

* * * * *

EDWARD R. ZAROSINSKI, Trustee, Edward R. Zarosinski, D.M.D., P.C., Pension & Profit Sharing Trust, and JOANNE PARKS, hereinafter referred to as OPTIONORS, and BRADFORD J. ASPELL and ROBERT F. MEST, JR., Co-partners doing business under the assumed business name of ASPEN INVESTORS, hereinafter referred to as OPTIONEES, agree as follows:

OPTIONEES purchase from OPTIONORS a one-third (1/3) interest in certain property located at 122 South Fifth Street, Klamath Falls, Klamath County, Oregon, more particularly described as follows:

All that part of Lot 1 in Block 36 of Original Town of Linkville, (now City of Klamath Falls) Oregon, described as follows, to-wit:

Beginning at the Northerly corner of Lot 1 of said Block and Addition; thence 8 feet South-easterly along the Easterly line of said Lot 1 to the true point of beginning; thence South-easterly along said Easterly line of said Lot 1, 50 feet; thence Southwesterly at right angles with Fifth Street a distance of 66 1/2 feet; thence Northwesterly at right angles and parallel with Fifth Street a distance of 50 feet; thence North-easterly at right angles a distance of 66 1/2 feet to the point of beginning, being a tract of land facing 50 feet on Fifth Street and extending Southwesterly 66 1/2 feet, all in Lot 1, Block 36, Original Town of Linkville, now City of Klamath Falls, Oregon, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

SUBJECT TO: Easements, restrictions and rights-of-way of record and those apparent on the land.

for an agreed purchase price of \$16,581.70, of which the OPTIONEES have paid the sum of \$5,000.00 down as and for a down payment and agrees to pay the balance, together with interest at the rate of eleven percent (11%) per annum computed on the unpaid balance from December 1, 1979, until paid, in the

AGREEMENT, page one

80 FEB 28 PM 3 54

ck
17

following payments:

1. A payment in the sum of \$5,790.85 plus interest due and payable on the 1st day of December, 1980; and
2. A payment in the sum of \$5,790.85 plus interest due and payable on the 1st day of June, 1981.

OPTIONEES further covenant and agree that they will each month hereafter pay one-third (1/3) of the payment on the underlying mortgage, plus one-third (1/3) of the taxes and insurance attributable to the building, which total at the present time is \$202.81; the first of said payments shall be due and payable on the 1st day of December, 1979, and a like payment shall be due and payable on the 1st day of each month thereafter for the ensuing eighteen (18) months.

In addition and in the event that the premises are included in any special assessment, service or taxing project, unit or district, the assessments, charges or taxes of which are payable annually or oftener, or which may be bancrofted or paid annually or oftener, OPTIONEES will pay one-third (1/3) of such assessments which become due during the term of this option or any extension or renewal thereof as the same become due.

OPTION TO PURCHASE GRANTED TO OPTIONEES: In addition to the other rights granted hereunder, OPTIONEES are granted the right until June 1, 1981 to purchase the remaining interest of the OPTIONORS in the building and to become the sole owner upon the following terms and conditions:

1. OPTIONEES must give written notice of their intention to purchase the OPTIONORS' interest in the building no later than July 1, 1981. Said notice shall be in writing and delivered to the OPTIONORS at the addresses hereinafter set forth.
2. Notification of the OPTIONEES' election to purchase the

property shall be in writing signed by the OPTIONEES, binding them to purchase the property for a purchase price to be computed as follows: two-thirds ($2/3$) of the difference between the sum of \$90,000.00 and the unpaid balance of the mortgage to Julia P. Johnson, plus two-thirds ($2/3$) of all monies advanced by OPTIONORS and OPTIONEES towards improvements to the building after this date, plus interest from the date of the expenditure of the money at the rate of eleven percent (11%).

On the date of the exercise of the option, the purchase price shall be fixed and a contract of sale shall be executed, whereby the balance of the purchase price shall be secured by a promissory note for the purchase price computed according to the formula above, which note shall provide for the payment of the sum due from the OPTIONEES to the OPTIONORS, together with interest at the rate of eleven percent (11%) on the price from the date of the exercise of the option, and shall further provide that said purchase price shall be paid as follows: one-half ($1/2$) of the principal balance plus the accrued interest shall be paid no later than January 1, 1982; and the remaining one-half ($1/2$) of the principal balance plus the accrued interest shall be paid no later than January 1, 1983.

After the date of the exercise of the option, it shall become the OPTIONEES' sole responsibility to pay all payments due on the underlying mortgage; and all taxes, insurance and other charges shall be pro-rated as of the date of the exercise of the option; and OPTIONORS shall have no further responsibility to contribute any sums toward the purchase, maintenance or expenses of the property.

RIGHTS OF THE OPTIONORS IN EVENT OF FAILURE OF OPTIONEES 3874

TO EXERCISE OPTION: Should the OPTIONEES fail to exercise the Option herein granted, the OPTIONORS are granted by OPTIONEES the right from July 1, 1981 until January 1, 1983, to purchase all right, title and interest of the OPTIONEES for the sum of one-third (1/3) of the difference between \$90,000.00 and the underlying unpaid balance of the mortgage to JULIA P. JOHNSON as exists on the date of exercise together with interest thereon at the rate of eleven percent (11%) from July 1, 1981 until paid and one-third (1/3) of the costs of all improvements made to the building after the date of this agreement, together with interest at eleven percent (11%) per annum from date of expenditure until paid, less \$5,000 of said amount as and for a contribution toward rent. The exercise of this option shall be effective by the tender by the OPTIONORS of said sum in exchange of OPTIONEES tendering to OPTIONORS a deed conveying all of OPTIONORS' right, title and interest.

NOTICES: Any notices to be given under the terms of this Agreement shall be given to the OPTIONORS as follows:

228 North Seventh Street
Klamath Falls, Oregon 97601

and to the OPTIONEES as follows:

727 Hillside Avenue
Klamath Falls, Oregon 97601

IN WITNESS WHEREOF, the parties hereunto have set their hands this 20 day of February, 1979.

OPTIONORS:

Edward R. Zarosinski
Edward R. Zarosinski, Trustee,
Edward R. Zarosinski, D.M.D.,
P.C., Pension & Profit Sharing
Trust

JoAnne Parks
JoAnne Parks

OPTIONEES:

Bradford J. Aspell
Bradford J. Aspell

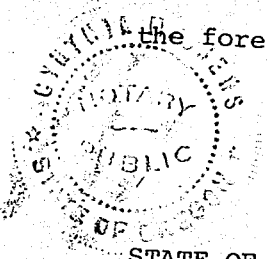
Robert F. Mest, Jr.
Robert F. Mest, Jr.

STATE OF OREGON)

County of Klamath) ss.

⁶⁰ Personally appeared before me this 20 day of February, 1979, the above named EDWARD R. ZAROSINSKI, and acknowledged

3875



the foregoing instrument to be his voluntary act and deed.

Cynthia M. Owens
Notary Public for Oregon
My Commission Expires: 5/10/80

STATE OF OREGON)
County of Klamath) ss

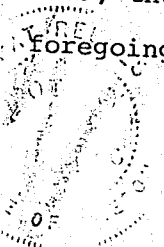
Personally appeared before me this 7 day of February, 1980, the above named JOANNE PARKS, and acknowledged the foregoing instrument to be her voluntary act and deed.



Cynthia M. Owens
Notary Public for Oregon
My Commission Expires: 5/10/80

STATE OF OREGON)
COUNTY OF KLAMATH) ss

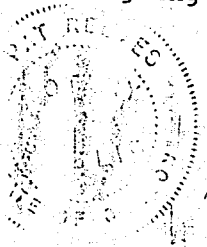
Personally appeared before me on this 20 day of Feb, 1980, the above named BRADFORD J. ASPELL, and acknowledged the foregoing instrument to be his voluntary act and deed.



Pat Reuss
Notary Public for Oregon
My Commission Expires: 7-18-82

STATE OF OREGON)
County of Klamath) ss

Personally appeared before me this 20 day of Feb, 1980, the above named ROBERT F. MEST, JR., and acknowledged the foregoing instrument to be his voluntary act and deed.



Pat Reuss
Notary Public for Oregon
My Commission Expires: 7-18-82

AGREEMENT, page five

Record
Return to
Brad Aspell
110 So. 5th

STATE OF OREGON; COUNTY OF KLAMATH; ss.
Filed for record at request of Brad Aspell, Atty.
his 28th day of February A. D. 1980 at 3:54 clock P.M., an-
tuly recorded in Vol. MSO, of Deeds on Page 3871

Fee \$17.50 By Wm D. MILNE, County Clerk
Bernetha Hetsch