

REAL ESTATE CONFIDENTIALITY AGREEMENT

For:

**Red Lion Inn & Suites
Bend, Oregon**

This Agreement is provided by the undersigned, including its owners, officers, directors, partners, employees, agents and representatives (collectively, the "Undersigned") to and for the benefit of the Owner (collectively the "Owner") and Compass Commercial, Inc. (the "Broker") in connection with discussions and the disclosure of certain information and materials regarding the potential acquisition (the "Proposed Transaction") of that certain property located in Bend, Oregon and described above (the "Property"). In connection with such discussions, the Owner and Broker may provide the Undersigned with information and materials, which are considered to be of a confidential nature. With respect to the disclosure and treatment of any such confidential information or material, the Undersigned hereby agrees to the following provisions:

1. **Confidentiality.** Any confidential information received by the Undersigned from the Broker or Owner in connection with the Proposed Transaction shall not, without the Owner's prior written consent, be disclosed by the Undersigned in any manner whatsoever, directly or indirectly, in whole or in part, and shall not be used by the Undersigned for any purpose other than evaluating the Proposed Transaction. The Undersigned agrees to reveal such information only to those of its contractors, representatives, agents or employees who need to know such information for the purpose of evaluating the Proposed Transaction and who are informed by the Undersigned of the confidential nature of the information and are directed to comply with the terms and conditions contained herein.

Without the Owner's prior written consent, except as required by law, and then only after prompt notice to the Owner of the Undersigned's intention to disclose, the Undersigned shall not disclose to any person the fact that such information has been made available, that discussions or negotiations are taking place or have taken place concerning the Proposed Transaction, or any of the terms, conditions or other facts with respect to the Proposed Transaction, including the status thereof.

All confidential information received by the Undersigned from the Broker, Owner or their respective representatives and employees, shall be immediately returned to the Owner upon its request and at no cost to the Owner. Any confidential information which has been incorporated into any other materials, including but not limited to, all analyses, compilations, forecasts, studies or other documents prepared by the Undersigned shall be retained by the Undersigned and kept confidential and subject to the terms of this Agreement, or destroyed upon the request of the Owner and at no cost to the Owner.

Confidential information shall include, without limitation, information or material which is designated by the Broker and/or Owner as confidential, which is of a proprietary or trade secret nature, which is not generally known about the Owner or its assets, or which relates to strategies, plans or contemplated actions by the Owner.

2. **Limitations on Confidentiality.** Notwithstanding the foregoing, the restrictions on confidentiality noted above shall not be applicable to: (i) the Undersigned's obligation to disclose any such information pursuant to a request or order under applicable laws and regulations or pursuant to a subpoena or other legal process; provided, however, the Undersigned shall provide the Owner with prompt oral and written notice identifying the confidential information it intends to disclose so that the Owner may, if it so desires, obtain a protective order; (ii) the Undersigned's obligation to disclose any confidential information to financial institutions, auditors, counsel or other advisors of the Undersigned for the purposes of evaluating the Proposed Transaction; (iii) the Undersigned's right to use any such confidential information in connection with the Proposed Transaction; and (iv) any such confidential information that becomes part of the public domain independently of any act of the Undersigned not permitted hereunder (through publication or otherwise) or when identical or substantially similar information is received by the Undersigned without restriction as to its disclosure or use.

3. **Miscellaneous.**

(i) It is understood and agreed that no failure or delay by the Owner or Broker in exercising any right, power, or privilege hereunder shall operate as a waiver of such right or privilege. The Undersigned recognizes that any breach of this Agreement or threatened breach will result in irreparable injury to the Owner and Broker. Accordingly, the Undersigned agrees in advance to the granting of injunctive or other equitable relief in favor of the Owner and Broker. Such injunctive or equitable relief will not be the exclusive remedy for a breach of this Agreement, but in addition to all other remedies available at law or in equity.

(ii.) The Owner expressly reserves the right, at its discretion, to reject any and all expressions of interest or offers to purchase one or more of the Properties and/or to terminate discussions with any entity at any time with or without notice. The Owner shall have no legal commitment or obligation to any entity reviewing the Confidential Offering Memorandum or making an offer to purchase one or more of the Properties unless and until written agreement(s) for the purchase of the Properties have been fully executed, delivered and approved by the Owner and any conditions to the Owner's obligations thereunder have been satisfied or waived. Although the Offering Memorandum and other related materials have been prepared in good faith and are believed to be accurate, neither the Owner nor the Broker shall be deemed to have made any express or implied representation or warranty regarding the information contained therein.

(iii) In the event of any dispute between the parties hereto relating to this Agreement, the prevailing party shall be entitled to collect its reasonable attorneys' fees and costs from the other party.

(iv) This Agreement constitutes the entire agreement among the parties with respect to the matters described herein and may not be modified except by a writing signed by each of the parties hereto.

(v) This Agreement shall be construed in accordance with the laws of the State of Oregon. The Undersigned acknowledges and agrees to the jurisdiction of the Federal and State courts located in the State of Oregon in the City of Bend and Salem and agrees that such venue is the sole appropriate venue for the settlement of any disputes hereunder. The Undersigned agrees to indemnify, hold harmless and defend the Owner, Broker and each of their respective partners, employees, officers, directors, agents and representatives from any suit, injury, liability, cost or expense (including reasonable attorneys' fees) arising from or relating to any breach by the Undersigned of its obligations under this Agreement.

HEREBY AGREED AND ACCEPTED:

THE UNDERSIGNED:

(Company Name)

By: _____

Name: _____

Title: _____

Date: _____

Address: _____

Phone: _____ Fax: _____

Email: _____



Howard Friedman, CCIM
Office: 541.383.2444, Fax: 541.383.5162
www.compasscommercial.com

Registration & Non-Disclosure Agreement

All Business Opportunities are Confidential

This form is intended to be used by prospective Buyers and Agents or Brokers.

In consideration of Compass Commercial, hereinafter called "COMPASS", supplying me with confidential information concerning the following businesses I agree to use such confidential information obtained only for purposes of evaluation to purchase. I further agree not to divulge such information to others, except to secure professional advice, for a period of 5 years. I further agree not to directly contact the owner, employees, customers, suppliers or disturb any business relationship of the sellers without first obtaining seller's permission through COMPASS. I agree that I won't recruit or hire any employees for three years after my introduction to the business. All seller communication is to be arranged through COMPASS.

If I decide that I do not wish to pursue the proposed acquisition, I will advise COMPASS of this fact and return to COMPASS all proprietary information furnished without keeping copies of any of that information.

I understand COMPASS strongly recommends I seek professional legal and tax advice and that I shall bear costs and expenses for conducting the due diligence investigation and negotiations undertaken herein.

Should I, or anyone to whom I have introduced the confidential business listing that you previously presented to me, purchase or acquire an interest in any of those businesses, I agree to conduct all negotiations through your office. I understand that the seller will be responsible for the payment of the commission to COMPASS. I further understand and agree that if I should purchase all or any portion, lease, become a manager of, or come into possession of the business through direct negotiations with the seller, and without COMPASS's involvement, within one year from date hereof, then a commission is due COMPASS and the Seller and I will assume responsibility for the payment of that commission.

I understand the seller has provided all claims and information and that COMPASS makes no representation or warranty, express or implied, as to the truth, accuracy or completeness of any information provided to me under this agreement. I assume full responsibility for my reliance upon such information and expressly waive all rights of recourse, if any, against COMPASS for my reliance thereon. I shall assume all responsibility for my own due diligence.

I acknowledge this agreement is for the purpose of protecting the confidentiality of the seller. I understand that should I violate this trust and agreement, I will subject myself and the parties to who the information was released, to legal action for jeopardizing and compromising the businesses in review and can be liable for attorney's fees, court costs, and damages resulting from said violation of trust.

I am not affiliated with or representing any governmental, administrative or investigative agency, and information provided or obtained through COMPASS shall not be used to the detriment of COMPASS or any of the businesses represented by COMPASS.

Should any controversy arise as a result of this agreement, COMPASS and I hereby agree to have the matter settled by arbitration in Bend, Oregon in accordance with the commercial rules of the Arbitration Service of Portland without the necessity of a court order. All rights of discovery allowed by law may be used and the prevailing party shall be entitled to actual attorney fees and costs. Any decision shall be final and binding upon myself and COMPASS.

I understand COMPASS represents the seller and may act as dual agent representing the Seller and me in this transaction. I further acknowledge this agreement applies to all businesses introduced to me by COMPASS, now or in the future. I acknowledge that I have received a signed copy of this agreement.

This agreement covers all business opportunities represented by COMPASS and/or presented to me by COMPASS.

Fill out entirely, be legible, fax or e-mail back to the address below.

Print Name: _____ Date: _____

City I Live in: _____ State & Zip: _____ Fax: _____

Telephone: _____ E-mail: _____

Signature: _____