "Earnest Money Deposit"), delivered to Amerititle, located at 1501 East McAndrews Rd., Medford, Oregon 97501, phone (541)779-7660 (the "Title Company"), to be held in a trust account and credited toward the Purchase

Price on the Closing Date (hereinafter defined). The Earnest Money Deposit shall be non-refundable except as specifically stated herein.

- (b) Buyer shall pay the balance of the Purchase Price by immediately available funds on the Closing Date, adjusted for prorations on the Closing Date as provided herein.

## ARTICLE II TITLE INSURANCE

2.1 Commitment of Title Insurance. Within ten (10) days after full execution of this Agreement, Seller shall deliver to Buyer a commitment for title insurance covering the Property (the "Commitment"), issued by the Title Company and dated on or after the date of this Agreement.

2.2 Objections to Title. Buyer shall have ten (10) days following receipt of the Commitment to provide any written objections to any matter set forth in Schedule B of the Commitment. If Buyer does not timely deliver written notice of objection to Seller, Buyer shall be deemed to have approved of all matters set forth in the Commitment. Matters to which Buyer does not object shall be deemed "Permitted Exceptions" and shall not be considered objections to any matter contained in the Commitment.

2.3 Delivery of Title Insurance. Except as otherwise stated in Section 2.1, Seller shall obtain and deliver to Buyer within ten (10) days after the Closing Date an ALTA Standard Owner's Policy of title insurance in the amount of the Purchase Price, effective as of the Closing Date and containing no exceptions other than the Permitted Exceptions. Buyer, at its sole cost and expense, shall have the right to obtain such additional title coverage and endorsements as Buyer deems necessary.

## ARTICLE III REPRESENTATIONS AND WARRANTIES

3.1 Representations and Warranties of Seller. Seller makes the following representations and warranties to Buyer, as of the date of this Agreement and as of the Closing Date, each of which representations and warranties shall extend beyond the Closing Date and delivery of the Special Warranty Deed.

(a) Seller is the owner of fee title to the Property, subject to the Permitted Exceptions.

(b) Seller has the right, power and authority to execute, deliver, and perform this Agreement.



(c) Seller has not received any notices, demands or deficiency statements from any mortgagee of the Property or from any state, municipal or county government or agency or any insurer relating to the Property and which have not been cured or remedied except property valuation and tax notices issued by Klamath County.

(d) Except as otherwise expressly disclosed in the Commitment, the Property is not subject to any special assessment or to any existing special assessment lien arising as a result of any works or improvements completed, installed or contemplated at or before the Closing Date.

(e) No contracts, leases, or licenses, to which Seller is a party in its capacity as owner exist directly relating to the Property.

(f) At the signing of this Agreement, the Seller represents itself and the Buyer represents itself. No other person, broker or entity, whether or not affiliated with Seller, is entitled to a commission, finder's fee or other compensation arising from this Agreement, as regarding Seller. Seller shall indemnify defend and hold Buyer harmless from and against any and all claims, loss or damage relating to or arising out of any claim for compensation by any broker, person or entity claiming by or through Seller.

3.2 Representations and Warranties of Buyer. Buyer makes the following representations and warranties to Seller, as of the date of this Agreement and as of the Closing Date, each of which representations and warranties shall survive the Closing and delivery of the Special Warranty Deed.

(a) Buyer has the right, power and authority to execute, deliver and perform this Agreement.

(b) At the signing of this Agreement, the Seller represents itself and the Buyer represents itself. No other person, broker or entity, whether or not affiliated with Buyer, is entitled to a commission, finder's fee or other compensation arising from this Agreement as regarding Buyer. Buyer shall indemnify, defend and hold Seller harmless from and against any and all claims, loss or damage relating to or arising out of any claim for compensation by any broker, person or entity claiming by or through Buyer.

#### ARTICLE IV USE OF PROPERTY/BUYER'S CONTINGENCY

4.1 Seller's Use of the Property Prior to Closing Date. From and after Seller's execution of this Agreement and except in the ordinary course of administering its general mortgage, Seller shall not grant or convey any easement, lease, license, permit or any other legal or beneficial interest in or to the Property or engage in any contract with any party other than Buyer regarding the purchase or sale of the Property, without the prior written consent of

Buyer. Further, except as otherwise provided for herein, Seller agrees to pay, as and when the same are due, all payments on any encumbrances presently affecting the Property and any and all taxes, assessments and levies in respect of the Property through the Closing Date.

4.2 Buyer's Inspection. Buyer shall have until November 22, 2007 to inspect the Property ("Due Diligence Period"). Seller shall provide Buyer, within ten (10) days of full execution of this Agreement, a "Property Condition Disclosure" and copies of any and all engineering and environmental reports or studies in Seller's possession or that are reasonably attainable by the Seller. Buyer or its employees or agents may enter the Property upon twenty-four (24) hours written notice to Seller to inspect the Property and perform surveys or tests as Buyer may elect at its expense; provided, however, that such entry shall not unreasonably interfere with the activities of Seller on the Property and Buyer shall, within a reasonable period of time, restore the Property to its original condition immediately prior to entry. At the end of the Due Diligence Period, Buyer shall have the right to terminate this Agreement in the event Buyer, in its sole discretion, is not satisfied with the condition of the Property and the Title Company shall return the Earnest Money to the Buyer. In the event Buyer elects to proceed with this transaction, Buyer shall remove all contingencies. Buyer hereby agrees to indemnify, save and hold harmless Seller, its representatives, agents, employees and directors from any loss, liability, damage, cost, claim or cause of action they may incur arising out of or relating to Buyer's entry into and activities upon the Property during the Due Diligence Period.

## ARTICLE V CLOSING

5.1 Time and Place of Closing. The purchase and sale transaction contemplated by this Agreement shall be consummated through a closing conference (the "Closing") which shall be held at the Title Company on November 30, 2007 or at such earlier time and place as the parties may mutually agree in writing (the "Closing Date").

5.2 Actions at Closing. At the Closing, the following events shall occur and each being declared to have occurred simultaneously with the other:

(a) All documents to be recorded and funds to be delivered hereunder shall be delivered to the Title Company in escrow, to hold, deliver, record and disburse in accordance with supplemental escrow instructions, the form and content of which shall be agreed to by the parties prior to Closing.

(b) At the Closing or sooner as otherwise stated in the escrow instructions, the following shall occur:

(i) Seller shall deliver or cause to be delivered in accordance with the escrow instructions:

(1) A Special Warranty Deed conveying the Property to Buyer, duly executed and acknowledged by Seller and in proper form generally for recording in Klamath County; and

(2) All other documents required to be executed by Seller pursuant to the terms of this Agreement.

(ii) Buyer shall deliver or cause to be delivered in accordance with the escrow instructions:

(1) The balance of the Purchase Price, if any, to be paid as provided in Section 1.3(b) hereof; and

(2) All other documents required to be executed by Buyer pursuant to the terms of this Agreement.

(c) Buyer and Seller shall each deliver to the other two (2) executed copies of such party's Statement of Settlement setting forth all prorations, credits provided in this Agreement, disbursements of the Purchase Price, and expenses of the Closing.

(d) Buyer and Seller shall share equally any escrow charges of the Title Company.

## ARTICLE VI REMEDIES

6.1 Seller's Default. If Seller fails or refuses to perform its obligations under this Agreement, and such failure or refusal is not cured within ten (10) business days after Seller's receipt of written notice of such failure from Buyer, Title Company shall immediately refund to Buyer the Earnest Money Deposit.

6.2 Buyer's Default. If Buyer fails or refuses to perform its obligations under this Agreement, and such failure or refusal is not cured within ten (10) business days after Buyer's receipt of notice of such failure from Seller, Seller may elect to terminate this Agreement and pursue any legal or equitable right or remedy that Seller may have against Buyer as a result of Buyer's default.

## ARTICLE VII PRORATIONS

7.1 Prorations Between Seller and Buyer. The following prorations shall be made between Seller and Buyer as of the Closing Date:

(a) Real property taxes and assessments on the Property for the year of Closing shall be prorated between Seller and Buyer based on the number of days each

owned the Property. In the event the Property constitutes some portion of a larger tract of land, such proration shall be based upon the average of the Property as a percentage of the acreage of the entire tract. If, as of the Closing Date, the actual tax bills for the year or years in question are not available and the amount of taxes to be prorated cannot be ascertained, then the most recent known rates, millages and assessed valuations (which amounts shall relate to the same tax year) shall be used, and such proration shall be repeated when the final tax bill is available and either Buyer and Seller, as the case may be, shall promptly pay to the other the net amount owing as a result of such redetermination.

(b) Customary escrow charges, not otherwise specified herein, shall be split equally between Buyer and Seller.

#### ARTICLE VIII MISCELLANEOUS

8.1 Entire Agreement. This Agreement contains the entire agreement between the parties respecting the matters herein set forth and supersedes all prior agreements, whether written or oral, between the parties respecting such matters. Any amendments or modifications hereto, in order to be effective, shall be in writing and executed by the parties hereto.

8.2 Amendments. This Agreement may be amended or modified only by mutual written agreement.

8.3 Survival. All warranties, representations, covenants and agreements contained in this Agreement shall survive the execution and delivery of this Agreement and all documents delivered in connection with this Agreement, and shall survive the Closing of the transactions contemplated by this Agreement and all performances in accordance with this Agreement.

8.4 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, heirs, administrators, and assigns; provided, however, that notwithstanding the foregoing, neither party's interest under this Agreement may be assigned, encumbered, or otherwise transferred, whether voluntarily, involuntarily, by operation of law or otherwise.

8.5 Notices. Any notice, demand or document which any party is required or any party desires to give or deliver to or make upon any other party shall be in writing, and may be personally delivered or given or made by recognized overnight courier service or by United States registered or certified mail, return receipt requested, with postage prepaid, addressed as follows:

To Seller:

PacifiCorp  
Attn: Dennis Harper  
Manager, Transaction Services

825 NE Multnomah, LCT 1700  
Portland, Oregon 97232

With a copy to:

Pacific Power  
Office of the General Counsel  
825 NE Multnomah, LCT  
Portland, Oregon 97232

To Buyer:

Klamath County Commissioners  
305 Main Street, 2<sup>nd</sup> Floor  
Klamath Falls, OR 97601

With a Copy to:

Klamath County Parks  
Attention: Tom Crist  
305 Main Street, 1<sup>st</sup> Floor  
Klamath Falls, OR 97601

Any party may designate a different address for itself by notice similarly given. Unless provided herein, any such notice, demand or document so given shall be effective upon delivery of the same to the proper address of the party or parties to whom the same is to be given.

8.6 Time of Essence. Time is of the essence in the performance of each and every term, condition, and covenant of this Agreement.

8.7 Counterparts. This Agreement may be executed in any number of counterparts which together shall constitute the contract of the parties.

8.8 Paragraph Headings. The paragraph headings herein contained are for purposes of identification only and shall not be considered in construing this Agreement.

8.9 Attorneys' Fees. The prevailing party in any legal proceeding brought to enforce rights hereunder shall recover from the other party its reasonable attorneys' fees and costs. As used herein in the term "prevailing party" means the party entitled to recover the costs in any suit, whether or not brought to judgment, and whether or not incurred before or after the filing of suit.

8.10 Waiver. Except as herein expressly provided, no waiver by a party of any breach of this Agreement or any warranty or representation under this Agreement by another party shall be deemed to be a waiver of any other breach of any kind or nature (whether preceding or succeeding and whether or not of the same or similar nature) and no acceptance of payment or performance by a party after any such breach by another party shall be deemed to be a waiver of

any further breach of this Agreement or of any representation or warranty by such other party whether or not the first party knows of such a breach at the time it accepts such payment or performance. No failure on the part of a party to exercise any right it may have by the terms of this Agreement or by law upon the default of another party, and no delay in the exercise of any such right by the first party at any time when such other party may be in default, shall operate as a waiver of any default, or as a modification in any respect of the provision of this Agreement.

8.11 Exhibits. Any and all exhibits attached or to be attached hereto are hereby incorporated and made a part of this Agreement by reference.

8.12 Governing Law. This Agreement shall be governed and construed in accordance with the laws of the State of Oregon.

8.13 No Recording. This Agreement shall not be recorded in the real property records.

8.14 Further Instruments. Each party hereto shall from time to time execute and deliver such further documents or instruments as the other party, its counsel or the Title Company may reasonably request to effectuate the intent of this Agreement, including without limitation documents necessary for compliance with the laws, ordinances, rules and regulations of any applicable governmental authorities.

8.15 Confidentiality. The terms of this Agreement are intended by both parties to be confidential. Therefore, except as required by applicable law, regulation or as necessary in each party's operation of its business neither party shall disclose the terms of this Agreement or any other non-public information related thereto.

8.16 Property Use/Option to Re-Purchase. Buyer hereby agrees that the Property shall be dedicated to public use. Buyer further agrees that in the event the Property use is ever changed to allow for private uses, Buyer shall, within thirty (30) days of such change, notify Seller in writing of the use change. Seller shall then have sixty (60) days from receipt of notice to exercise its right to re-purchase the Property for the Purchase Price set forth herein. Buyer hereby agrees that the Special Warranty Deed shall contain: (i) a deed restriction limiting the use of the Property to public use; and (ii) memorialization of Seller's option to re-purchase the Property as described herein.

8.17 Like-Kind Exchange. Seller may elect to consummate the disposition of the Property as part of a "like-kind exchange" (the "Exchange") pursuant to §1031 of the Internal Revenue Code of 1986, as amended. Buyer agrees to reasonably cooperate in the Exchange provided that (a) all costs, fees, and expenses attendant to the Exchange shall be the sole responsibility of Seller and Seller shall indemnify and hold harmless Buyer from and against any such costs, fees, and expenses; (b) the Closing shall not be delayed or affected by reason of the Exchange nor shall the consummation or accomplishment of the Exchange be a condition precedent or condition subsequent to Seller's obligations and covenants under this Agreement; and (c) Buyer shall not be required to acquire or hold title to any real property other than the

Property for purposes of consummating the Exchange. Buyer shall not, by this Agreement or acquiescence to the Exchange, (1) have its rights under this Agreement, including (without limitation) those that survive Closing, affected or diminished in any manner or (2) be responsible for compliance with or be deemed to have warranted to Seller that the Exchange in fact complies with §1031 of the Internal Revenue Code of 1986, as amended. The terms of this Section shall survive Closing.

8.18 Expiration. This Agreement shall automatically expire if not fully executed by the parties on or before November 20, 2007.

8.19 Limited Release. Buyer, and anyone claiming by, through or under the Buyer, hereby waives its right to recover from and fully and irrevocably releases the Seller from any and all claims, responsibility and/or liability that the Buyer may now have or hereafter acquire against Seller for any costs, loss, liability, damage, expenses, demand, action or cause of action arising from or related to the presence of any hazardous materials existing on, in or under the Property as result of Buyer's activities upon the Property.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement effective as of the date and year first above written.

**BUYER**

**SELLER**

**Klamath County, or assigns**

**PACIFICORP, an Oregon corporation,  
d.b.a. Pacific Power**

By: Tom Crist

By: [Signature]

Its: Klamath County Parks

Its: Managing Director

Date Signed: 20 November 2007

Date Signed: 19 November 2007

**EXHIBIT "A"**

**Legal Description**  
**Klamath Sportsman Park**

**Klamath Sportsmans Park Legal Description (subject to survey):**

The SW1/4, the SW1/4 of the SE1/4 and the N1/2 of the SE1/4 of Section 29; Lot 1 and those portions of Lot 2, the NE1/4 of the NW1/4, and the N1/2 of the NE1/4 of Section 32 lying North of State Highway No. 66 (Green Springs Highway), all in Township 39 South, Range 8 East of the Willamette Meridian, Klamath County, Oregon.

Tax Account No:	3907-02900-00500-000	Key No: 486076
Tax Account No:	3907-02900-00600-000	Key No: 486094
Tax Account No:	3907-03200-00100-000	Key No: 486281
Tax Account No:	3907-03200-00200-000	Key No: 486254



RPC REAL PROPERTY  
CONSULTANTS

S A L E M

GLEN R. CROUCH, MAI, ARA  
503/581-2070 FAX 503/581-8917  
180 COMMERCIAL ST. NE, SUITE 9 • SALEM OR 97301  
REAL ESTATE APPRAISERS & COUNSELORS

Fred Rasmussen  
PacifiCorp Real Estate Management  
825 NE Multnomah, LCT-1000  
Portland, OR 97232

January 24, 2005  
File no. 05-02

Subject: Appraisal Report, Klamath Sportsmans Park, 346.4 acres more or less, excluding buildings and improvements

Dear Mr. Rasmussen:

In response to your authorization, I have conducted the required investigation, gathered the necessary data, and made certain analyses enabling me to form an unbiased opinion of the MARKET VALUE of the fee simple interest in the Klamath Sportsmans Park property.

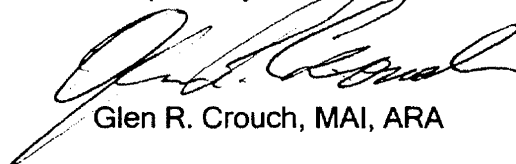
This report is intended to comply with the current *Uniform Standards of Professional Appraisal Practice* as formulated by the Appraisal Standards Board and the code of ethics and standards of practice of the professional appraisal organizations to which I belong. The report is issued as a summary narrative and is a complete appraisal. The property is appraised in "as is" condition exclusive of improvements. PacifiCorp is the Client and the intended use is to establish the price for sale to Klamath Sportsman Park Association.

Based on an examination of the property, the investigation, and analysis undertaken, I have formed the opinion that as of January 12, 2005, and subject to the Assumptions and Limiting Conditions set forth in this report, the MARKET VALUE was:

SEVEN HUNDRED FIFTY THOUSAND DOLLARS .....\$750,000

The narrative appraisal report (containing 77 pages) that follows sets forth the Legal Description, pertinent facts about the area and subject property, comparable data, and the reasoning leading to this conclusion. This letter must remain attached to the report in order for the opinion to be considered valid.

Respectfully submitted,



Glen R. Crouch, MAI, ARA



300 Klamath Avenue  
Klamath Falls, OR 97601

Bus (541) 883-3401  
Fax (541) 882-0620

**SELLER'S ESTIMATED CLOSING STATEMENT**

RE: YOUR ESCROW NO: MT81063-MS

DATE: 11-28-2007  
CLOSE OF ESCROW:

JELD-WEN 1031 (the "Seller") is/are selling the subject property described herein to: **Klamath County, a Political  
Subdivision of the State of Oregon (the "Buyer")**

**SUBJECT PROPERTY: Sportsman Park, The SW1/4, SW1/4 SE1/4 and N1/2 SE1/4 of Section 29, KLAMATH COUNTY**

TITLE ORDER NO.: 0081063

PRORATE DATE: 11/30/2007	CHARGE	CREDIT
SALES PRICE		\$750,000.00
PRORATIONS AS OF Close of Escrow :		
Real Prop. Tax @ 1,482.73 paid to 07/01/2008		869.33
Real Prop. Tax @ 278.89 paid to 07/01/2008		163.51
Real Prop. Tax @ 346.59 paid to 07/01/2008		203.21
Real Prop. Tax @ 243.46 paid to 07/01/2008		142.74
ESCROW FEES:		
AMERITITLE		
ESCROW CLOSING FEE	200.00	
SERVICE FEE	30.00	
WIRE TRANSFER FEE	25.00	
TITLE CHARGES:		
AMERITITLE		
OWNER'S STANDARD POLICY	1,725.00	
ADDITIONAL CHARGES & CREDITS		
PROCEEDS TO SELLER	749,398.79	
<b>TOTALS</b>	<b>\$751,378.79</b>	<b>\$751,378.79</b>

The undersigned are aware that the figures listed above are estimated figures and may change between the date of signing and the date of recording. Escrow agent herein is authorized and instructed to make the necessary adjustments at the time of closing. I/We hereby acknowledge receipt of a copy of this statement.

Accepted and Approved: Dated: 11/30/07

JELD-WEN 1031

BY: \_\_\_\_\_  
Cindi Poling Hickey, Asst. Secretary

READ AND APPROVED:

PacifiCorp, an Oregon Corporation doing business as Pacific Power & Light Company

BY: \_\_\_\_\_  
, Authorized signer



PACIFICORP  
825 NE MULTNOMAH, LCT 1700  
PORTLAND, OR 97232

Attn: DENNIS HARPER

Date: November 7, 2007  
Escrow Number: MT81063-MS  
Escrow Officer: MARGIE STUART  
Title Number: 0081063  
Title Officer: BARBARA BEAUCHEMIN

cc: PACIFIC POWER – OFFICE OF THE GENERAL COUNSEL

**PRELIMINARY TITLE REPORT FOR:  
KLAMATH COUNTY,  
A POLITICAL SUBDIVISION OF THE STATE OF OREGON**

**REPORT NO. 2**

<b>Policy or Policies to be issued:</b>	<b><u>Liability</u></b>	<b><u>Premium</u></b>
STANDARD OWNER'S POLICY	\$750,000.00	\$1,725.00

We are prepared to issue ALTA (6/17/06) title insurance policy (ies) of *Stewart Title Insurance Company of Oregon* in the usual form and amounts above, insuring the title to the land described as follows:

**PLEASE SEE ATTACHED EXHIBIT "A"**

And dated as of November 8, 2007 at 8:00 A.M., title is vested in:

**PACIFICORP, AN OREGON CORPORATION,  
DOING BUSINESS AS PACIFIC POWER & LIGHT COMPANY,  
WHICH TOOK TITLE AS THE CALIFORNIA OREGON POWER COMPANY**

The estate or interest in the land described or referred to in this Commitment and covered herein is:

**FEE SIMPLE**

**This report is preliminary to the issuance of title insurance and shall become null and void unless a policy is issued and the full premium therefore paid.**

Schedule B of the policy(ies) to be issued will contain the following general and special exceptions unless removed prior to issuance:

**GENERAL EXCEPTIONS:**

1. *Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records; proceeding by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.*
2. *Facts, rights, interests or claims which are not shown by the public records but which could be ascertained by an inspection of the land or by making inquiry of persons in possession thereof.*
3. *Easements, or claims of easement, not shown by the public records; reservations or exceptions in patents or in Acts authorizing the issuance thereof; water rights, claims or title to water.*
4. *Any encroachment (of existing improvements located on the subject land onto adjoining land or of existing improvements located on adjoining land onto the subject land), encumbrance, violation, variation, or adverse circumstance affecting the title that would be disclosed by an accurate and complete land survey of the subject land.*
5. *Any lien, or right to a lien, for services, labor, material, equipment rental or workers compensation heretofore or hereafter furnished, imposed by law and not shown by the public records.*
6. *Unpatented mining claims whether or not shown by the public records.*

**SPECIAL EXCEPTIONS:**

7. Taxes for the fiscal year 2007-2008, a lien now due and payable.

Account No:	3907-02900-00500-000	Key No:	486076
Amount:	\$1,482.73 plus interest, if any	Code No:	008
Account No:	3907-02900-00600-000	Key No:	486094
Amount:	\$278.89 plus interest, if any	Code No:	008
Account No:	3907-03200-00100-000	Key No:	486281
Amount:	\$346.59 plus interest, if any	Code No:	008
Account No:	3907-03200-00200-000	Key No:	486254
Amount:	\$243.46 plus interest, if any	Code No:	008
8. The rights of the public in and to that portion of the premises herein described lying within the limits of streets, roads or highways.
9. Rights of the public and of governmental bodies in and to that portion of the premises described herein, now or at any time lying below the high water mark of the Klamath River, including any ownership rights which may be claimed by the State of Oregon, in and to any portion of the premises now or at any time lying below the ordinary high water mark thereof.

Continued

10. Any adverse claim based upon the assertion that:

A) Some portion of said land has been brought within the boundaries thereof by an avulsive movement of the Klamath River or has been formed by accretion to any such portion.

B) Some portion of said property has been created by deposit of artificial fill.

And Excepting:

C) The rights of the public and governmental bodies for fishing, navigation and commerce in and to any portion of the premises herein described, lying below the high/low water line of the Klamath River.

D) The right, title and interest of the State of Oregon in and to any portion lying below the high/low water line of Klamath River.

11. Unrecorded roadway, if any, as disclosed by Klamath County Assessor's Map.  
(Affects the NE1/4 NW1/4, N1/2 NE1/4, SW1/4 SE1/4, said Section 29)

12. Reservation of mineral rights as set forth in deed, subject to the terms and provisions thereof,

By: The Long-Bell Lumber company

Recorded: December 30, 1927

Volume: Book 79, page 282, Deed Records of Klamath County, Oregon

Statement of Claim for mineral interest, as disclosed in instrument,

Recorded: August 5, 1986

Volume: M86, page 13766, Microfilm Records of Klamath County, Oregon.

By: International Paper Company

(Affects the SE1/4 of said Section 29)

13. Right of way, including the terms and provisions thereof,

Dated: August 18, 1923

Recorded: August 20, 1923

Volume: 61, page 385, Deed Records of Klamath County, Oregon.

From: Eugene Spencer and Elizabeth Spencer

In favor of: County of Klamath, State of Oregon

For: Right of way

(For additional right of way, being 30 feet on either side of the center line of the Hayden Creed – Keno Section of the Ashland – Klamath Falls Highway situated in said Section 32)

14. Reservations as contained in Deed recorded June 19, 1930 in Volume 91, page 404, Deed Records of Klamath County, Oregon, to wit:

“Subject to any valid oil, gas, coal, ore, mineral or fossil reservations made by any of grantor's predecessors in title”

(Affects the N1/2 SE1/4, SW1/4 SE1/4 of said Section 29)

Continued

15. Lease, subject to the terms and provisions thereof;  
Dated: July 11, 1990  
Recorded: October 12, 1990  
Volume: M90, page 20718, Microfilm Records of Klamath County, Oregon.  
For: Park and recreational purposes  
Affects: All of the herein described property  
Lease Duration: To and including October 17, 2006  
Lessor: Pacificorp dba Pacific Power & Light Company  
Lessee: Klamath County

End of Exceptions

**NOTE A:** Any map or sketch enclosed as an attachment herewith is furnished for information purposes only to assist in property location with reference to streets and other parcels. No representation is made to accuracy and the company assumes no liability for any loss occurring by reason of reliance thereon.

**NOTE B:** We find no judgments or Federal Tax Liens against Klamath County, a Subdivision of the State of Oregon.

**NOTE C:** Intentionally Deleted.

**NOTE D:** Intentionally Deleted.

**NOTICE:** This Preliminary Title Report has been supplemented to delete buyer and add new buyer, amend Note B and delete Notes C and D to the PTR dated November 7, 2007.

**AmeriTitle**



By: BARBARA BEAUCHEMIN  
Title Officer

\*\*\*END\*\*\*

**MISSION STATEMENT**

*"Superior Service with Commitment and Respect for Customers and Employees"*

**EXHIBIT "A"**  
**LEGAL DESCRIPTION**

The SW1/4, SW1/4 SE1/4 and N1/2 SE1/4 of Section 29, Lot 1 and those portions of Lot 2, the NE1/4 NW1/4, N1/2 NE1/4 of Section 32, lying North of State Highway No. 66, (Green Springs Highway) all in Township 39 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon.

SAVE AND EXCEPT THEREFROM that portion deeded to the State of Oregon, through the Oregon Department of Transportation by Klamath County Court Case No. 0505297CV.

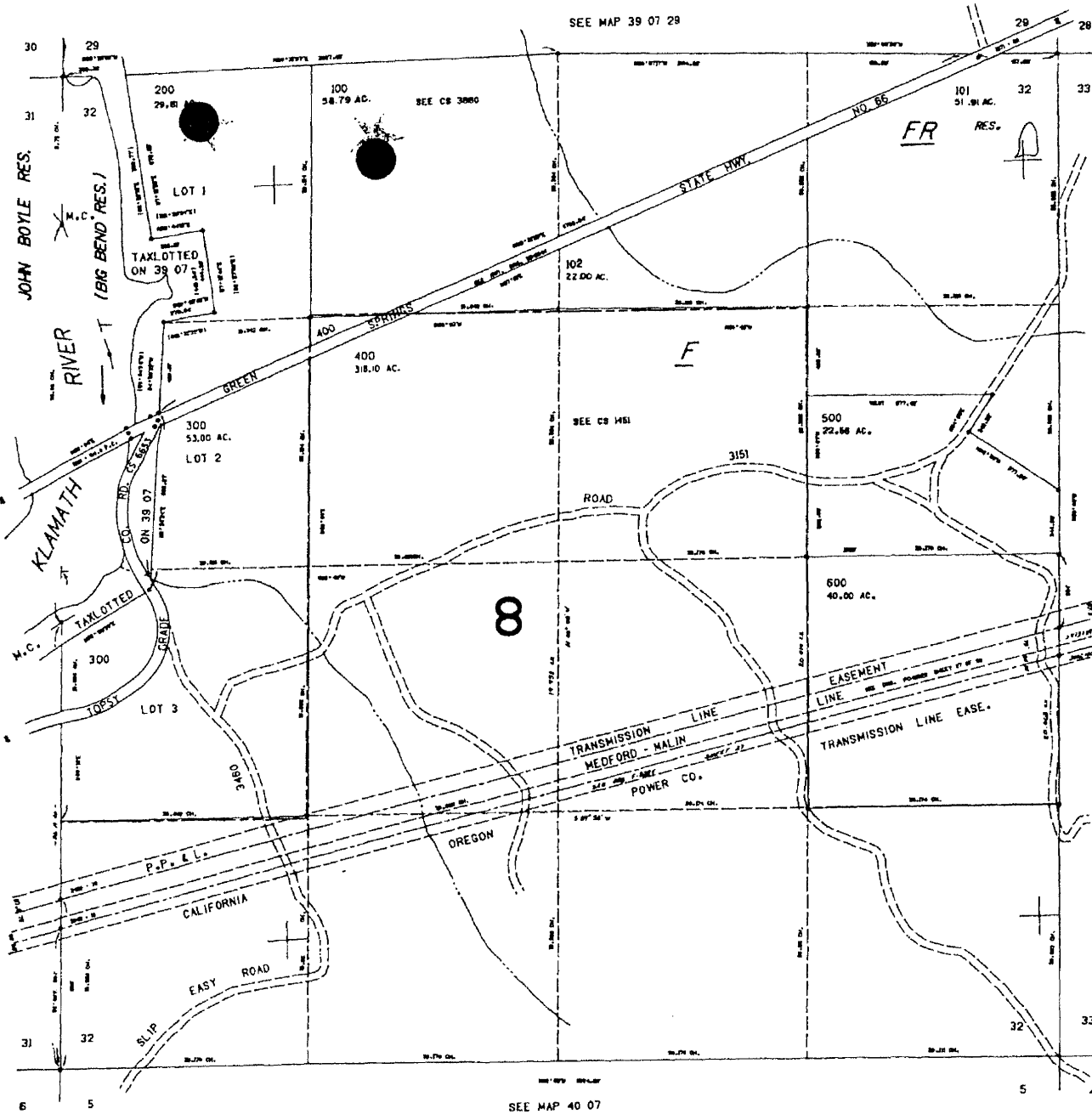
SECTION 32 T.39S. R.07E. W.M.  
KLAMATH COUNTY

1"=400'

THIS MAP WAS PREPARED FOR  
ASSESSMENT PURPOSE ONLY.

SEE MAP 39 07

SEE MAP 39 07 29



SEE MAP 39 07

172.000

SEE MAP 40 07

15886.000

**Owner Title**

THIS NOTICE IS MADE SOLELY FOR THE  
PURPOSE OF ASSISTING IN LOCATING  
CERTAIN PREMISES AND NO LIABILITY IS  
INCURRED FOR VARIATIONS IF ANY, IN  
OWNER'S AND LOCATIONS LOCATIONS

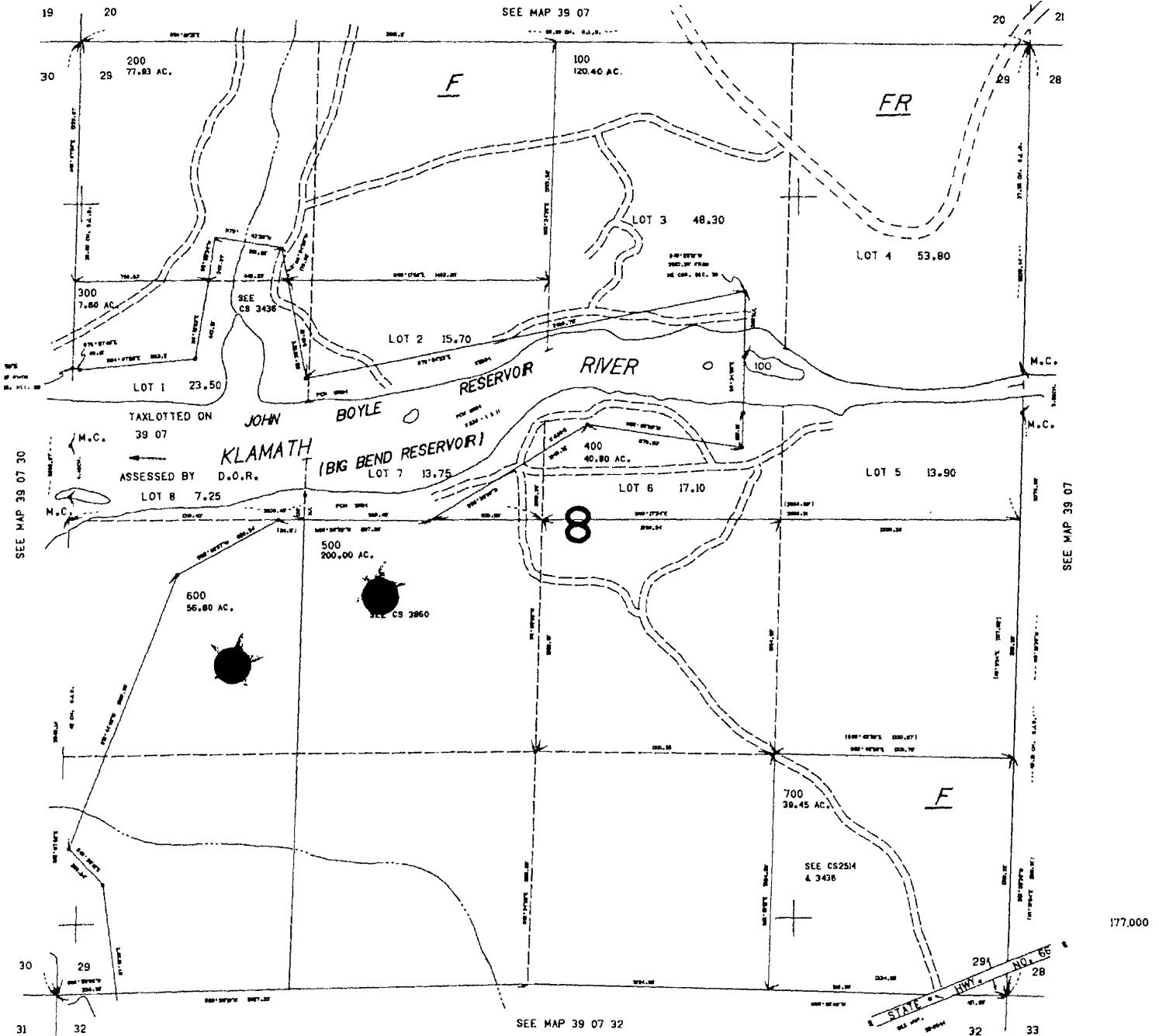


THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSE ONLY.

SECTION 29 T.39S. R.07E. W.M.  
KLAMATH COUNTY

39 07 29

1"=400'



1585.000

39 07 29

**AmeriTitle**

THIS SKETCH IS MADE SOLELY FOR THE PURPOSE OF ASSISTING IN LOCATING CERTAIN PREMISES AND NO LIABILITY IS ASSUMED FOR VARIATIONS IF ANY IN DIMENSIONS AND LOCATIONS ASCERTAINED BY ACTUAL SURVEY

*Sportsman Park  
Book Values*

**From Land Spreadsheet**

<b>St</b>	<b>Pltno</b>	<b>Class</b>	<b>Asset</b>	<b>Location</b>	<b>Description</b>	<b>Book Val</b>
OR	ORKL-0510	35010	301648	68018	COPCO 2-WESTSIDE 69KV LN 18	63.00
OR	ORKL-0510	35010	301659	68059	LONE PINE-KLAM FALLS 230KV L59	272.83
OR	ORKL-0510	33010	300389	* 18000	JC BOYLE HYDRO PLANT	19,937.42
OR	ORKL-0523	35010	301647	68018	COPCO 2-WESTSIDE 69KV LN 18	78.70
OR	ORKL-0523	33010	300388	* 18000	JC BOYLE HYDRO PLANT	15,407.32
						35,759.27

*\$ 35,344.74  
Total*

# JELD-WEN 1031

Formerly American Exchange Services

1501 E McANDREWS ROAD ♦ MEDFORD, OREGON 97504

PHONE: 541.779.7660 ♦ TOLLFREE: 800.627.0332 ♦ FAX: 541.608.9322

January 29, 2008

Pacificorp  
Attn: Dennis Harper, Manager of Transaction Services  
825 NE Multnomah LCt 1700  
Portland, OR 97232


RE: Exchange Account MX071106  
Interest Rate Adjustment

Dear Dennis,

In December and earlier this month the Federal Reserve lowered the prime interest rate. The Exchange Agreement states in paragraph 3.6 that if interest rates are reduced during the exchange, the interest rate paid will be reduced accordingly. Adjustments occur the day of the rate change.

Please feel free to contact me if you have any questions. Thank you.

Sincerely,

  
Cindi Poling Hickey  
Sr. Exchange Administrator  
Email: [cindip@jeld-wen1031.com](mailto:cindip@jeld-wen1031.com)

DEED TO COUNTY AND \$ 751,378.79  
WAS SENT TO JELD-WEN FOR THE  
1031 EXCHANGE OF THIS PROPERTY  
FOR 3 OTHER PROPERTIES ON THE  
ACQUISITION LIST.

FINAL FINANCIAL RECONCILIATION  
WILL HAPPEN AT THE PURCHASE OF  
THE EXCHANGE PROPERTIES



1501 E. McAndrews Rd  
Medford, OR 97504  
(541) 779-7660 Fax: (541) 779-3502

## EXCHANGE AGREEMENT (Real Property)

This Exchange Agreement ("Agreement") is made and entered into on November 13, 2007 between PACIFICORP, AN OREGON CORPORATION, DOING BUSINESS AS PACIFIC POWER & LIGHT COMPANY ("Exchanger"), and JELD-WEN 1031, inc., dba JELD-WEN 1031 ("Qualified Intermediary"), as Exchange File No.MX071106.

### RECITALS

- A. Exchanger owns certain real property or properties ("Relinquished Property") more particularly described in Exhibit "A" attached hereto and incorporated into this Agreement by this reference, which Exchanger holds for productive use in a trade or business or for investment;
- B. Exchanger has agreed to transfer the Relinquished Property to a Buyer or Buyers and/or assigns, ("Buyer"), who has/have agreed to acquire the Relinquished Property, under a written Agreement for Sale & Purchase of Real Property ("Sale Agreement") and a written Assignment and Assumption Agreement ("Sale Assignment");
- C. Exchanger has entered into Escrow No. AP0775162 with AmeriTitle ("Escrow");
- D. Exchanger desires and intends to exchange the Relinquished Property for other like-kind real property or properties ("Replacement Property") that Exchanger will designate in accordance with this Agreement, in compliance with the provisions of Section 1031 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations publicized under Section 1031, as amended ("Exchange"), rather than effect a sale of the Relinquished Property for cash or other consideration. Exchanger intends to acquire Replacement Property from a seller or sellers ("Seller"), who will agree to transfer the Replacement Property ("Purchase") under a written "Purchase Agreement" and a written Assignment and Assumption Agreement ("Purchase Assignment");
- E. Exchanger, with a continued intent to complete a tax-deferred exchange pursuant to Code Section 1031, desires to assign its rights in the Sale Agreement for the Relinquished Property to Qualified Intermediary and substitute Qualified Intermediary as the seller of the Relinquished Property;
- F. Qualified Intermediary is a "qualified intermediary" pursuant to the provisions of Treasury Regulation Section 1.1031(k)-1(g)(4). Qualified Intermediary is not a "disqualified person" pursuant to the provisions of Treasury Regulation Section 1.1031(k)-1(k); and
- G. Qualified Intermediary is willing to accept such assignment and to hold the proceeds from sale of the Relinquished Property and to utilize the same in securing, acquiring and transferring to Exchanger suitable Replacement Property to complete the tax-deferred exchange according to the terms and conditions contained herein.

## AGREEMENTS

THEREFORE, the parties hereto agree as follows:

1. **Definitions.** For the purposes of this Agreement the following terms are defined as set out below:
  - 1.1 **"Code"** means the Regulations for IRC Section 1031 of 1986, and any amendments thereto.
  - 1.2 **"Disqualified Person"** means a person bearing a relationship to the Exchanger as described in Regulations Section 1.1031(k)-1(k).
  - 1.3 **"Exchange Period"** means the period beginning on the date the Exchanger transfers the Relinquished Property and ending at midnight on the earlier of the 180<sup>th</sup> day thereafter or the due date, including extensions, for the Exchanger's tax return for the taxable year in which the transfer of the Relinquished Property occurs, as set out in Regulations Section 1.1031(k)-1(b)(2).
  - 1.4 **"Identification Period"** means the period beginning on the date the Exchanger transfers the Relinquished Property and ending at midnight on the 45<sup>th</sup> day thereafter, as set out in Regulations Section 1.1031(k)-1(b)(2).
  - 1.5 **"Qualified Intermediary"** means a qualified intermediary as set out in Regulations Section 1.1031(k)-1(g)(4).
  - 1.6 **"Qualified Trust"** means a trust wherein the Trustee is NOT the Exchanger or a Disqualified Person, and otherwise meets the requirements of Regulations Section 1.1031(k)-1(g)(3).
  - 1.7 **"Regulations"** means U. S. Treasury Regulations.
  - 1.8 **"Relinquished Property"** means the parcel or parcels of real property which Exchanger currently owns and holds either for productive use in a trade or business or for investment.
  - 1.9 **"Replacement Property"** means the parcel or parcels of real property that Exchanger will identify, acquire through the provisions of IRC Section 1031, and hold after the Exchange either for productive use in a trade or business or for investment.
2. **Transfer of Relinquished Property**
  - 2.1 Subject to and conditioned upon the close of Escrow and otherwise subject to and upon the terms and conditions as set out in this Agreement, including the optional authority for direct deeding contained in paragraph 6 of this agreement, Exchanger hereby agrees to convey the Relinquished Property to Qualified Intermediary and Qualified Intermediary hereby agrees to convey to Exchanger, in exchange for the Relinquished Property, the Replacement Property provided said Replacement Property can be acquired by Qualified Intermediary with the funds available in the Exchange Value Account as defined in Section 3 of this agreement.

2.2 Prior to the close of Escrow, Exchanger shall assign all of Exchanger's right, title and interest in and to that certain Sale Agreement for the Relinquished Property between Exchanger, as seller, and the Buyer of the Relinquished Property to Qualified Intermediary.

2.3 Prior to the close of Escrow, Exchanger shall assign all of Exchanger's right, title and interest in the Relinquished Property, by either:

(a) Delivery to Qualified Intermediary, on or before close of Escrow, of a good and sufficient deed conveying the Relinquished Property to Qualified Intermediary. As a condition precedent to the closing of Escrow, said deed from Exchanger to Qualified Intermediary shall contain warranties no less favorable than those to which the Buyer of the Relinquished Property is entitled, shall be recorded, and Qualified Intermediary as successor to the rights, title and interests of Exchanger will concurrently convey the Relinquished Property to the Buyer in accordance with the provisions of the Escrow. All representations, warranties and covenants made by Exchanger in favor of Buyer in connection with the sale of the Relinquished Property are hereby made and extended by Exchanger to Qualified Intermediary. Exchanger shall guarantee the representations, warranties and covenants of Qualified Intermediary to the Buyer in the transaction in Escrow, and shall indemnify and hold Qualified Intermediary harmless from any claims or liabilities arising therefrom or connected therewith.

Or,

(b) In the alternative, under the provisions of paragraph 6 hereof authorizing direct deeding, by delivery to Escrow on or before the closing of Escrow, a deed conveying the Relinquished Property directly from the Exchanger to the Buyer.

2.4 At the close of Escrow, all net proceeds from the sale of the Relinquished Property, including cash, notes, and all security therefore, shall be transferred, assigned, and/or conveyed to Qualified Intermediary and shall be held by Qualified Intermediary pursuant to the terms of this Agreement.

2.5 Qualified Intermediary shall not make any warranties or representations regarding the Relinquished Property.

### 3. Exchange Value Account

3.1 Qualified Intermediary agrees to establish an exchange account concerning this transaction in Qualified Intermediaries' books and records in favor of Exchanger ("Exchange Value Account"). The beginning balance for the Exchange Value Account shall be the net proceeds from the sale of the Relinquished Property as determined in Paragraph 3.2 of this agreement. Thereafter, the balance in the Exchange Value Account shall be reduced from time to time by (a) Qualified Intermediaries' fees and costs, (b) all amounts expended by Qualified Intermediary in connection with the acquisition of each Replacement Property, as determined under paragraph 3.3 of this agreement, and (c) any other payments made or costs or expenses incurred by Qualified Intermediary for which Exchanger is obligated or responsible under this Agreement. The balance in the Exchange Value Account shall also be affected in accordance with paragraph 3.7 of this agreement. Qualified Intermediary shall provide Exchanger with an accounting, hereinafter referred to as "Account Ledger", of the Exchange Value Account as soon as is practical after the end of the Exchange Period or closing of the final Replacement Property, whichever occurs first.

3.2 The net proceeds received by Qualified Intermediary from the sale of the Relinquished Property shall be equal to the gross sales price less amounts paid to discharge encumbrances, real estate commission, prorations of income and expenses (including rents, interest on encumbrances, real estate taxes, etc.), closing costs, title insurance premiums, escrow fees, transfer taxes or fees, exchange fees, and any other amounts that would otherwise be chargeable to Qualified Intermediary in the Escrow as seller of the Relinquished Property. Exchanger recognizes that some of the proceeds used for the foregoing items, or any cash received by Exchanger, may constitute "boot" and may therefore be taxable to Exchanger.

3.3 The amount expended by Qualified Intermediary in connection with the acquisition of each Replacement Property and conveyance thereof to Exchanger, shall include, without limitation, the aggregate amount of all deposits and expenditures by Qualified Intermediary in respect to the purchase price, real estate commissions, prorations of income and expenses, (including rents, interest on encumbrances, real estate taxes, etc.), closing costs, title insurance premiums, escrow fees, transfer taxes or fees, exchange fees, and any other amounts that would otherwise be chargeable to Exchanger as Buyer of the Replacement Property, plus costs incurred in the conveyance of the Replacement Property to Exchanger. Exchanger recognizes that some of the proceeds used for the foregoing items may constitute "boot" and may therefore be taxable to Exchanger.

3.4 Qualified Intermediary will deposit all cash funds received from the sale of the Relinquished Property into one or more deposit accounts established with one or more financial institutions as stipulated by regulation in the State in which the Relinquished Property is held. Qualified Intermediary may, in States without regulation, through its parent company, deposit all cash funds received from the sale of the Relinquished Property. All cash so deposited shall be deemed to be held in the Exchange Value Account. Qualified Intermediary shall hold all notes, contracts and other non-cash proceeds and deposit any cash payments received thereon in the Exchange Value Account. Qualified Intermediary shall have no obligation to collect or otherwise enforce the terms of any note, trust deed, land sale contract, or other similar instrument, but rather shall only deposit payments received by it into the Exchange Value Account.

3.5 Qualified Intermediary hereby notifies Exchanger that in States without regulations to the contrary, it may pool funds in the Exchange Value Accounts with funds of other parties who have utilized Qualified Intermediaries' services in other Exchange Agreements.

3.6 The Exchange Value Account shall be credited with interest in an amount equal to ONE AND 25/100ths (1.25%) percent per annum of the principal balance of the Exchange Value Account from the day following the date of deposit into the investment account to the day prior to the withdrawal of the funds from said investment account. Rate reductions imposed by the depository holding the exchange funds shall reduce the rate paid on the Exchange Value Account accordingly. All adjustments will be made as of the date the depository modifies the rate. Said interest on the Exchange Value Account shall be for the benefit of Exchanger as of the date of the acquisition of any and all Replacement Property or after the end of the Exchange Period, and will be reported as interest income on Exchanger's tax return, regardless of whether said interest is applied to the purchase of Replacement Property or is received by Exchanger in cash as part of the distribution of the Exchange Value Account to Exchanger as provided in this Agreement.

3.7 Qualified Intermediary shall NOT be required to make cash payment for Replacement Property, including all costs and expenses of said purchase, in excess of the amount of cash then remaining in the Exchange Value Account.

3.8 Except as provided in paragraph 3.9, the Exchanger shall have no right to receive, pledge, borrow, or otherwise obtain the benefits of money or other property in the Exchange Value Account before the end of the Exchange Period.

3.9 Notwithstanding paragraph 3.8, the Exchanger may receive, pledge, borrow, or otherwise obtain the benefits of money or other property in the Exchange Value Account after the end of the Identification Period upon or after:

- (a) The receipt by the Exchanger of all of the Replacement Property to which the Exchanger is entitled under this Agreement, or
- (b) The occurrence of a material and substantial contingency that (i) relates to the deferred exchange, (ii) is provided for in writing, and (iii) is beyond the control of the Exchanger and of any disqualified person, other than the person who is obligated to transfer the Replacement Property to the Exchanger.

#### 4. Fees

4.1 The fee charged by Qualified Intermediary under this Exchange Agreement shall be \$750.00 which is due and payable and becomes non-refundable at the time the Relinquished Property transfers to the Purchaser. This fee will include the transfer of one Relinquished Property and the acquisition of one Replacement Property without additional charge. A \$250.00 fee will be charged for each additional sale of Relinquished Property or purchase of Replacement Property and is non-refundable. Any additional costs such as express mail, wiring fees, check writing fees, etc. may also be charged to the Exchanger. If Qualified Intermediary is required to hold promissory notes, land sale contracts or other similar instruments in the Exchange Value Account, an additional charge of \$100.00 will be assessed to the Exchange Value Account for each promissory note or land sale contract held by Qualified Intermediary. This fee does not include any release preparation fees, collection escrow assignment fees or recording fees associated with said documents during or at the completion of the exchange transaction as required in the sale or transfer of said notes or land sale contracts. In addition, Qualified Intermediary shall charge Exchanger, and reduce the Exchange Value Account, by reasonable attorneys' fees incurred by Qualified Intermediary in reviewing documents and legal and factual issues in connection with this Exchange Agreement and the transactions contemplated hereunder should this become necessary, subject to notification of Exchanger by Qualified Intermediary.

4.2 Qualified Intermediary will charge additional fees in the event the Relinquished Property or Replacement Property transactions are Reverse or Improvement Exchanges. These fees shall be discussed and agreed upon between Qualified Intermediary and Exchanger at the appropriate time and may be subject to change.

#### 5. Identification and Acquisition of Replacement Property

5.1 Within the Identification Period, Exchanger shall identify Replacement Property(ies) to Qualified Intermediary in a written document signed by Exchanger and hand delivered, mailed, telecopied, or otherwise sent before the end of the identification period to be acquired by Exchanger. Exchanger may identify Replacement Property anywhere within the United States of America.



Such notice from Exchanger shall unambiguously identify the Replacement Property by street address, legal description or distinguishable name, and in the case of property to be constructed, a description of the improvement to be constructed. Exchanger shall identify only that number of Replacement Properties which meets one of the following "rules": (a) three (3) properties without regard to the fair market value of the properties; (b) any number of properties so long as their aggregate fair market value as of the end of the Identification Period does not exceed two hundred percent (200%) of the aggregate fair market value of the Relinquished Property as of the date such Relinquished Property was transferred by the Taxpayer; or (c) any number of properties without regard to their fair market value so long as Exchanger receives identified Replacement Properties constituting at least ninety-five percent (95%) of the aggregate fair market value of all identified Replacement Properties no later than 180 days after the transfer of the Relinquished Property.

Thereafter, Qualified Intermediary shall undertake to acquire the Replacement Property upon such terms or pursuant to such agreement as Exchanger has negotiated with the seller of the Replacement Property, provided, however, Qualified Intermediary shall not incur liability to Exchanger or the seller if efforts to purchase Replacement Property on the terms and conditions specified by Exchanger shall be unsuccessful. All agreements to purchase shall be executed by or assigned to Qualified Intermediary and title to the Replacement Property shall be conveyed to Qualified Intermediary, subject to Qualified Intermediary's right to instruct for direct deeding in accordance with paragraph 6 of this agreement.

In the event Qualified Intermediary takes title to the Replacement Property, it shall immediately thereafter convey title to the Replacement Property to Exchanger by Bargain and Sale Deed in the same condition as the title Qualified Intermediary received, and Qualified Intermediaries' conveyance to Exchanger shall constitute full compliance of its obligations concerning the Replacement Property. Qualified Intermediary shall have no obligation to notify Exchanger of the expiration of the Identification Period or Exchange Period.

5.2 Prior to the close of escrow for the acquisition of the Replacement Property, Exchanger shall assign all of Exchanger's right, title and interest in and to a purchase agreement for the Replacement Property between Exchanger, as Buyer, and the seller of the Replacement Property to Qualified Intermediary. The form of such assignment shall be satisfactory to Qualified Intermediary.

5.3 In the event cash beyond that which is contained in the Exchange Value Account is required to procure the Replacement Property, such amount (i) shall be advanced by Exchanger for the benefit of and as directed by Qualified Intermediary; (ii) shall be used by Qualified Intermediary to acquire the Replacement Property; (iii) shall be considered an interest-free loan from Exchanger to Qualified Intermediary which shall be fully satisfied upon the conveyance of Replacement Property to Exchanger; and (iv) in the event the Replacement Property is not conveyed to Exchanger, shall be repaid by Qualified Intermediary to Exchanger, upon the written demand of Exchanger.

5.4 Qualified Intermediary shall not be required to make any covenants, warranties or representations regarding the Replacement Property, which would survive as to Qualified Intermediary following conveyance of the Replacement Property.

6. **Direct Deeding** To the extent permitted by Code Section 1031 and the Regulations thereunder, legal title to the Relinquished Property may be transferred directly from the Exchanger to the Buyer of the Relinquished Property or from the Seller of the Replacement Property to the Exchanger as applicable. Determination of whether or not to utilize direct deeding shall be at the sole discretion of Qualified Intermediary.

7. **Personal Property** Personal property, if any, to be transferred in connection with the exchange may be transferred outside of the escrow closings and may be separate from the exchange, or alternatively may be separately accounted for in the escrow if it is more than minimal personal property. Exchanger should consult with their tax advisor to determine tax consequence, if any, concerning personal property in the exchange transaction.

8. **Covenants, Representations and Warranties** Exchanger covenants, represents and warrants to Qualified Intermediary that:

8.1 Qualified Intermediary shall not be required to assume any secured loan on any Replacement Property or to execute any promissory notes or other evidence of indebtedness in connection with such acquisitions that would impose any personal liability on Qualified Intermediary, its officers or directors for payment thereof.

8.2 Qualified Intermediary shall not be required to pay a cash amount for the Replacement Property, including all costs and expenses incurred in connection with such purchase in excess of the cash held in the Exchange Value Account.

8.3 Qualified Intermediary shall act only in accordance with the written instructions of Exchanger and on the terms of this Agreement in making acquisition of Replacement Property, and may refuse to proceed with said acquisition in the event said instructions exceed the scope of this Agreement.

8.4 Qualified Intermediary is not a "Disqualified Person" as defined in paragraph 1.2 herein.

8.5 Exchanger certifies, under penalty of perjury, that Exchanger is not a "foreign person" as defined by Section 1445 of the Internal Revenue Code and the Treasury Regulations promulgated under Section 1445.

9. **Termination** This Agreement shall terminate and Qualified Intermediary shall pay the Exchange Value Account to Exchanger under the following conditions:

9.1 If the Exchanger fails to identify Replacement Property within the Identification Period, the exchange has failed and this Agreement shall terminate and Qualified Intermediary shall pay the Exchange Value Account to Exchanger after the end of the Identification Period.

9.2 If Exchanger has timely identified Replacement Property, and after Exchanger has received all of the identified Replacement Property, this Agreement shall terminate and Qualified Intermediary shall pay the Exchange Value Account to Exchanger.

9.3 If Exchanger has timely identified Replacement Property, upon the occurrence after the end of the Identification Period of a material and substantial contingency that (i) relates to the deferred exchange, (ii) is provided for in writing, and (iii) is beyond the control of Exchanger and any Disqualified Person other than the person who is obligated to transfer the Replacement Property to the Exchanger, this Agreement may be terminated, in which event Qualified Intermediary shall pay the Exchange Value Account to Exchanger.

9.4 In any other circumstance, at the end of the Exchange Period this Agreement shall terminate and Qualified Intermediary shall pay the balance of the Exchange Value Account to Exchanger.

10. **No Reliance** Exchanger acknowledges and agrees that Exchanger has relied solely upon the advice and judgment of its own independent tax advisors, attorneys, and/or certified public accountants as to the tax consequences and tax implications of the transfer, conveyance and exchange of respective parcels of real or personal property, including the attendant escrow(s), contracts, and documentation, and including this Agreement, and further acknowledges that:

10.1 Exchanger has not relied upon any conversations with or advice of the agents and employees of Qualified Intermediary regarding said tax consequences and/or implications.

10.2 Exchanger has been specifically advised and informed, prior to the signing of this Agreement, that the complete scope and content of this Agreement should be reviewed and approved by Exchanger's independent tax consultants and attorneys prior to affixing Exchanger's signature.

10.3 Exchanger hereby releases Qualified Intermediary from, and Exchanger shall indemnify, defend and hold harmless Qualified Intermediary from and against, any and all losses, costs, expenses, liabilities, claims, demands and damages, whether foreseen or unforeseen, whether now known or unknown, whether liquidated or unliquidated, at any time whatsoever arising from, based upon, incident to, in connection with or otherwise related to the qualification of the transaction contemplated by this Exchange Agreement for treatment as a tax deferred exchange under Section 1031 of the Internal Revenue Code, and any questions regarding or challenge to or denial of, such qualification and any other matters concerning the federal or state tax consequences or ramifications of the transaction.

#### 11. **Environmental Warranties and Indemnification**

11.1 Neither the Relinquished Property nor, to the best of Exchanger's knowledge, the Replacement Property (Relinquished and Replacement Properties hereinafter referred to as "Subject Properties") is in violation of or the subject of any existing, pending or threatened investigation by any governmental authority under any federal, state or local law, statute, ordinance, rule or regulation pertaining to health, safety, industrial hygiene, or the environment (collectively referred to as "Environmental Laws").

11.2 Exchanger has conducted an appropriate inquiry into the previous uses and ownership of the Subject Properties and after such inquiry Exchanger has determined that no "hazardous materials", "toxic substances", "solid waste" or similarly regulated substance, as defined in the Environmental Laws and including petroleum and its fractions (collectively "Hazardous Substance") has been stored, produced, disposed of or released on, from, to, or about any of the Subject Properties.

To Exchanger's knowledge, after having conducted all appropriate inquiries, there is no contamination of the soil underlying any of the Subject Properties, nor of any structure or other property on any of the Subject Properties into which or from which a release of a Hazardous Substance might have occurred or threaten to occur. To Exchanger's knowledge, after having conducted all appropriate inquiry, there are no above or below ground fuel oil, gasoline or chemical storage tanks, and no other underground tanks located on any of the Subject Properties.

11.3 Exchanger shall not, and shall not allow, any occupant of any of the Subject Properties or any other person, to use, generate, manufacture, produce, store, release, discharge, or dispose of, on, under or about any of the Subject Properties, or transport to or from any of the Subject Properties,

any Hazardous Substance except in accordance with all applicable laws, ordinances, rules, regulations, permits, variances and requirement of any governmental body having jurisdiction over any of the Subject Properties, and in accordance with the highest safety standards then prevailing in the industry.

11.4 Exchanger shall and does hereby agree to hold Qualified Intermediary harmless and indemnify and defend Qualified Intermediary, its directors, officers, employees, attorneys and agents from any claim, liability, demand expense, tax or assessment of any nature or kind, expressed or implied, whether sounding in tort or in contract that may be asserted against Qualified Intermediary, its directors, officers, employees and agents, by any person, firm, corporation, governmental agency or taxing authority, including but not limited to any and all supplemental tax bills issued by the tax collector for the county in which this transaction is conducted, that may arise out of any acts or omissions, active or passive, related to carrying out the terms of this Exchange Agreement or from participation therein, except which arise from the gross negligence or willful misconduct of Qualified Intermediary or any other person to be indemnified.

This indemnity includes claims related to the contamination of or from the Relinquished Property or the Replacement Property by any substance or material defined or designated as a hazardous, toxic, radioactive, or infectious waste, material, or substance, or other similar term (including asbestos containing materials and PCBs), by any federal, state, or local environmental statute, regulation, or ordinance presently in effect or subsequently enacted, including but not limited to contamination of the surface and subsurface of the ground, soil, surface water, groundwater, air or sediments.

11.5 The representations and warranties of this Section 11 shall be continuing and shall be true and correct at all times from and including the date hereof until and including, the date that Exchanger no longer has any interest in any of the Subject Properties, and the indemnities contained herein shall survive all closings and transfers of the properties which are the subject of this Agreement.

**12. Counterparts; Facsimile Signatures; Interpretation** This Real Property Exchange Agreement may be signed in counterparts and may be delivered by facsimile and each counterpart and facsimile will be considered an original, but all of which, when taken together, will constitute one instrument. Facsimile transmission of any signed original document and retransmission of any signed facsimile transmission shall be the same as delivery of an original. Upon request by either party, the parties will confirm facsimile transmitted signatures by signing an original document.

This Real Estate Exchange Agreement shall be interpreted to give each of the provisions their plain meaning and the Assignment Agreement shall not be constructed for or against any party. No provisions of this Real Estate Exchange Agreement, including the direct deceding provisions, will in any way negate the fact that Qualified Intermediary is, pursuant to this Real Property Exchange Agreement, the seller of the Relinquished Property to Buyer for federal income tax purposes.

### **13. Miscellaneous**

13.1 Any notice or demand required or permitted to be given under this Exchange Agreement shall be deemed to have been given only when it is in writing, has been hand delivered, deposited in the United States mail, with postage prepaid, sent by courier service, facsimile or sent by certified or registered mail, return receipt requested and is addressed to the party at the address set forth below (and with a copy to the person and address, if any, specified below), or at such other address (and

with a copy to the person and address) as a party may for itself designate from time to time by giving written notice to the other party:

**To: Qualified Intermediary**

JELD-WEN 1031  
1501 E. McAndrews Rd  
Medford, OR 97504

**To: Exchanger**

Pacificorp, an Oregon Corporation,  
doing business as Pacific Power & Light Company  
825 NE Multnomah LCT 1700  
Portland, OR 97232

All notices will be considered effective (i) upon receipt if delivered personally or by messenger or private mail courier, (ii) on the business day of successful facsimile transmission or (iii) otherwise on the third business day after deposit in the US mail.

13.2 The parties shall execute such other documents and take such other actions as are reasonably necessary or appropriate, or as reasonably requested by the other party, to effectuate the exchange transaction contemplated by this Exchange Agreement. The costs incurred by Qualified Intermediary in connection with the preparation or review such further documents, including attorney's fees reasonably incurred by Qualified Intermediary shall be paid for by Exchanger.

13.3 Time is of the essence of this Exchange Agreement.

13.4 If either party shall commence any action or other proceeding to enforce or interpret this Exchange Agreement, the prevailing party shall be entitled to collect, and the other party shall pay, in addition to costs and disbursement allowed by law, the prevailing party's reasonable attorneys' fees and expenses in the action or proceeding, including proceedings on appeal, as may be fixed by the court. Said sum shall include an amount estimated by the court as the reasonable costs and fees to be incurred by the prevailing party in collection of any monetary judgment or award or otherwise enforcing each order, judgment or decree entered in said action or proceeding.

13.5 This Exchange Agreement may not be amended or modified in any respect whatsoever except by an instrument in writing signed by the parties hereto. This Exchange Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof. If any provisions of this Exchange Agreement shall be held invalid, such invalidity shall not affect any other provision contained herein.

13.6 This Exchange Agreement shall be construed in accordance with the laws of the State of Oregon. This Exchange Agreement may be executed in duplicate counterparts, each of which so executed shall, irrespective of the date of its execution and delivery, be deemed an original, and said counterparts together shall constitute one and the same agreement.

13.7 This Exchange Agreement inures to the benefit of and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns.

13.8 When deemed necessary by Qualified Intermediary, Qualified Intermediary in its sole discretion may resign from this Exchange Agreement at any time by serving written notice of Qualified Intermediary's intention to resign on Exchanger. This resignation will become effective 15 calendar days after service of the notice of the resignation on Exchanger. Upon Qualified Intermediary's resignation, Exchanger may appoint a successor to Qualified Intermediary in writing. Qualified Intermediary shall then convey to a successor qualified intermediary all documents, instruments, funds in the Exchange Value Account, title to any property held by Qualified Intermediary and whatever else is in Qualified Intermediary's possession at the time of the resignation, subject to such successor qualified intermediary's obligation to restrict Exchanger's access to any Exchange Value Account funds or other property in accordance with Treasury Regulation Section 1.1031(k)-1(g)(6).

If Exchanger does not appoint or approve a successor qualified intermediary within the 15 day time period, then Qualified Intermediary may, at its option, file a complaint in any court of competent jurisdiction seeking appropriate relief, including the appointment of a successor qualified intermediary. The resignation of Qualified Intermediary does not accelerate the time for the release of Exchange Value Account funds and other properties by Qualified Intermediary to Exchanger as set out in this Exchange Agreement.

14. **Force Majeure** The obligations of Qualified Intermediary under this Exchange Agreement shall be suspended and the performance of Qualified Intermediary shall be excused to the extent and only for the period of time that the performance of Qualified Intermediary is materially hindered or impeded by an act of God, war, domestic terrorism, any bank or clearing house suspension or closure, or any governmental or third party suspension or delay in document or funds transfers (including wire transfers, U.S. mail or private mail deliveries), and similar acts or circumstances beyond the control of Qualified Intermediary.

15. **Privacy Policy** In response to the Gramm-Leach-Bliley Act, the Exchanger acknowledges receipt of Qualified Intermediary's Privacy Policy.

IN WITNESS WHEREOF, Qualified Intermediary and Exchanger have executed this Real Property Exchange Agreement as of the date first written above.

**QUALIFIED INTERMEDIARY**

JELD-WEN 1031, inc.

By Cindi Poling Hickey  
Cindi J. Poling Hickey, Assistant Secretary

**EXCHANGER**

[Signature]  
Pacificorp, an Oregon Corporation,  
doing business as Pacific Power & Light Company

Tax ID/Social Security Number :

93-0246090

**Mailing Address:**

1825 NE Multnomah  
Portland OR 97232

**Contact Phone Number(s):**

Home 801-576-6434, 503-813-6648

Work 503-813-6648

Cell Phone 801-244-6455

**EXHIBIT 'A'**  
**(Relinquished Property)**

SW1/4, SW/4 SE1/4 and N1/2 SE1/4 of Section 29, Lot 1 and those portions of Lot 2, NE 1/4 NW1/4, N1/2 NE 1/4 of Section 32, lying North of State Highway No. 66 (Green Springs Highway) all in Township 39 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon.





1501 E. McAndrews Rd  
Medford, OR 97504  
(541) 779-7660 Fax: (541) 779-3502

**ASSIGNMENT AND ASSUMPTION OF REAL PROPERTY PURCHASE  
AND SALE AGREEMENT**  
**Relinquished Property**  
(File No. MDX071106)

This assignment and assumption is entered into by and between PACIFICORP, AN OREGON CORPORATION, DOING BUSINESS AS PACIFIC POWER & LIGHT COMPANY ("Exchanger"), and JELD-WEN 1031, inc., dba JELD-WEN 1031 ("Qualified Intermediary") as of November 13, 2007.

Exchanger, as Seller, and Klamath Sportsman Park Association, Inc., an Oregon non-profit organization and/or assigns as Buyer ("Buyer"), entered into that certain Agreement for Sale & Purchase of Real Property, dated November 07, 2007. The Agreement for Sale & Purchase of Real Property together with any and all amendments thereof (collectively the "Agreement"), is incorporated herein by this reference and covering that certain real property described in Exhibit "A" attached hereto and by reference incorporated herein ("Relinquished Property").

Exchanger and Qualified Intermediary have executed an Exchange Agreement in which Exchanger has agreed to transfer the Relinquished Property to Qualified Intermediary in consideration of Qualified Intermediary's promise to acquire suitable Replacement Property and transfer same to Exchanger.

The Agreement provides that Buyer will cooperate with Exchanger in a tax-deferred exchange of the Relinquished Property under Section 1031 of the Internal Revenue Code of 1986 (the "Exchange").

NOW, THEREFORE, the parties agree:

1. Exchanger assigns to Qualified Intermediary all of Exchanger's right, title and interest under the Agreement for the sale of the Relinquished Property.
2. Qualified Intermediary hereby assumes Exchanger's right, title and interest, but not the Exchanger's obligations, in the Agreement to transfer the Relinquished Property to the Buyer.
3. Qualified Intermediary instructs that the Exchanger will transfer and convey title of the Relinquished Property directly to the Buyer by appropriate deed.
4. This Assignment Agreement may be signed in counterparts and may be delivered by facsimile and each counterpart and facsimile will be considered an original, but all of which, when taken together, will constitute one instrument.

ACKNOWLEDGED:

QUALIFIED INTERMEDIARY

JELD-WEN 1031, inc.

By Cindi Poling Hickey  
Cindi J. Poling Hickey, Assistant Secretary

EXCHANGER

x 700 W  
Pacificorp, an Oregon Corporation,  
doing business as Pacific Power & Light Company

**Exhibit "A"**  
**(Relinquished Property)**

SW1/4, SW/4 SE1/4 and N1/2 SE1/4 of Section 29, Lot 1 and those portions of Lot 2, NE 1/4 NW1/4, N1/2 NE 1/4 of Section 32, lying North of State Highway No. 66 (Green Springs Highway) all in Township 39 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon.



1501 E. McAndrews Rd  
Medford, OR 97504  
(541) 779-7660 Fax: (541) 779-3502

### Taxpayer Access to Exchange Funds

Treasury Regulations regarding IRC Section 1031 provide you with a "Safe Harbor" from actual or constructive receipt of the exchange funds if the exchange funds are held by a Qualified Intermediary to facilitate your tax deferred exchange AND your written exchange agreement expressly limits your rights to "receive, pledge, borrow, or otherwise obtain the benefits of money or other property" before the end of the Exchange Period. There are limited circumstances provided in the Treasury Regulations that allow you early access to the exchange refunds before the end of the Exchange Period but ONLY if:

1. At the end of the Identification Period, you have not selected and identified any Replacement Property; or
2. You have received all of the Replacement Property to which you are entitled under the exchange agreement; or
3. After the end of the Identification Period a material and substantial contingency occurs that relates to the deferred exchange, is provided for in advance writing in the exchange agreement, and such occurrence is beyond your control or the control of any disqualified person, as defined in Treasury Regulations Section 1.1031(k), other than the person obligated to transfer the Replacement Property to you (i.e., the Replacement Property you identified is destroyed by fire); or
4. After the 180 day exchange period has expired.

An Exchanger does not have access to exchange funds prior to the 45<sup>th</sup> day, or before the 180<sup>th</sup> day if replacement property was identified and has not been purchased.

**Plan ahead:** If the Exchanger knows they will have excess funds, it is possible, with the proper instruction, at the time the relinquished property closes, to have escrow pay the excess cash directly to the Exchanger with the balance of the proceeds being paid to the Qualified Intermediary for the exchange. You must discuss this option with the Qualified Intermediary when setting up the exchange so the exchange documentation is properly prepared. Cash paid to the Exchanger is subject to capital gains tax.

Acknowledged By:

  
\_\_\_\_\_  
PacifiCorp, an Oregon Corporation,  
doing business as Pacific Power & Light Company

Form **W-9**  
(Rev. November 2005)  
Department of the Treasury  
Internal Revenue Service

### Request for Taxpayer Identification Number and Certification

Give form to the  
requester. Do not  
send to the IRS.

Name (as shown on your tax return)

Business Name, if different than above

Check appropriate box:  Individual/ Sole proprietor  Corporation  Partnership  Other .....  Exempt from backup withholding

Address (number, street and apt. or suite no.)

City, state, and ZIP code

List Account number(s) here (optional)

Requester's name and address (optional)

#### Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on Line 1 to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Social security number

--	--	--	--	--	--	--	--	--	--

Employer identification number

91302460910

Note: If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

#### Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
- I am a U.S. person (including a U.S. resident alien).

**Certification instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. (See the instructions on page 4.)

Sign Here

Signature of U.S. person

*[Handwritten Signature]*

Date

11/28/07

#### Purpose of Form

A person who is required to file an information return with the IRS, must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

**U.S. person.** Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

- Certify that the TIN you are giving is correct (or you are waiting for a number to be issued).
- Certify that you are not subject to backup withholding, or
- Claim exemption from backup withholding if you are a U.S. exempt payee.

In 3 above, if applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

**Note.** If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

For federal tax purposes, you are considered a person if you are:

- An individual who is a citizen or resident of the United States.
  - A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States, or
  - Any estate (other than a foreign estate) or trust. See Regulations sections 301.7701-6(s) and 7(a) for additional information.
- Special rules for partnerships.** Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.
- The person who gives Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States is in the following cases:

- The U.S. owner of a disregarded entity and not the entity.

• The U.S. grantor or other owner of a grantor trust and not the trust, and

• The U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

**Foreign person.** If you are a foreign person, do not use Form W-9. Instead, use the appropriate Form W-8 (see Publication 515, *Withholding of Tax on Nonresident Aliens and Foreign Entities*).

**Nonresident alien who becomes a resident alien.**

Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the recipient has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

**Example.** Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity not subject to backup withholding, give the requester the appropriate completed Form W-8.

**What is backup withholding?** Persons making certain payments to you must under certain conditions withhold and pay to the IRS 28% of such payments (after December 31, 2002). This is called "backup withholding." Payments that may be subject to backup withholding include interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

**Payments you receive will be subject to backup withholding if:**

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the Part II instructions on page 4 for details),

3. The IRS tells the requester that you furnished an incorrect TIN,

4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or

5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See the instructions below and the separate instructions for the Requester of Form W-9.

Also see *Special rules regarding partnerships* on page 1.

## Penalties

**Failure to furnish TIN.** If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

**Civil penalty for false information with respect to withholding.** If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

**Criminal penalty for falsifying information.** Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

**Misuse of TINs.** If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

## Specific Instructions

### Name

If you are an individual, you must generally enter the name shown on your income tax return. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first, and then circle, the name of the person or entity whose number you entered in Part I of the form.

**Sole proprietor.** Enter your individual name as shown on your income tax return on the "Name" line. You may enter your business, trade, or "doing business as (DBA)" name on the "Business name" line.

**Limited liability company (LLC).** If you are a single-member LLC (including a foreign LLC with a domestic owner) that is disregarded as an entity separate from its owner under Treasury regulations section 301.7701-3, enter the owner's name on the "Name" line. Enter the LLC's name on the "Business name" line. Check the appropriate box for your filing status (sole proprietor, corporation, etc.), then check the box for "Other" and enter "LLC" in the space provided.

**Other entities.** Enter your business name as shown on required federal tax documents on the "Name" line. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on the "Business name" line. Note. You are requested to check the appropriate box for your status (individual/sole proprietor, corporation, etc.).

### Exempt From Backup Withholding

If you are exempt, enter your name as described above and check the appropriate box for your status, then check the "Exempt from backup withholding" box in the line following the business name, sign and date the form.

Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends.

**Note.** If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding. **Exempt payees.** Backup withholding is not required on any payments made to the following payees:

1. An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2),
2. The United States or any of its agencies or instrumentalities,
3. A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities.
4. A foreign government or any of its political subdivisions, agencies, or instrumentalities, or
6. An international organization or any of its agencies or instrumentalities.

Other payees that may be exempt from backup withholding include:

6. A corporation,
7. A foreign central bank of issue,
8. A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States,
9. A futures commission merchant registered with the Commodity Futures Trading Commission,
10. A real estate investment trust,
11. An entity registered at all times during the tax year under the Investment Company Act of 1940,
12. A common trust fund operated by a bank under section 584(a),
13. A financial institution,
14. A middleman known in the investment community as a nominee or custodian, or
15. A trust exempt from tax under section 664 or described in section 4947.

The chart below shows types of payments that may be exempt from backup withholding. The chart applies to the exempt recipients listed above, 1 through 15.

If the payment is for:	THEN the payment is exempt for ...
Interest and dividend payments	All exempt recipients except for 9
Broker Transactions	Exempt recipients 1 through 13. Also, a person registered under the Investment Advisers Act of 1940 who regularly acts as a broker
Barter exchange transactions and patronage dividends	Exempt recipients 1 through 5
Payments over \$600 required to be reported and direct sales over \$5,000 <sup>1</sup>	Generally, exempt recipients 1 through 7 <sup>2</sup>

<sup>1</sup> See Forms 1099-Misc, Miscellaneous Income, and its instructions.

<sup>2</sup> However, the following payments made to a corporation (including gross proceeds paid to an attorney under section 6045(f), even if the attorney is a corporation) and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, and payments for services paid by a Federal executive agency.

### Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-owner LLC that is disregarded as an entity separate from its owner (see *Limited liability company (LLC)* on page 2), enter your SSN (or EIN, if you have one). If the LLC is a corporation, partnership, etc., enter the entity's EIN.

**Note.** See the chart on page 4 for further clarification of name and TIN combinations.

**How to get a TIN.** If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local Social Security Administration office or get this form online at [www.socialsecurity.gov](http://www.socialsecurity.gov). You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at [www.irs.gov/businesses](http://www.irs.gov/businesses) and clicking on Employer ID Numbers under Related Topics. You can get Forms W-7 and SS-4 from the IRS by visiting [www.irs.gov](http://www.irs.gov) or by calling 1-800-TAX-FORM (1-800-829-3676).

If you are asked to complete Form W-9 but do not have a TIN, write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

**Note.** Writing "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

**Caution:** A disregarded domestic entity that has a foreign owner must use the appropriate Form W-8.

**Part II. Certification**

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if items 1, 4, and 5 below indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). Exempt recipients, see *Exempt From Backup Withholding* on page 2.

Signature requirements. Complete the certification as indicated in 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

**What Name and Number To Give the Requester**

For this type of account:	Give name and SSN or:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account <sup>1</sup>
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor <sup>2</sup>
4. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee <sup>3</sup>
b. So-called trust account that is not a legal or valid trust under state law	The actual owner <sup>1</sup>
5. Sole proprietorship or single-owner LLC	The owner <sup>3</sup>
For this type of account:	Give name and EIN or:
6. Sole proprietorship or single-owner LLC.	The owner <sup>3</sup>
7. A valid trust, estate, or pension trust	Legal entity <sup>4</sup>
8. Corporate or LLC electing corporate status on Form 8832	The corporation
9. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
10. Partnership or multi-member LLC	The partnership
11. A broker or registered nominee	The broker or nominee
12. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity

<sup>1</sup>List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

<sup>2</sup>Circle the minor's name and furnish the minor's SSN.

<sup>3</sup>You must show your individual name, but you may also enter your business or "DBA" name on the second name line. You may use either your SSN or EIN (if you have one). If you are a sole proprietor, IRS encourages you to use your SSN.

<sup>4</sup>List first and circle the name of the legal trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules regarding partnerships* on page 1.

**Note:** If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

**Privacy Act Notice**

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons who must file information returns with the IRS to report interest, dividends, and certain other income paid to you, mortgage interest you paid, the acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA, or Archer MSA or HSA. The IRS uses the numbers for identification purposes and to help verify the accuracy of your tax return. The IRS may also provide this information to the Department of Justice for civil and criminal litigation, and to cities, states, the District of Columbia, and U.S. possessions to carry out their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

You must provide your TIN whether or not you are required to file a tax return. Payers must generally withhold 28% of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to a payer. Certain penalties may also apply.





1501 E. McAndrews Rd  
Medford, OR 97504  
(541) 779-7660 Fax: (541) 779-3502

In Response to the Gramm – Leach – Bliley Act Effective 7/1/2001

## PRIVACY POLICY

### We Are Committed to Safeguarding Customer Information

In order to better serve your needs now and in the future, we may ask you to provide us with certain information. We understand that you may be concerned about what we will do with such information – particularly any personal or financial information. We agree that you have a right to know how we will utilize the personal information you provide to us. Therefore, we have adopted this Privacy Policy to govern the use and handling of your personal information.

### Applicability

This Privacy Policy governs our use of the information which you provide to us. It does not govern the manner in which we may use the information we have obtained from any other source, such as information obtained from a public record or from another person or entity.

### Types of Information

Depending upon which of our services you are utilizing, the types of nonpublic personal information that we may collect include:

- Information we receive from you on applications, forms and in other communications to us, whether in writing, in person, by telephone or any other means;
- Information about your transactions with us, our affiliated companies, or others; and
- Information we receive from a consumer reporting agency.

### Use of Information

We request information from you for our own legitimate business purposes and not for the benefit of any nonaffiliated party. Therefore, we will not release your information to nonaffiliated parties except: (1) as necessary for us to provide the product or service you have requested of us; or (2) as permitted by law. We may, however, store such information indefinitely, including the period after which any customer relationship has ceased. Such information may be used for any internal purpose, such as quality control efforts or customer analysis. We may also provide all of the types of nonpublic personal information listed above to one or more of our affiliated companies. Such affiliated companies may include financial service providers, exchange companies, other title insurance companies, escrow collection companies, foreclosure companies, property and casualty insurers, and trust and investment advisory companies, or companies involved in real estate services, such as appraisal companies, home warranty companies and escrow companies. Furthermore, we may also provide all the information we collect, as described above, to companies that perform marketing services on our behalf, on behalf of our affiliated companies, or to other financial institutions with whom we or our affiliated companies have joint marketing agreements.

### Former Customers

Even if you are no longer our customer, our Privacy Policy will continue to apply to you.

### Confidentiality and Security

We will use our best efforts to ensure that no unauthorized parties have access to any of your information. We restrict access to nonpublic personal information about you to those individuals and entities who need to know that information to provide products or services to you. We will use our best efforts to train and oversee our employees and agents to ensure that your information will be handled responsibly and in accordance with this Privacy Policy. We currently maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.



**ADDENDUM TO ESCROW INSTRUCTIONS**ESCROW # MT81063-MSDATE: 11-28-2007

My/our previous instructions in the above-referenced escrow are hereby supplemented to include the following and are made a part herein.

The parties herein acknowledge that AmeriTitle shall not require proof of hazard (fire) insurance coverage from the buyer prior to closing, as this is a cash sale of bare land. However, AmeriTitle urges the buyer to contact their agent should buyer need coverage. AmeriTitle shall be held harmless from any liability or responsibility in obtaining and providing proof of insurance.

It is the intent of PacificCorp, an Oregon Corporation, dba Pacific Power & Light Company with the closing of this escrow, to effect an IRC Section 1031 Tax Deferred Exchange.

JELD WEN 1031 has been designated as the Facilitator in this transaction. All rights and interest of PacificCorp, an Oregon Corporation, dba Pacific Power & Light Company in that certain purchase and sale agreement and any addendums thereof, between PacificCorp, an Oregon Corporation doing business as Pacific Power & Light Company, as SELLERS, and Klamath County, a Political Subdivision of the State of Oregon, as BUYERS, have been assigned to said Facilitator.

It is understood and acknowledged by the parties that while the Exchangor has assigned all of their interest in the transaction to the Facilitator, it is necessary for the Exchangor to remain a part of the transaction for the purpose of reviewing and approving all of the documents being executed by the Facilitator as well as signing documents presented to escrow for signature by the Exchangor, including but not limited to, indemnities, affidavits and loan documents, if applicable.

A direct deed from Pacificcorp, an Oregon Corporation doing business as Pacific Power & Light Company, which took title as the California Oregon Power Company to Klamath County, a Political Subdivision of the State of Oregon shall be recorded at closing.

It is the intent of the Exchangor to complete this 1031 Tax Deferred Exchange for the primary benefit of PacificCorp, an Oregon Corporation, dba Pacific Power & Light Company (Taxpayer) at no additional expense or liability to the Klamath County. The subject property of this escrow is considered the Relinquished property of this 1031 Exchange.

The parties acknowledge that they have been advised to seek the counsel of their own tax attorney or certified public accountant for the determination of any tax consequences of this transaction. It is understood and agreed that AmeriTitle makes no representations or guarantees as to the adequacy of this transaction. AmeriTitle is hereby relieved of any and all liability and/or responsibility for any loss which said party may sustain in the event this transaction or the property which is the subject of this transaction, is audited by the Internal Revenue Service and disqualified as a 1031 Exchange.

We are disclosing to you that JELD-WEN, inc is the owner of AmeriTitle and the owner of American Exchange Services and JELD-WEN 1031, the facilitator in this 1031 exchange transaction. We call this interest to your attention in order to be perfectly open and fair with you. In our opinion, this interest will not prevent us from being a fair and impartial escrow agent in this transaction. Nevertheless, you may request that this transaction be closed by some other licensed escrow agent if you so desire. The undersigned hereby authorizes and instructs AmeriTitle to follow the instructions given by JELD-WEN 1031, or American Exchange Services, Inc., and to incorporate said instructions into this transaction.

AmeriTitle has been specifically instructed to insert the following language onto the Special Warranty Deed being created herein: Buyer hereby agrees that the Property shall be dedicated to public use. Buyer further agrees that in the event the property use is ever changed to allow for private uses, Buyer shall, within thirty (30) days of such change, notify Seller in writing of the use change. Seller shall then have sixty (60) days from receipt of notice to exercise its right to re-purchase the Property for the Purchase Price set forth herein. Buyer hereby agrees that the Special Warranty Deed shall contain: (i) a deed restriction limiting the use of the Property to public use; and (ii) memorialization of Seller's option to re-purchase the Property as described herein.

**IT IS UNDERSTOOD BY THE PARTIES SIGNING THE ABOVE OR ATTACHED INSTRUCTIONS THAT THE INSTRUCTIONS ARE THE COMPLETE INSTRUCTIONS BETWEEN THIS FIRM AS AN ESCROW AGENT AND YOU AS A PRINCIPAL TO THE ESCROW TRANSACTION. THESE INSTRUCTIONS MAY NOT INCLUDE ALL THE TERMS OF THE AGREEMENT WHICH IS THE SUBJECT OF THIS ESCROW. READ THESE INSTRUCTIONS CAREFULLY AND DO NOT SIGN THEM UNLESS THEY ARE ACCEPTABLE TO YOU.**

Addendum to Escrow Instructions - cont'd  
Ref Escrow No. MT81063-MS

Pg 2 of 2

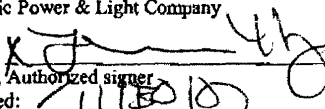
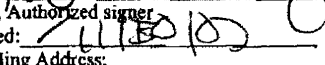
**SIGNATURES**  
**SELLER(S):**

JELD-WEN 1031

BY: \_\_\_\_\_  
Cindi Poling Hickey, Asst. Secretary  
Dated: \_\_\_\_\_  
Mailing Address:  
1501 E. McAndrews Road  
Medford, OR 97504

READ AND APPROVED:

PacifiCorp, an Oregon Corporation doing business as  
Pacific Power & Light Company

BY:  \_\_\_\_\_  
Authorized signer  
Dated:  \_\_\_\_\_  
Mailing Address:  
825 NE Multnomah, LCT 1700  
Portland, OR 97232

**BUYER(S):**

Klamath County, a Political Subdivision of the State  
of Oregon

BY: \_\_\_\_\_  
Tom Crist, Parks Manager  
Dated: \_\_\_\_\_  
Mailing Address:  
305 Main Street  
1st Floor  
Klamath Falls, OR 97601



300 Klamath Avenue  
Klamath Falls, OR 97601

Bus (541) 883-3401  
Fax (541) 882-0620

**ESCROW DISBURSEMENT INSTRUCTIONS**

TO: AMERITITLE

ESCROW # MT81063-MS  
ESCROW OFFICER: Margie Stuart

I/we hereby authorize and instruct AMERITITLE to disburse my/our net proceeds in the following manner:

I/we will PICK UP our proceeds check in your office.  
Please call when the check is ready (Phone Number \_\_\_\_\_).

WIRE the funds to the following account:  
*---Most banks will allow you immediate access to wire transfers---*  
Name of Bank \_\_\_\_\_, Branch \_\_\_\_\_  
Address \_\_\_\_\_  
ABA Number/Routing Number \_\_\_\_\_  
Account Number \_\_\_\_\_  
Account in the Name of \_\_\_\_\_  
I/we authorize you to deduct a charge of up to \$25.00 to cover the wire service.

*funds to  
Jeld Wen  
1031*

DEPOSIT THE FUNDS in my/our bank account as follows:  
(Deposit slip attached)  
*---Certain banks may place a hold on funds to allow clearing time---*  
Name of Bank \_\_\_\_\_, Branch \_\_\_\_\_  
Address \_\_\_\_\_  
Account No. \_\_\_\_\_

NOTE:  
Out of area deposits will be  
mailed via regular mail.

*dh*

MAIL the funds to the undersigned at the following address:  
\_\_\_\_\_  
\_\_\_\_\_  
Send by regular mail, unless indicated below.  
 Over-night express. By checking this box, I/we authorize you to deduct  
a charge of \$20.00 to cover the mailing service.

You are hereby authorized and instructed to transfer \$ \_\_\_\_\_ upon close of this escrow to Escrow  
No. \_\_\_\_\_ at \_\_\_\_\_.

Special Instructions: YOU ARE INSTRUCTED TO TRANSFER ALL SELLER NET PROCEEDS TO  
JELD WEN 1031 AS PER 1031 EXCHANGE REQUIREMENTS

IT IS UNDERSTOOD BY THE PARTIES SIGNING THE ABOVE OR ATTACHED INSTRUCTIONS  
THAT THE INSTRUCTIONS ARE THE COMPLETE INSTRUCTIONS BETWEEN THIS FIRM AS  
AN ESCROW AGENT AND YOU AS A PRINCIPAL TO THE ESCROW TRANSACTION. THESE  
INSTRUCTIONS MAY NOT INCLUDE ALL THE TERMS OF THE AGREEMENT WHICH IS THE  
SUBJECT OF THIS ESCROW. READ THESE INSTRUCTIONS CAREFULLY AND DO NOT SIGN  
THEM UNLESS THEY ARE ACCEPTABLE TO YOU.

Dated: 11/20/07

JELD-WEN 1031

BY: \_\_\_\_\_  
Cindi Poling Hickey, Asst. Secretary

READ AND APPROVED:

Pacificorp, an Oregon Corporation doing business as Pacific Power & Light Company

BY: [Signature]  
Authorized signer



300 Klamath Avenue  
Klamath Falls, OR 97601

Bus (541) 883-3401  
Fax (541) 882-0620

## ESCROW INSTRUCTIONS

TO: AMERITITLE

ESCROW # MT81063-MS

Seller: JELD-WEN 1031  
Buyer: Klamath County, a Political Subdivision of the State of Oregon

**Legal Description:**  
SEE EXHIBIT A WHICH IS MADE A PART HEREOF BY THIS REFERENCE

**Seller hereby deposits, or shall cause to be deposited, the following with escrow under these instructions:**

Deed from Seller to Buyer (to be recorded);  
Estimated Closing Statement or HUD Settlement Statement which has been approved and is incorporated into and made a part of these instructions;

Seller authorizes delivery, release, and recording of documents when AmeriTitle holds for the account of the seller the sum as shown on the signed estimated closing statement and further authorizes credits, deductions, and adjustments as set forth on the signed estimated closing statement. Certain items shown on the closing statement are estimates only and the final figures may be adjusted to accommodate exact amounts required at the time of disbursement.

**Buyer hereby deposits, or shall cause to be deposited, the following with escrow under these instructions:**

Estimated Closing Statement or HUD Settlement Statement which has been approved and is incorporated into and made a part of these instructions;  
Evidence of Hazard Insurance;  
Collected funds as required to close;  
Copy of Deed to be signed by seller and read and approved by buyer;

Buyer authorizes delivery, release and recording of documents when AmeriTitle is prepared to issue an Owner's Title insurance policy (ALTA 1992) in standard form in the amount of the sales price insuring the Grantee on the deed deposited by Seller on the property described in preliminary title report 0081063, report # 1, subject to the general exceptions and exceptions # 1-6 & 8-15 and recorded documents as shown above. Title to the subject property shall be conveyed into the names of Klamath County, a Political Subdivision of the State of Oregon.

If Buyer is obtaining a new loan, AmeriTitle is authorized to record any documents and issue any ALTA Lender's policy required by or on behalf of Lender. Buyer further authorizes credits, deductions and adjustments as set forth on the attached signed estimated closing statement or estimated HUD. Certain items shown on the closing statement/HUD are estimates only and the final figures may be adjusted to accommodate exact amounts required at the time of disbursement.

**Seller and Buyer jointly provide the following authorizations/instructions to AmeriTitle:**

**Prorate:** AmeriTitle is to pro-rate as of Close of Escrow the following and charge or credit to my account accordingly:

**2007/2008 Property taxes**

Assume a 365-day year in any prorate herein provided, unless the parties otherwise instruct AmeriTitle. AmeriTitle is to use the information contained in the last available tax statement (and any estimated increases), rental statement as provided by the seller, beneficiary's statement, and fire insurance policies delivered into escrow for the prorates provided above.

**Closing:** The expression "Close or Close of Escrow" for purposes of this agreement, means the date in which documents referred to herein are filed for record or in the case where there are no filings, when documents have been executed by all parties and funds exchanged. We understand that recording and disbursement may be subject to final review and the approval of the loan package by the lender. Under the lender's instruction and at AmeriTitle's discretion, AmeriTitle may record the documents in this transaction prior to the receipt of loan funds from the lender. **These instructions are final and cannot be changed by buyer or seller once AmeriTitle holds all necessary executed documents and all collected funds.**

**Hazard Insurance:** In all acts in this escrow relating to hazard insurance, including adjustments, if any, AmeriTitle shall be fully protected in assuming that each policy is in force and that the necessary premium therefore has been paid. The parties are to secure coverage outside of this escrow to protect their interest(s) as they may appear.

**Copies:** AmeriTitle is authorized to furnish to any attorney, tax advisor, broker, or lender identified with this transaction, or anyone acting on behalf of such attorney, tax advisor, broker, or lender, any information concerning this escrow, copies of all instructions, amendments and statements upon request.

**Counterpart & Facsimile:** These instructions may be signed in counterparts, with like effect as if all signatures appeared on a single copy. Consent, acceptance or approval required or remitted by any party hereunder may be given by facsimile transmission and AmeriTitle may complete all necessary actions without receipt of original signed instructions.

**Receipt & Disbursement of funds:** AmeriTitle may at their discretion, receive and/or disburse any funds in connection with this agreement by electronic wire transfer. If required by any of the parties to utilize this method of transfer, the requesting party agrees to pay any reasonable fee as assessed by AmeriTitle for this service.

**Refunds:** Any funds remaining on deposit after closing or refunds received by AmeriTitle will be refunded to the party whose account was charged. No further instructions will be required by AmeriTitle from Seller or Buyer prior to the disbursement of any such refund.

**Payoffs & Releases:** Seller and Buyer authorize and instruct AmeriTitle upon closing to pay all liens being released or discharged through this escrow in accordance with the payoff statements or instructions received by AmeriTitle from the lien holders. At their discretion, AmeriTitle may proceed pursuant to ORS 86.720 to secure an appropriate release of debt.

**Seller and Buyer acknowledge the following:**

AmeriTitle has no liability or responsibility with respect to the following matters: (Unless expressly authorized by separate written instruction and acknowledged by AmeriTitle)

- Compliance with the requirements of the Consumer Credit Protection Act or Interstate Land Sales Act, or similar laws.
- Compliance with the requirements of the Oregon Revised Statutes 537.330 (relating to water rights), 537.788 (relating to well information), 448.271 (relating to well testing) and any similar laws.
- Compliance with State or Federal law relating to construction liens, homeowners protection act or lead based paint, seller disclosures, subdivision acts and/or zoning ordinances.
- Compliance with the collection, withholding, reporting or payment of any amounts due under Section 1445 and 6039C of the Internal Revenue Code or other related statute or regulation of the Foreign Investment in Real Property Tax Act, commonly referred to as FIRPTA. Notwithstanding the fact AmeriTitle assumes no liability or responsibility to the seller and/or buyer for compliance with FIRPTA, AmeriTitle reserves the right to take any action required by such law and/or regulation without further instructions of the seller or buyer.
- Filing and/or searching for any filed Financing Statements (UCC-1) and/or their release.
- Utilities such as but not limited to water, sewer, waste collection, electricity, fuel inventory will be handled by the parties outside of this escrow.

**Seller and/or Buyer agree to the following:**

**Continuing Authorization to Close:** Seller and Buyer declare that these instructions are a continuing authorization to close when all of the documents and funds for closing are deposited, unless Seller or Buyer deposits a written notice to cancel or suspend the authorization to close before this transaction is considered final. Seller and Buyer declare that time is of essence for these instructions. These instructions are final and cannot be changed by buyer or seller once AmeriTitle holds all necessary executed documents and all collected funds.

**Contingencies of Earnest Money Agreement:** All terms and provisions of the Earnest Money Agreement and any amendments or addendums thereto have been complied to with the complete satisfaction of the parties or will be complied with outside of escrow. These closing escrow instructions are not intended to amend, modify or supersede the terms and conditions set forth in the Real Estate Purchase and Sale Agreement and Addendums thereto, if any. Escrow is to be concerned only with the provisions specifically set forth in these instructions and identified by the Buyer and Seller as conditions to the closing of this escrow.

**Termination of Escrow:** AmeriTitle's liability hereunder is limited to its obligations specifically set forth herein. AmeriTitle may terminate this escrow at any time, without notice, or liability. Documents and monies shall be returned to the parties depositing them.

**Conflicting Instructions:** In the event any dispute arises between the parties hereto or with any third person concerning the property, documents, or funds covered by these instructions, AmeriTitle may at its election

- (a) hold all matters in their existing status pending resolution of such dispute to AmeriTitle's satisfaction, or
- (b) join or commence a court action and in such action deposit the funds and documents referred to herein with the court where such action is pending, and ask the court to determine the rights of purchaser and seller in and to such property, documents and funds, or
- (c) resolve by arbitration in accordance with the rules of the American Arbitration Association and any judgment rendered pursuant to such arbitration may be entered in any court having jurisdiction thereof.

In the event of such dispute and AmeriTitle's election of an alternative described above, AmeriTitle shall have no further duties or obligations under this agreement other than either to hold such funds and documents until Purchaser and Seller have resolved their dispute or to deposit such funds and documents into court. Seller and Buyer shall be responsible for costs associated with any of the above actions taken.

**Attorney Fees:** It is further agreed that in the event of any suit or claim made against AmeriTitle by either or both parties to this agreement, that said parties shall be required to pay AmeriTitle all expenses, costs and reasonable attorney's fees in connection therewith, whether suit is instituted by AmeriTitle or any of the parties hereto.

**Acknowledgements and representations of Seller and Buyer:**

**Legal Advice:** AmeriTitle is not licensed to practice law and AmeriTitle's duties and obligations under this agreement are limited to those of an escrow holder. Seller and Buyer have not been referred by AmeriTitle to any named attorney or attorneys or discouraged from seeking advice of an attorney but have been advised to seek legal counsel of my own choosing at my own expense for any question we may have. Any and all documents, which AmeriTitle has prepared for use in this transaction, have been prepared at the parties' direction and have been reviewed and are hereby approved as to content, form and terms.

**Bank Benefits:** AmeriTitle indirectly receives monetary benefits from the bank(s) at which it deposits and maintains escrow funds in non-interest bearing accounts. These benefits help defray costs associated with handling escrow funds. AmeriTitle estimated the monetary benefit on a per escrow closing basis to be approximately \$65.24. AmeriTitle calculated this by dividing estimated total benefits for the past period of months by the estimated total number of escrow closings for the same period. This good faith estimate, as it applies to this escrow is required by Oregon Administrative Rule 863-50-065 (2). Parties consent to these indirect benefits.

**Deposits:** Seller and Buyer understand that all checks, money orders or drafts will be processed for collection in the normal course of business. Parties further understand that all checks, money orders or drafts required to close must be payable to AmeriTitle and must be *collected funds*, as required by federal and state statutes and regulations prior to your disbursement of any funds. AmeriTitle may commingle funds received with escrow funds of others, and may, without limitation, deposit such funds in its escrow account with any bank authorized to do business in the state. It is understood that AmeriTitle, except by virtue of separate signed instructions there shall be no obligation to invest the funds on deposit on behalf of any depositor, nor shall AmeriTitle be accountable for any earnings or incidental benefit attributable to the funds which may be received by AmeriTitle while AmeriTitle hold such funds.

**HUD Review:** Pursuant to regulations adopted under the real estate settlement procedures act, I (we) have a right to review the HUD-1 settlement statement one day prior to closing and do hereby waive such right and instruct the settlement agent herein to proceed in accordance with alternative sections of such regulations. Buyer and Sellers understand not all transactions require a HUD settlement statement.

**Privacy Policy:** In response to the Gramm-Leach-Bliley Act, the appropriate parties have been provided with a copy of AmeriTitle's Privacy Policy.

**Review:** The seller and buyer acknowledge that they have been given adequate time and opportunity to read and understand these escrow instructions and all other documents referred to in the transaction. The seller and buyer have read and approved the preliminary title report, estimated closing statement, escrow instructions and any addendums. Seller represents to AmeriTitle there are no existing liens, assessments, taxes, deferred taxes, unpaid water or sewer bill, or any other obligations which are the responsibility of the seller and which are not shown on the above documents. The seller understands and agrees that any obligation known to them and not disclosed herein, remains the responsibility of the seller subsequent to the closing of this transaction.

**Undisclosed items:** The undersigned understands and agrees that any obligation known to them and not disclosed herein remains the responsibility of the undersigned subsequent to the closing of this escrow. The undersigned seller further understands and agrees that any payoffs made on their behalf in this escrow are made by AmeriTitle with complete reliance on figures supplied by the lender, creditor or taxing agency. In the event that additional funds are required to complete said payoffs, the undersigned hereby agrees to immediately upon request from AmeriTitle, provide the additional funds needed to complete said payoffs.

PLEASE READ THE PRELIMINARY TITLE REPORT AND YOUR CLOSING STATEMENT CAREFULLY BEFORE SIGNING THIS DOCUMENT. BE SURE ALL FACTS KNOWN TO YOU ARE ACCOUNTED FOR IN THIS ESCROW. AMERITITLE AS THE ESCROW AGENT, IS A NEUTRAL THIRD PARTY AND CANNOT ADVISE YOU OR PROTECT YOUR LEGAL RIGHTS. YOU SHOULD CONSULT LEGAL COUNSEL FOR SUCH ADVICE AND PROTECTION.

IT IS UNDERSTOOD BY THE PARTIES SIGNING THE ABOVE OR ATTACHED INSTRUCTIONS THAT THE INSTRUCTIONS ARE THE COMPLETE INSTRUCTIONS BETWEEN THIS FIRM AS AN ESCROW AGENT AND YOU AS A PRINCIPAL TO THE ESCROW TRANSACTION. THESE INSTRUCTIONS MAY NOT INCLUDE ALL THE TERMS OF THE AGREEMENT WHICH IS THE SUBJECT OF THIS ESCROW. READ THESE INSTRUCTIONS CAREFULLY AND DO NOT SIGN THEM UNLESS THEY ARE ACCEPTABLE TO YOU.

**SIGNATURES**

**SELLER(S):**

JELD-WEN 1031

BY: \_\_\_\_\_  
Cindi Poling Hickey, Asst. Secretary  
Dated: \_\_\_\_\_  
Mailing Address:  
1501 E. McAndrews Road  
Medford, OR 97504

**READ AND APPROVED:**

PacifiCorp, an Oregon Corporation doing business  
as Pacific Power & Light Company

BY: \_\_\_\_\_  
Authorized signer  
Dated: 11/30/07  
Mailing Address:  
825 NE Multnomah, LCT 1700  
Portland, OR 97232

**BUYER(S):**

Klamath County, a Political Subdivision of the State  
of Oregon

BY: \_\_\_\_\_  
Tom Crist, Parks Manager  
Dated: \_\_\_\_\_  
Mailing Address:  
305 Main Street  
1st Floor  
Klamath Falls, OR 97601

Accepted this \_\_\_\_\_ day of \_\_\_\_\_, 2007.

AMERITITLE

By: \_\_\_\_\_  
Margie Stuart

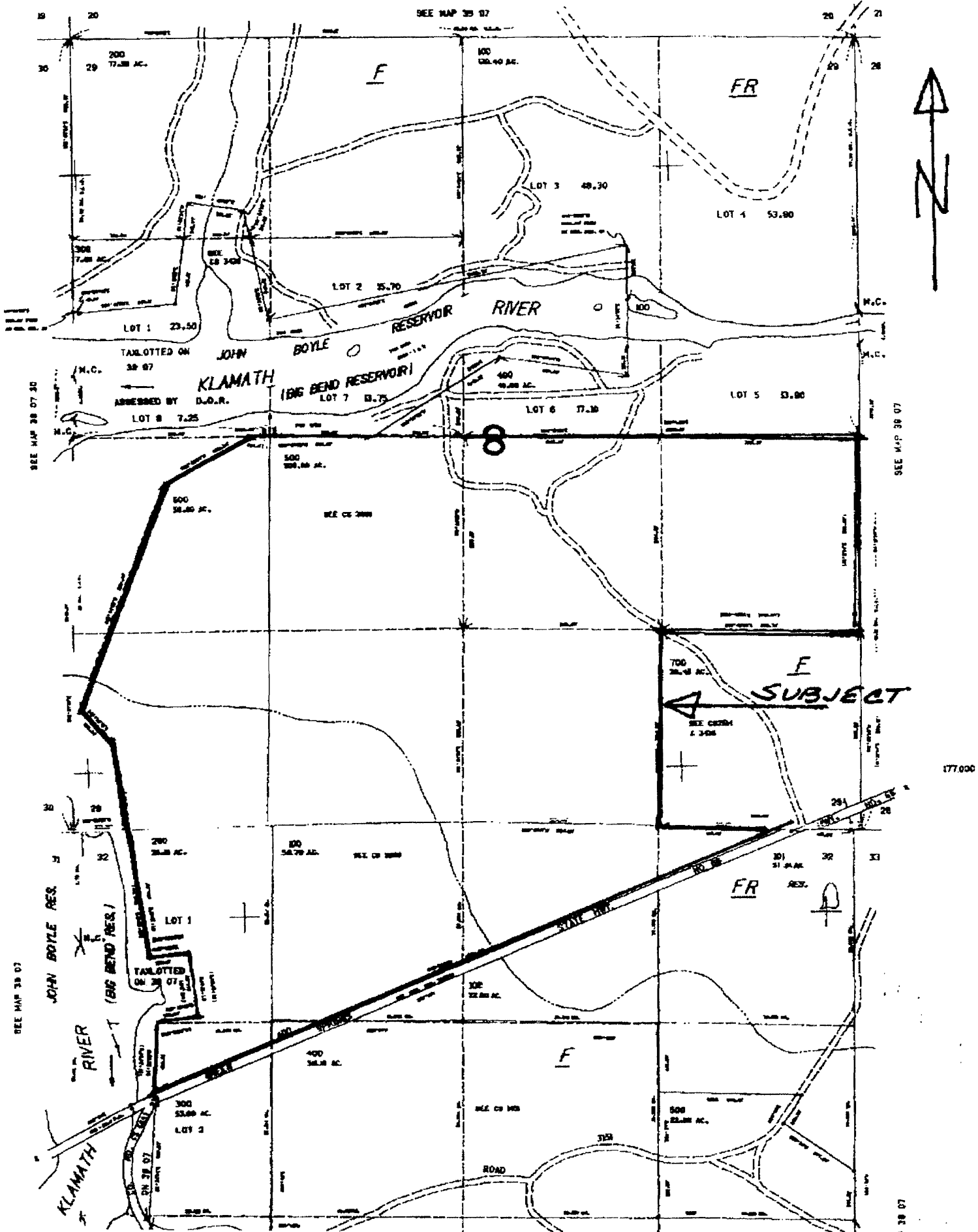


SECTION 29 T.39S. R.07E. W.M.  
KLAMATH COUNTY

39 07 2

THIS MAP WAS PREPARED FOR  
ASSESSMENT PURPOSE ONLY.

T-400



177000

39 07

**ATTACHMENT B**

**SPORTSMAN PARK PROPERTY APPRAISAL**



# APPRAISAL REPORT

KLAMATH SPORTSMANS PARK  
HIGHWAY 66  
KLAMATH COUNTY, OREGON  
JANUARY 12, 2005

## REAL PROPERTY CONSULTANTS

PORTLAND  
SALEM  
MEDFORD  
KLAMATH FALLS

*Each office is independently owned and operated.*

APPRAISAL REPORT

KLAMATH SPORTSMANS PARK  
HIGHWAY 66  
KLAMATH COUNTY, OREGON  
JANUARY 12, 2005

PREPARED FOR

FRED RASMUSSEN  
REAL ESTATE MANAGEMENT  
PACIFICORP  
825 NE MULTNOMAH, LCT-1000  
PORTLAND, OREGON 97232

PREPARED BY

GLEN R. CROUCH, MAI, ARA  
REAL PROPERTY CONSULTANTS SALEM  
180 COMMERCIAL STREET NE, SUITE 9  
SALEM, OREGON 97301  
(503)581-2070

RPC REAL PROPERTY CONSULTANTS

S A L E M

GLEN R. CROUCH, MAI, ARA  
503/581-2070 FAX 503/581-8917  
180 COMMERCIAL ST. NE, SUITE 9 • SALEM OR 97301  
REAL ESTATE APPRAISERS & COUNSELORS

Fred Rasmussen  
PacifiCorp Real Estate Management  
825 NE Multnomah, LCT-1000  
Portland, OR 97232

January 24, 2005  
File no. 05-02

Subject: Appraisal Report, Klamath Sportsmans Park, 346.4 acres more or less, excluding buildings and improvements

Dear Mr. Rasmussen:

In response to your authorization, I have conducted the required investigation, gathered the necessary data, and made certain analyses enabling me to form an unbiased opinion of the MARKET VALUE of the fee simple interest in the Klamath Sportsmans Park property.

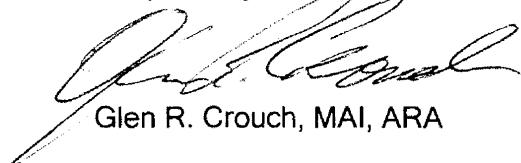
This report is intended to comply with the current *Uniform Standards of Professional Appraisal Practice* as formulated by the Appraisal Standards Board and the code of ethics and standards of practice of the professional appraisal organizations to which I belong. The report is issued as a summary narrative and is a complete appraisal. The property is appraised in "as is" condition exclusive of improvements. PacifiCorp is the Client and the intended use is to establish the price for sale to Klamath Sportsman Park Association.

Based on an examination of the property, the investigation, and analysis undertaken, I have formed the opinion that as of January 12, 2005, and subject to the Assumptions and Limiting Conditions set forth in this report, the MARKET VALUE was:

SEVEN HUNDRED FIFTY THOUSAND DOLLARS .....\$750,000

The narrative appraisal report (containing 77 pages) that follows sets forth the Legal Description, pertinent facts about the area and subject property, comparable data, and the reasoning leading to this conclusion. This letter must remain attached to the report in order for the opinion to be considered valid.

Respectfully submitted,



Glen R. Crouch, MAI, ARA

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Lease	
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## INTRODUCTION

**EXECUTIVE SUMMARY**

OWNERSHIP:	PacifiCorp
LOCATION:	Highway 66 Klamath County, Oregon
PROPERTY TYPE:	Timber and recreation
TITLE APPRAISED:	Fee Simple subject to existing lease
LAND AREA:	346.4 Acres
ZONE:	F, Commercial Forest
IMPROVEMENTS:	Excluded from value
HIGHEST AND BEST USE:	Recreation/rural residence and timber
SPECIAL ASSUMPTIONS:	Improvements belong to tenants
HAZARDS:	Flooding
LAND VALUE:	\$235,000
TIMBER VALUE:	\$515,000
MARKET VALUE CONCLUSION:	\$750,000
DATE OF APPRAISAL:	January 12, 2005
APPRAISER:	Glen R. Crouch, MAI, ARA Real Property Consultants Salem



## OBJECTIVE AND FUNCTION OF APPRAISAL

The objective of this appraisal is to estimate the market value of the fee simple interest in the subject property as of January 12, 2005.

The function of this appraisal is to help establish market value in anticipation of acquisition of the property by a government agency.

## IDENTIFICATION OF CLIENT

This report is intended for use only by PacifiCorp. The Appraiser does not intend the use of the report by others.

## INTENDED USERS

The intended users are PacifiCorp and Klamath Sportsman Park Association.

## INTENDED USE

This report is intended only for use in valuation of this real estate for establishing the price for sale to Klamath Sportsman Park Association. This report is not intended for any other use.

## COMPETENCY OF APPRAISER

The appraiser, Glen R. Crouch, MAI, ARA, is experienced in appraising property of this type in this locality.

## DEFINITIONS

### MARKET VALUE\*

The most probable price in terms of money which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and the seller, each acting prudently, knowledgeable and assuming the price is not affected by undue stimulus.

Implicit in this definition is the consummation of a sale as of a specific date and the passing of title from seller to buyer under conditions whereby:

- a. Buyer and seller are typically motivated.
- b. Both parties are well informed or well advised, and each is acting in what they consider their own best interests.
- c. A reasonable time is allowed for exposure in the open market.
- d. Payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto.
- e. The price represents a normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted to anyone associated with the sale.

\* as defined by Office of Comptroller of the Currency under 12 CFR, Part 34, subpart C-Appraisals, 34.43 Definitions [f].

## PROPERTY RIGHTS APPRAISED

Title to the property appraised is fee simple interest subject to public road rights-of-way and existing easements. Encumbrances such as mortgages, liens, and real estate taxes have been disregarded. The value reported assumes transfer of fee simple title in exchange for terms equivalent to cash.

Title to the property is the leased fee estate interest subject to an existing lease. A synopsis of the lease is included in the Ownership and Property History section of this report and a copy of the lease is bound in the Addenda.

Mineral rights are included in property value. Mineral rights are of nominal value.

The value of standing merchantable timber is included in this appraisal. It is appraised as though sold with the land.

All fixtures, machinery and equipment have been excluded from this appraisal.

The reader is strongly advised to obtain adequate title information from a title company and public records. Any opinions as to title should be obtained from competent legal counsel.

Ballot Measure 37 passed November 2, 2004, and effective December 2, 2004, creates an avenue for compensation due to exercise of land use regulations by state and local authorities. These regulations were imposed as an exercise of police power and were formerly non-compensable. Long term property owners may have valuable rights under this measure. An application and appraisal are necessary to exercise these rights. This appraisal is made assuming ownership by a new buyer subject to all existing regulations and ignoring the effect of Measure 37 except as to future regulatory relief.

## DATE OF APPRAISAL

The value estimate reported herein is effective January 12, 2005, which is the most recent date of examination of the property. The report was written during the month of January, 2005.

## EXTENT OF PROCESS AND SCOPE OF APPRAISAL

This is a complete appraisal reported in summary format. This appraisal does not depart from the Uniform Standards of Professional Appraisal Practice. The appraiser personally visited and inventoried the subject property and examined the sales presented in this report as well as other sales not considered sufficiently relevant to include.

Although a walk-through examination has been performed, the appraiser is not an expert in the field of building inspection, surveying, and/or engineering. The appraiser's examination of the subject property was made to ascertain general condition, quality, and to inventory land types, buildings, and/or fixtures. Any questions regarding property lines, corners, and encroachments should be addressed to a surveyor; questions with regard to buildings and fixtures defects or specific component's condition or capacity should be asked of a building inspector, contractor, or civil engineer. Parties interested in the property are well advised to require a corner survey and building inspection.

Water rights were checked at the Oregon Water Resources web site. Unless otherwise stated, any claims to water are assumed to be valid. If unused, rights may be cancelled after five years without notice. You are advised that the appraiser is not a water rights examiner.

Zoning was checked at the county planning department reception counter. The appraiser assumes it was reported correctly. He is not a land use lawyer or planner. You should hire one if there are any questions about zoning.

Various government agencies and consultants may have been contacted regarding restrictions on property rights and existing or proposed projects that might have an impact on the property.

Timber was inventoried and appraised at immediate liquidation value by Hi-Desert Timber Services, John Wilda, Forester. A copy of that appraisal is bound in the Addenda and made a part of this appraisal.

The analyses and interpretation of market data is presented in the Analysis and Conclusions section of the report. Sales data was collected from public records at the county courthouse and from knowledgeable local real estate brokers.

## IDENTIFICATION OF THE PROPERTY

The subject of this report is located at the north edge of Highway 66 just east of the Klamath River.

The Klamath County Assessor identifies the property as Tax Lots 500 and 600 on map 39-07-29 and Tax lots 100 and 200 on map 39-07-32. The property is located in Sections 29 and 32 of Township 39 South, Range 7 East of the Willamette Meridian.

The property consists of 346.4 acres of land improved with a multiuse sports park.

A lengthy legal description is furnished in the copy of the lease, bound in the Addenda section of this report.

## EXPOSURE AND MARKETING PERIOD

The value reported is based on exposure to the market for a period of 180 days prior to closing of sale as of the effective date of the appraisal.

The marketing period occurs after the date of value. A typical marketing period for property of this type is 180 days. The value conclusion assumes active market exposure at an asking price of not more than 15% greater than the value estimate.

## ASSUMPTIONS AND LIMITING CONDITIONS

It is understood that compensation for appraisal services is in no way contingent upon the value reported. Payment is contingent only on delivery of the report.

The liability of the appraiser, Real Property Consultants Salem, and employees is limited to the client only, and only up to the amount of the fee actually received for the assignment. Further, there is no accountability, obligation, or liability to any third party. If this report is placed in the hands of anyone other than the client, the client shall make such party aware of all limiting conditions, assumptions of the assignment, and related discussions.

The appraiser is in no way responsible for any costs incurred to discover or correct any deficiency in the property.

The property is appraised on the basis of fee simple title conveyance to the purchaser in exchange for financing terms equivalent to cash.

The legal description set forth in this appraisal report is assumed to be correct. No responsibility is assumed for matters legal in character, nor has any opinion as to title been rendered. Title is assumed to be marketable.

All existing liens, encumbrances, and assessments have been disregarded and the property is appraised as though free and clear, under responsible ownership and competent management.

Exhibits in this report are included to assist the reader in visualizing the property. They should not be considered surveys or relied upon for any other purpose.

Information contained in the report, which was furnished by others, is believed to be reliable, but no responsibility is assumed for its accuracy.

This report may not be submitted in conjunction with a Securities Exchange Commission filing nor in conjunction with, or part of, a prospectus offering securities for sale.

**ASSUMPTIONS AND LIMITING CONDITIONS, Cont.**

The property and surrounding neighborhood is assumed to be free of hazardous wastes, pollutants, leaking underground storage tanks, and all other toxic or environmentally damaging conditions. The appraiser is not qualified to detect the existence of potentially hazardous material. Unless otherwise stated, no such material was observed by the appraiser. The value estimate is based on the assumption that there is no such material on or in the property. The client is encouraged to retain an expert in the field.

The appraiser assumes that there are no hidden or unapparent conditions of the property, soil, or structures which would render it more or less valuable. The appraiser assumes no responsibility for such conditions or for geology survey and engineering that might be required to discover such factors.

Unless otherwise noted herein, it is assumed that there are no encroachments, adverse easements, or restrictive violations existing in the subject property. A survey by professional land surveyor is recommended if there are any questions related to property boundaries or easements.

The data and conclusions embodied in this report are part of the whole valuation. No part of this appraisal is to be used out of context; and, by itself alone, no part of this appraisal is necessarily correct in that it represents only part of the evidence upon which the final judgment of value is based.

Disclosure of the contents of this appraisal report is governed by the By-Laws and regulations of the Appraisal Institute. The party, for whom this report was prepared, may distribute copies of this report in its entirety. Selected portions of this appraisal report shall not be given to third parties without the prior written consent of the author. Further, this appraisal report shall not be distributed to the general public by media for public communication without prior written consent of the author.

Testimony or attendance in court or in any other hearing is not required by reason of rendering this appraisal unless mutually acceptable arrangements are made a reasonable time in advance.

**ASSUMPTIONS AND LIMITING CONDITIONS, Cont.**

Merchantable timber value is included in this appraisal. Land and timber are assumed to be sold together to a single buyer.

Unless noted to the contrary, the appraisal assumes that any improvements to the property were legally constructed under the building and zoning regulations that existed at the time they were built. Further, it is assumed that no violations of building ordinances, zoning regulations, and/or ordinances exist. In the event of destruction, it is assumed that any non-conforming use structure or improvement may be replaced.

The appraiser is not qualified to detect the presence of endangered species. It is assumed that no life form present would impair the use of the property due to governmental regulation. Likewise, archaeological relics, antiquities, and unique natural features are assumed to have no effect on potential uses.

Domestic well water test is required when property is sold in Oregon. This appraisal assumes that the quantity produced by the well or spring is of sufficient quantity and safe for human consumption.

Acceptance of the report by the client constitutes acceptance of all Assumptions and Limiting Conditions contained in the report.





REAL PROPERTY  
CONSULTANTS

S A L E M

GLEN R. CROUCH, MAI, ARA

503/581-2070

FAX 503/581-8917

180 COMMERCIAL ST. NE, SUITE 9 • SALEM OR 97301

REAL ESTATE APPRAISERS & COUNSELORS

March 30, 2005

File no. 05-02

Mr. Fred Rasmussen  
PacifiCorp  
825 NE Multnomah, LCT-1000  
Portland, OR 97232

Subject: Supplemental report to appraisal of Klamath Sportsmans Park, evaluating the leased fee estate interest

Dear Mr. Rasmussen:

In response to your request, I have written a supplement to the appraisal of the fee simple interest in the Klamath Sportmans Park Association property, which belongs to PacifiCorp and is leased to Klamath County. The appraisal describes the property in complete detail. This letter is to be used with the original appraisal and is only valid when so used.

The purpose of this supplement is to provide and estimate of the market value of the fee simple estate encumbered by an existing lease to Klamath County. A copy of the lease is bound in the Addenda section of the appraisal report. Nevertheless, the existence of a lease was intentionally disregarded in the original appraisal of the fee simple interest.

The lease agreement was entered into July 11, 1990. It runs through October 17, 2006. There is an option granted the lessee to extend the lease for an additional ten years under the same terms and conditions.

The original lease provided for an index based on CPI figure for June, 1982. The index was to be applied annually. The index was also to be applied during the renewal option period.

A subsequent agreement between the County and PacifiCorp terminated any lease payment whatever. Although nothing was provided in writing to this effect, it is my understanding both from the subtenant and PacifiCorp's on-site representative that no rent has exchanged hands for a number of years. Likewise, the CPI index was apparently never enforced.

At this juncture, it is necessary to make a critical special assumption. In analyzing and valuing the leased fee estate, I have assumed that the CPI clause is now unenforceable, and likewise, that no rent should be paid or collected during the remaining original term of the lease and the ten year extension.

It is only reasonable to assume that the tenant will want to extend the ten year option. Thus, the property will revert to the landlord on October 18, 2016. The remaining term of the lease is 11 years and 10 months as of the appraisal date.

The lease agreement provides that the lessor will be paid for any timber which is cut and removed by the lessee. It doesn't mention whether or not the lessor has the right to harvest timber. However, since a lease typically grants use and occupancy of the property except that specifically reserved, it is only reasonable to assume that the lessor won't have control of the timber until the property is returned at the termination of the lease.

The lessor is responsible for real estate taxes. The tax bill in November, 2004, was \$2,181.24. Taxes are likely to increase 3% per year through the term of the lease.

To summarize, the lease agreement allows Klamath County, through its sublease with Klamath Sportsmans Park Association, to develop and operate a multi-use sportsman's park, collect fees for admission, and generally control the property for 11 years and 10 months. The landlord does benefit to the extent that a bird nesting area is maintained along the J. C. Boyle Reservoir.

## VALUATION PROCESS

The value of the leased fee estate can be ascertained through a net present value computation. The real estate will revert at termination of the lease in 11 years and 10 months. During the interim, the lessor must pay real estate taxes. No rent is being received.

The cash flow is negative due to real estate tax payments. The negative interim cash flow is computed on the basis of 2004-2005 taxes, indexed upward at +3% at a compound rate. The increase is prescribed as a maximum by ballot measures related to property tax assessments.

The market value of the property at the termination of the lease is necessary to project. A review of sale and resale evidence in the Klamath County area reveals a long term appreciation rate on the order of about 4%. This corresponds to the inflation rate over the last 55 years or so as well. I have indexed the market value estimate upward at an annual rate of 4%, compounded monthly.

The appropriate discount rate is the final component of the discounted present value computation. This investment has characteristics which are fairly similar to a zero coupon bond. Such a bond is stripped of its annual dividend payment and purchased at a discount to its reversionary value. Such a bond differs from an investment in real estate in the reversionary price is a fixed dollar amount, which is eroded by inflation. By indexing the real estate value by the inflation rate, that should make the two forms of investment reasonably comparable.

Another source of direction in terms of discount rates is the discounts actually demonstrated by sales of leased fee estates. Leased buildings sales are common. Circumstances where the rental amount is far below market are not at all uncommon. Situations where the cash flow is negative occur when the landlord pays taxes and index provisions in the lease are absent or not enforced.

An examination of sales of this type of property reveals discount rates on the order of 8%-10%. The higher end discounts occurred a number of years ago when interest rates were substantially higher than they are today. The trend has been downward as interest rates on financial investments such as bonds have diminished. Because buildings wear out, the rates are a little higher, usually 2% or so, implying a 50 year building life.

When adjusted for inflation, the investment should command a return of 7%. The fact that the real estate market is less liquid than markets for financial instruments pushes the rate up a bit above that reflected by U. S. Treasury strips or zero coupon bonds of similar duration. On the other hand, there is potential for vacation of the lease, resulting in earlier reversion. This tends to reduce the return necessary to attract investment.

The net present value of the leased fee estate is computed as follows.

Term: January 12, 2005, to October 18, 2016 = 142 months

Future value: \$750,000 (appreciated @ 4% annually for 142 months)

\$750,000 X 1.6041 = \$1,203,055

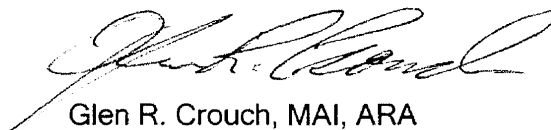
Net present value at 7% return and 142 months: 1,203,055 x 0.4378 =	\$526,732
Less tax bills plus 7% interest for 12 years (taxes increase 3% per year)	(52,060)
Net present value	\$474,672
Rounded.....	\$475,000

Based on the preceding analysis, it is my opinion that the fair market value of the leased fee estate, assuming that the CPI index clause and original rental amount are now unenforceable, is:

FOUR HUNDRED SEVENTY FIVE THOUSAND DOLLARS.....\$475,000

The appraiser received no payment and assumes no liability for this analysis.

Sincerely,



Glen R. Crouch, MAI, ARA

*Sportsman Park  
Book Values*

**From Land Spreadsheet**

<b>St</b>	<b>Pltno</b>	<b>Class</b>	<b>Asset</b>	<b>Location</b>	<b>Description</b>	<b>Book Val</b>
OR	ORKL-0510	35010	301648	68018	COPCO 2-WESTSIDE 69KV LN 18	63.00
OR	ORKL-0510	35010	301659	68059	LONE PINE-KLAM FALLS 230KV L59	272.83
OR	ORKL-0510	33010	300389	* 18000	JC BOYLE HYDRO PLANT	19,937.42
OR	ORKL-0523	35010	301647	68018	COPCO 2-WESTSIDE 69KV LN 18	78.70
OR	ORKL-0523	33010	300388	* 18000	JC BOYLE HYDRO PLANT	15,407.32
						35,759.27

**ATTACHMENT C**  
**SPORTSMAN PARK PROPERTY ACCOUNTING**  
**INFORMATION**

1/10/2007

<b>NAME</b>	<u>Klamath Sportsman Park</u>	
<b>LOCATION(S)</b>	<u>18000</u>	
<b>PRCL #</b>	<u>ORKL-0523, 0510, 0530</u>	
<b>ACRES SOLD</b>	<u>                    </u>	<b>EXTRA PRCL #(s)</b>
<b>VINTAGE</b>	<u>1930</u>	
<b>VINTAGE</b>	<u>1631</u>	
<b>VINTAGE</b>	<u>1960</u>	
<b>VINTAGE</b>	<u>                    </u>	
<b>PROFIT CENTER</b>	<u>1242</u>	
<b>COST CENTER</b>	<u>10062</u>	
<b>ASSET CLASS</b>	<u>12110</u>	Switched to 121 from 101:
<b>STATISTICAL ORDER</b>	<u>                    </u>	1/3/2006
<b>SALES PRICE</b>	<u>751,378.79</u>	
<b>Escrow Account fees</b>	<u>750.00</u>	
<b>TAXES</b>		
<b>CLOSING COSTS</b>	<u>1,980.00</u>	
<b>  SUBTOTAL</b>	<u>748,648.79</u>	
<b>Escrow Account</b>	<u>748,648.79</u>	114503
<b>EARNEST MONEY</b>		<u>Customer #</u>
<b>NOTE</b>		
<b>INTEREST</b>	<u>0.00</u>	<u>ASSET #s</u>
<b>BOOK VALUE</b>	<u>14,848.08</u>	102684
<b>BOOK VALUE</b>	<u>12,760.89</u>	102685
<b>BOOK VALUE</b>	<u>971.19</u>	102686
<b>BOOK VALUE</b>		
<b>DEPRECIATION RESERVE</b>		
<b>EXPENSES</b>	<u>0.00</u>	505950
<b>OTHER</b>	<u>0.00</u>	505970
<b>  GAIN or LOSS</b>	<u>720,068.63</u>	
<b>DONATION</b>	<u>NO</u>	
<b>BOOK VALUE</b>	<u>0.00</u>	
<b>FAIR MARKET VALUE</b>	<u>0.00</u>	

1/10/2007

**PERIOD: 12 Fiscal Year 08**

<i>Profit</i>	<i>Cost</i>	<i>Account</i>	<i>Pst</i>	<i>Trans</i>	<i>Doc.</i>		<i>debit</i>	<i>credit</i>	<i>seq</i>
<i>Center</i>	<i>Center</i>	<i>Order</i>	<i>/ Asset</i>	<i>Key</i>	<i>Type</i>	<i>Number</i>			
			114503	41			748,648.79		10
1242	10062	0	364105	51				748,648.79	20
			364105	41			388,941.04		30
1242	10062		102684	51	210			14,848.08	40
1242	10062		554000	51				374,092.96	50
			364105	41			334,267.72		60
1242	10062	0	102685	51	210			12,760.89	70
1242	10062		554000	51				321,506.83	80
			364105	41			25,440.03		90
1242	10062	0	102686	51	210			971.19	100
1242	10062		554000	51				24,468.84	110
							1,497,297.58	1,497,297.58	

Check TOTAL Proceeds 748,648.79

- 10 Clear out Holding account 116850
- 20 **Asset Sale Proceed** holding account
- 30 Automatic clearing of A.S.P. holding account
- 40 Retire Parcel # 102684
- 50 Book Gain on sale of #102684
- 60 Automatic clearing of A.S.P. holding account
- 70 Retire Parcel # 102685
- 80 Book Gain on sale of #102685
- 90 Automatic clearing of A.S.P. holding account
- 100 Retire Parcel # 102686
- 110 Book Gain on sale of # 102686

<b>Asset #</b>	<b>Parcel #</b>	<b>Book Val</b>		<b>Proceeds After Closing Costs</b>	<b>Amt of proceeds per parcel</b>	
102684	ORKL-0523	14,848.08	0.52	748,648.79	388,941.04	ORKL-0523
102685	ORKL-0510	12,760.89	0.45	748,648.79	334,267.72	ORKL-0510
102686	ORKL-0530	971.19	0.03	748,648.79	25,440.03	ORKL-0530
TOTAL BV		28,580.16	1.00		748,648.79	



<b>Total Proceeds</b>			<b>Total Proceeds</b>		<b>Per Parcel</b>	
<b>751,378.79</b>	14,848.08	0.52	751,378.79	390,359.34	ORKL-0523	
	12,760.89	0.45	751,378.79	335,486.65	ORKL-0510	
	971.19	0.03	751,378.79	25,532.80	ORKL-0530	
	<b>28,580.16</b>	<b>1.00</b>		<b>751,378.79</b>		

<b>Total Closing Costs</b>			<b>Total Closing Costs</b>		<b>Per Parcel</b>	
<b>2,730.00</b>	14,848.08	0.52	2,730.00	1,418.30	ORKL-0523	
	12,760.89	0.45	2,730.00	1,218.93	ORKL-0510	
	971.19	0.03	2,730.00	92.77	ORKL-0530	
	<b>28,580.16</b>	<b>1.00</b>		<b>2,730.00</b>		

<b>Net Proceeds</b>			<b>Net Proceeds</b>		<b>Per Parcel</b>	
<b>748,648.79</b>	14,848.08	0.52	748,648.79	388,941.04	ORKL-0523	
	12,760.89	0.45	748,648.79	334,267.72	ORKL-0510	
	971.19	0.03	748,648.79	25,440.03	ORKL-0530	
	<b>28,580.16</b>	<b>1.00</b>		<b>748,648.79</b>		

<b>Net Proceeds</b>		<b>748,648.79</b>		
			<b>FERC</b>	
	<b>Amount</b>	<b>SAP Account</b>	<b>Account</b>	
<b>JV</b>	748,648.79	114503	<b>128.0</b>	Escrow Account - Asset Sales
	748,648.79	364105	-	Asset Sale Proceeds Holding Account
<b>Retirement</b>	388,941.04	364105	-	Asset Sale Proceeds Holding Account
<b>ABAO</b>	14,848.08	102684	<b>121.1</b>	Asset # 102684 ORKL-0523
	374,092.96	554000	<b>421.1</b>	Gain on Disposal of Property
<b>Retirement</b>	334,267.72	364105	-	Asset Sale Proceeds Holding Account
<b>ABAO</b>	12,760.89	102685	<b>121.1</b>	Asset # 102685 ORKL-0510
	321,506.83	554000	<b>421.1</b>	Gain on Disposal of Property
<b>Retirement</b>	25,440.03	364105	-	Asset Sale Proceeds Holding Account
<b>ABAO</b>	971.19	102686	<b>121.1</b>	Asset # 102686 ORKL-0530
	24,468.84	554000	<b>421.1</b>	Gain on Disposal of Property
<b>Oreg Portion of gain</b>	201,964.85	554000	<b>421.1</b>	Gain on Disposal of Property
<b>Oreg Bal Acct</b>	201,964.85	288114	<b>254.0</b>	Regulatory Liability-Oregon Balancing Account (Oreg Alloc - 28.048%)
<b>Total Proceeds</b>	748,648.79			
<b>Gains</b>	720,068.63			
<b>Retirements</b>	28,580.16			