

J. P. KING AUCTION COMPANY, INC.

PROPERTY-SPECIFIC DISCLOSURES

FOR

REAL ESTATE PURCHASE & SALE CONTRACT

AND

TERMS OF AUCTION

HUNT RANCH

SEPTEMBER 28, 2010 – BRIDGEPORT (DOUGLAS COUNTY), WASHINGTON

DISCLAIMER: Seller and Auctioneer (this term to include Broker) do not, here or otherwise, attempt to provide Bidder with all of the information Bidder may need to conduct due diligence and make an informed decision about the Auction and Property (“Property” herein may have either a singular or plural meaning, plus the “Properties” is used in some instances for the plural). Participation in the Auction is at Bidder’s sole risk and Seller and Auctioneer, plus their agents, brokers, contractors, employees, and representatives will have no liability whatsoever on any basis. The Property will be offered and sold in “*AS IS, WHERE IS*” condition with all burdens, circumstances, defects, facts, faults, dangers, hazards, issues, items, material facts, problems, vandalism, and other relevant matters, whether latent or patent, whether past, present, or future, and whether or not referenced herein, which affect, involve, or relate in any way to the Property (“Property Issues”). The disclosures that follow are made to Bidders to assist them in performing their due diligence, but this list is not represented to be complete or correct and there may be other Property Issues affecting, involving, or related in some way to the Property. Bidders should govern themselves accordingly.

Participation in the Auction is at Bidders’ sole risk and Seller and Auctioneer, plus their agents, contractors, and employees, will have no liability on any basis whatsoever. All Properties will be offered and sold in “*AS IS, WHERE IS*” condition with all Property Issues then existing.

TO THE FULLEST EXTENT ALLOWED BY LAW, SELLER AND AUCTIONEER UNCONDITIONALLY DISCLAIM ANY GUARANTEE, REPRESENTATION, OR WARRANTY OF EVERY KIND, WHETHER EXPRESSED, IMPLIED, OR STATUTORY, WHETHER ORAL OR WRITTEN, WHETHER PAST, PRESENT, OR FUTURE, WITH RESPECT TO ALL PROPERTY ISSUES, EXCEPT AS EXPRESSLY PROVIDED IN: (a) THE *TERMS OF AUCTION*, and (b) THE *REAL PROPERTY SALE CONTRACT*.

Without waiving or modifying the above disclaimer in any way or degree, Seller and Auctioneer disclose the following information which relates to the specific Properties identified. Seller and Auctioneer emphasize that there may be other Property Issues affecting any one or more of these identified Properties and this is not an all-inclusive list of such matters to be relied upon by Bidders.

EXCEPT AS EXPRESSLY STATED BELOW, SELLER WILL TAKE NO ACTION TO ADDRESS, CURE, FIX, REMEDY, REPAIR, OR SOLVE ANY PROPERTY ISSUES DISCLOSED.

DISCLAIMER: This package is merely a bulletin and is solely intended to provide interested parties with preliminary information only. The delivery of this bulletin to any person shall not create any agency relationship between such person and Windy Ridge Partnership (Seller). The information included in this package is believed to be correct, but it is not guaranteed and is not necessarily correct. Some of the information furnished is from outside sources deemed to be reliable, but is not certified as accurate by the Seller.

All of the information contained herein is subject to corrections, errors and omissions, etc. All purchase offers must be based on purchaser's own investigation of any Property made available for purchase and not on any representations made by any party. Seller makes no representation nor warranty, express or implied, with respect to any of the Property(ies) made available for purchase; every Property is being sold in an AS IS, WHERE IS CONDITION, WITH ALL FAULTS, if any.

This Statement shall not constitute an offer to sell or a solicitation of an offer to buy any of the Properties referenced herein. In addition and without limitation of the foregoing, there shall not be any sales of any of the Properties in any state in which such offer, solicitation, or sale would be unlawful prior to registration or qualification under the applicable security laws of that state.

Mold Disclosure: Mold is a naturally occurring microbe that can pose a health risk to people in certain circumstances, and particularly where there concentrated, high levels exist in a living environment. If the Bidder/Purchaser is concerned or desires additional information, Bidder/Purchaser should consult an appropriate professional. Seller, Broker and the Auction Company specifically make no representations, guarantees, or warranties of any kind whatsoever regarding the present condition of the property, the future condition of the property, or anything regarding mold, mildew and the remediation process. Seller, Broker and the Auction Company fully and unconditionally disclaim any liability whatsoever for any action, arbitration, claim, cost, damage, deficiency, expense, loss, suit, or other demand of any kind related to the Property, these conditions, damages, problems, the remediation process, and all related issues.

Patriot Act Representation: Seller and Purchaser each represent to the other that: (1) their property interests are not blocked by Executive Order No. 13224, 66 Fed. Reg. 49079; (2) it is not a person listed on the Specialty Designated Nationals and Blocked Persons list of the Office of Foreign Assets Control of the United States Department of the Treasury; and (3) it is not acting for or on behalf of any person on that list.

Property Tax Disclosure Summary: Purchaser should not rely on Seller's current property tax assessment on the Property as being indicative of the amount of tax that will be owed on the Property in the future. A change of ownership or improvement of the Property may trigger a tax reassessment for the Property and could result in higher taxes being assessed to Purchaser. If you have any question concerning valuation or taxation of the Property, you should immediately contact the municipal treasurer's office for further information.

Utility Services: Purchaser shall be exclusively responsible for obtaining any and all permits for the installation or continuation of utility services to the Property itself and paying all costs related to such installation or continuation.

Soil Percolation, Utilities, Suitability, Permits, Etc.: Buyer is solely responsible for doing all due diligence needed or desired for the Property. No soil percolation test has been done on the Property and none will be done prior to its sale, so the percolation characteristics of the Property's soil are unknown. Buyer is solely responsible for investigating the availability and/or accessibility for all utilities to serve the Property, as well as the practicality and suitability for building or construction of any kind on the Property. Additionally, Buyer will be solely responsible for obtaining and paying for any and all permits for septic systems and all other items related to the Property and any building,

construction, or improvements thereon. Buyer will also be solely responsible for obtaining and paying the costs for all permits and other fees, tanks, meters, lines, and other needs relative to the Property. Seller and Auctioneer specifically make no representation, guarantee, or warranty of any kind regarding any matter addressed in this paragraph and Buyer solely assumes all risk and costs for each of these matters.

Fencing: Any fencing situated on the Property is not necessarily an indication of the Property's boundary. Buyer should rely on the legal description contained within the title commitment of the property for a description of the location of any and all Property boundaries.

Wells: There are working wells located on the Property. The wells have not been tested by the County Health Department. The condition of the water in these untested wells is unknown and Seller and Auctioneer make no representation or warranty to the potable quality or suitability of the water for any purpose.

Tract 1

Easement: Tract #1 will sell TOGETHER WITH a perpetual, mutual and non-exclusive easement for ingress and egress over, across and along the North half of Section 10, Township 29 North, Range 29 E.W.M., Douglas County, Washington, 20 feet in width situated in a location of the existing path depicted on the map in the title commitment.

Tract 20

Houses: Tract 20 has two (2) houses, two (2) barns, storage building and a cattle structure located on the property.

Propane Gas Tanks: There are two fuel tanks located on the property. An environmental study of the gas tanks and surrounding area in which the tanks are located has not been completed. Seller and Auctioneer unconditionally disclaim any guarantee, representation, or warranty of every kind, whether expressed, implied, or statutory, whether oral or written, whether past, present, or future, with respect to all issues and matters including but not limited to the condition, accessibility, usability, availability, and size of the gas tanks. Fuel remaining, if any, will be conveyed with the tank and Property.

Seller's Disclosure Statement Improved Property: Seller has completed a Seller's Property Disclosure Statement in compliance with ORS 105.465. Buyer will be required to acknowledge receipt of a copy of this Seller's Property Disclosure Statement at execution of the real property sale contract.

Various Tracts

Old Nilles Ranch Pasture Lease Agreement: Tract numbers 1 through 8 are selling subject to the Old Nilles Ranch Pasture Lease Agreement between Windy Ridge Partnership – Outback Land Company, LLC Manager (Landlord) and Cliff Steveson (Tenant). The agreement began on April 2004 and will end September 2013.

Grazing Lease Agreement:

Tract numbers 9 through 31 are selling subject to the Outback Land Company – Miller Grazing Lease and Sub-Lease. The agreement began on January 2004 and will end on the last day of December 2013.

Locator Flags – Flags on the property are not survey flags, but are locator flags only. Neither Seller nor J.P. King warrant nor guarantee the accuracy of location of the flags on property lines.

Farm Service Agency – U.S. Department of Agriculture: Seller has existing contracts with the Farm Service Agency, which affect Tract numbers 1 through 30. A copy of each agreement has been posted on the website and at the auction. Buyer should contact the Farm Service Agency at (509) 745-8561 or Douglas County FSA Office P. O. Box 489, Waterville, Washington 98858 to inquire about the transfer and benefits of these agreements. Buyer may be required to qualify with Farm Service Agency regulations and restrictions. Neither Seller nor J. P. King warrant or guarantee the transfer of any of these contracts to Buyer.

All or a portion of the Property is or may be enrolled in one or more governmental programs including programs administered through the United States Department of Agriculture Farm Service Agency, including the Commodity Credit Corporation Conservation Reserve Program, the Natural Resources Conservation Service Conservation Program and the Farm Service Agency Emergency Conservation Program as well as the Washington Department of Fish and Wildlife Landowner Incentive Program (the “Contracts”). Within thirty (30) days following the closing date, the Buyer shall apply to the Farm Service Agency, Commodity Credit Corporation, the Natural Resources Conservation Service and/or the Washington Department of Fish and Wildlife to be approved as successor to the Contracts affecting the Property. Buyer herewith certifies and agrees that Buyer is and shall remain in full compliance with all statutes, rules and regulations now, or hereafter promulgated, regulating or pertaining to the Farm Service Agency, Commodity Credit Corporation Conservation Reserve Program, the Natural Resources Conservation Service Conservation Program, the Farm Service Agency Emergency Conservation Program and/or the Washington Department of Fish and Wildlife Landowner Incentive Program and shall remain in full and complete compliance with the covenants, terms, and conditions of any and all Contracts affecting the Property. Buyer shall defend, indemnify, and hold Seller harmless from any non-compliance with said laws and/or the Contracts, including any claims or demands made for refund of any previous payments or benefits received by Seller under the Contracts, except to the extent that such non-compliance is not the fault of Buyer. In the event that, through no fault of Seller, the Contracts, or any of them, are terminated or rights to any future payments under the Contracts are forfeited, in whole or in part, Seller shall not have liability, duty, or responsibility to Buyer for any demands made by Farm Service Agency, Commodity Credit Corporation, Natural Resources Conservation Service Conservation Program and/or the Washington Department of Fish and Wildlife for refund of any previous payments received by Buyer under the Contracts and Buyer shall hold Seller harmless therefrom.