

LAND SALE CONTRACT

THIS AGREEMENT, made and entered into this 21 day of May, 1981, by and between the STATE OF OREGON, by and through its DEPARTMENT OF TRANSPORTATION, Highway Division, hereinafter referred to as "State", and J.I.B.S. PROPERTIES, a partnership, hereinafter referred to as "Purchaser".

WITNESSETH:

That State, for the consideration hereinafter mentioned, covenants and agrees to and with Purchaser to sell and convey unto Purchaser, and Purchaser agrees to purchase from State, the following described property, to wit:

A parcel of land lying in Lot 6, JUNCTION ACRES, Klamath County, Oregon, and being that property described in that deed to the State of Oregon, by and through its State Highway Commission, recorded in Book 108, Page 287 of Klamath County Record of Deeds.

EXCEPT therefrom that property described in that deed to Klamath County recorded in Book 269, Page 548 of Klamath County Record of Deeds.

The parcel of land to which this description applies contains 0.74 acre, more or less.

The above described property shall hereafter be referred to as "premises".

1. PAYMENTS. Purchaser agrees to pay State therefor the sum of Four Thousand Two Hundred and No/100 DOLLARS (\$4,200.00) payable as follows:

a. Eight Hundred Forty and No/100 DOLLARS (\$840.00) as the down payment, receipt

of which is acknowledged, and

b. The balance of Three Thousand Three Hundred Sixty and No/100 DOLLARS (\$3,360.00) and accrued interest through June 30, 1981, (\$57.68) to be paid in installments of not less than One Hundred Sixty and 88/100 DOLLARS (\$160.88) per month, said monthly payments to commence on July 1, 1981, and continue monthly thereafter on the 1st day of each following month until the full amount of said principal and all tax and other

Tax statements are to be sent to the following address:
State of Oregon, Department of Transportation
Department of Transportation Bldg. Rm. 119
Salem, OR 97310

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AM 9
28
MAY 1981

2100 collect

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advances, including all interest thereon, is paid. Interest on the unpaid balance of the purchase price and advances made by State shall be at the rate of 12 percent per annum and shall begin on April 10, 1981.

2. UNPAID BALANCE. Purchaser may pay all or any part of the balance due on this contract at any time prior to the time herein specified and required.

3. IMPROVEMENTS. All buildings and improvements hereafter placed upon premises shall be kept in good repair by Purchaser and not be removed prior to final payment under this contract.

4. TAXES AND ASSESSMENTS. State will pay all real property taxes assessed against premises and improvements thereon becoming due and payable after the date of this contract, as said real property taxes become due, or in advance of the due date thereof and add said taxes to the principal balance due on the purchase price of premises. Except as herein otherwise provided, the amount of the monthly payments under this contract will be adjusted on January 1, 1982, and on January 1st of each year thereafter to reflect the amount of the annual real property taxes assessed against premises and improvements thereon.

Except for the real property taxes as hereinabove provided, Purchaser agrees to regularly and seasonably pay all other liens, assessments and charges, including local improvement assessments, which are or may be hereafter lawfully imposed or which constitute or will constitute liens or encumbrances against premises. If Purchaser fails or refuses to pay and discharge any of the above-mentioned liens, assessments or charges prior to the time they are to become delinquent, State, at its option, may pay the same and add the amount expended to the balance of the purchase price.

5. DEED. In case Purchaser, its legal representatives or assigns, shall pay the several sums of money aforesaid, punctually and at the time above specified, and shall strictly and literally perform all and singular the agreements and stipulations

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aforesaid, according to the time, intent, and tenor thereof, then State will give unto Purchaser, its successors or assigns, upon request and upon surrender of this contract, a deed of conveyance conveying premises.

6. CONDITIONS, RESERVATIONS and RESTRICTIONS. The property sold shall be subject to the following conditions, reservations and restrictions and the deed of conveyance shall contain the following provisions with regards thereto:

"This conveyance is made and delivered upon the following express conditions, reservations and restrictions:

"1. That there is reserved unto the State of Oregon, its successors, and assigns, all minerals, as defined in ORS 273.775(1), and all geothermal resources, as defined in ORS 273.775(2), together with the right to make such use of the surface as may be reasonably necessary for prospecting for, exploring for, mining, extracting, reinjecting, storing, drilling for, and removing such minerals and geothermal resources; provided, however, that the right hereby reserved to use the surface for any of the above activities shall be subordinate to that actual use of the surface of the premises deeded herein, or any part thereof, being made by the surface rights owner at the time that the State's lessee conducts any of the above activities. In the event such use of the premises by a surface rights owner would be damaged by one or more of the activities described above, then such owner shall be entitled to compensation from State's lessee to the extent of the diminution in value of the real property, based on the actual use by the surface rights owner at the time the State's lessee conducts any of the above activities.

"2. That the above described land shall never be used for the placing or maintenance of any advertising sign, display or device, except such sign, display or device used to advertise the activities on said land, or the sale or lease of said land or any portion thereof. In the event of violation of this condition, Grantor shall have the right, through its authorized officers, agents or employees to enter upon said land and remove, destroy or obliterate any unauthorized sign, display or device, without liability for damage or injury thereto, and to recover the cost of such removal, destruction or obliteration from the owner of said land.

"3. That no junk, scrap, junked motor vehicles or parts thereof, debris, trash, waste or other such materials shall be placed on said land for whatever purpose in any manner so as to be visible from a state highway, provided that such items as listed above can otherwise be placed on said land without violating any applicable law, ordinance or regulation. In the event of violation of this condition, Grantor shall have the right, through its authorized officers, agents or employees to enter upon said land and remove or destroy any unauthorized junk, scrap or other material mentioned above and recover the cost of such removal or destruction from the owner of said land.

"4. That this property shall not be used for the operation of any garbage dump or sanitary land fill. If such use is made of the property, Grantor may, at its election, enter upon said land and restore it to the condition that existed prior to said use for garbage dump or sanitary land fill purposes and recover the cost thereof from the owner of said land.

"It is understood that the conditions, reservations, and restrictions herein set out have been considered in determining the amount of consideration of this conveyance.

"The rights and remedies herein reserved or provided shall not be exclusive and shall not be in derogation of any other right or remedy which Grantor may have. The restrictions, rights, and conditions herein contained shall run with said land and shall forever bind Grantee, its successors and assigns. Where any action is taken to enforce the above mentioned conditions, Grantor shall not be liable for any trespass or conversion as to any real or personal property. Where legal proceedings are commenced by Grantor to enforce the foregoing restrictions or for the recovery of the aforementioned removal or destruction costs, the successful party shall be entitled to reasonable attorney fees and court cost."

7. ASSIGNMENT. Purchaser shall not sell, assign, or transfer this contract, or sell premises on a second contract, without the written consent of State. As a condition to such consent, State may elect to increase the interest rate hereunder from the date of such transfer or sale. Any such increase in interest shall entitle State to increase the monthly payments hereunder so as to retire the obligation created by this contract within the 2 years originally agreed upon.

8. DEFAULTS. Time and the prompt and punctual payment of all sums payable hereunder, and the exact performance and observance of each and all of the agreements and provisions herein contained, are in each and every case of the essence of this contract.

If Purchaser fails to pay, when the same becomes due as herein provided, any installment specified herein, or becomes delinquent in the payment of said installments or any of them or in the payment of any assessments levied or assessed or becoming payable against premises, or fails to keep premises free from liens and encumbrances accruing after this date, or otherwise fails to keep and perform the agreements herein, State may, at its option, terminate this contract by giving Purchaser a written 30-day notice of its intentions to do so, and upon the expiration of said thirty (30) day period and the continued default in any covenant or condition by Purchaser during such period, then State may, without tender of performance or suit or action, declare this contract null and void, and all the rights of Purchaser in said contract and all its estate, equity, interest, or right of possession in premises

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shall cease and terminate, and all payments made by Purchaser to State, whether on principal or interest, or for taxes, liens or assessments, and including any and all buildings and improvements upon premises, shall be forfeited to State, the same being considered liquidated damages for the non-performance of this contract, and State shall have the right of immediate possession of premises without the necessity of court action; or State may elect to consider this contract existing, and, in case of a continued default by Purchaser for a period of thirty (30) days after notice to Purchaser calling attention to such default, State may declare the whole of the unpaid purchase price, together with all accrued interest, immediately due and payable. In the event any suit or action is brought by State to enforce the collection of the said unpaid purchase price and interest, or to obtain possession of premises in the event Purchaser fails to surrender the same peaceably on default or for the collection of any unpaid installment or installments, Purchaser agrees to pay such reasonable attorney's fees as the court may allow to State.

Whenever the word "Purchaser" is used herein the same shall be deemed to include Purchaser, its successors or assigns.

IN WITNESS WHEREOF, the parties hereto have affixed their signatures the day and Year first above written.

J.I.B.S. PROPERTIES, a partnership

By Jane L. Rusth, a partner

By Jane M. Thomsen, a partner

By Bruce Thomsen, a partner

By Sharon O. Kendall, a partner

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APPROVED AS TO FORM:

James S. Leary
Asst. Attorney General and Counsel

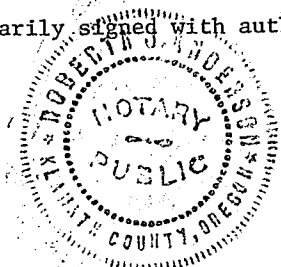
STATE OF OREGON, by and through its
DEPARTMENT OF TRANSPORTATION,
Highway Division

By J. B. Boyd
J. B. Boyd, Right of Way Manager
5/21/81

STATE OF OREGON, County of Klamath

May 20, 1981. Personally appeared Jane Ruth,
Bruce E. Thomsen, Jane M. Thomsen, and
Sharon Kendall, who, being sworn, stated that they are

partners of J.I.B.S. PROPERTIES, a partnership, and that this instrument was voluntarily signed with authority of said partnership. Before me:



Robert J. Anderson
Notary Public for Oregon
My Commission expires 11-16-81

STATE OF OREGON, County of Marion

May 21, 1981. Personally appeared J. B. Boyd, who being sworn, stated that he is the Right of Way Manager for the State of Oregon, Department of Transportation, Highway Division, and that this document was voluntarily signed on behalf of the State of Oregon by authority delegated to him. Before me:



E. Ruth Keller
Notary Public for Oregon
My Commission expires Oct. 5, 1981

STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record at request of _____
this 28th day of May A.D. 1981 at 9:52 clock A M., and
duly recorded in Vol. MR1, of Deeds on Page 9412

Fee \$21.00

EVELYN BIEHN, County Clerk
By debra G. Jones