

OPTION TO PURCHASE
REAL PROPERTY

THIS OPTION is given September 16, 1983, by MOODY, TRUTTMAN & MEAMBER, a California corporation consisting of John Moody, James M. Truttman and Jon Meamber, hereinafter referred to as "Optionor," to KENNETH W. CARR, hereinafter referred to as "Optionee."

RECITALS:

1. Grant of Option. The Optionor, for valuable consideration received, hereby grants to Optionee the exclusive option to purchase, upon the following terms and conditions, a certain parcel of real property located in Klamath County, Oregon, hereinafter referred to as the "Real Property," as described in Exhibit A, attached hereto and made a part hereof.

2. Term of Option. This option shall run for a term of twelve consecutive months, beginning September 16, 1983, and terminating at 5:00 p.m. on September 15, 1984.

3. Exercise of Option. This option may only be exercised by Optionee delivering to Optionor, prior to the time of termination described above, the following:

a. Written notice of Optionee's intent to exercise his option hereunder.

b. The sum of \$20,000.00 in cash, or cashier's check.

c. A promissory note for the remaining balance of the purchase price, secured by a first trust deed on said real property, all as set forth below. The note shall be in substantially the same form as the note attached as Exhibit "B".

4. Price. The purchase price for the property is \$80,000.00, payable by the Optionee as follows:

a. The sum of \$20,000.00 payable on or before 5:00 p.m. September 15, 1984.

b. The balance of \$60,000.00 payable in monthly installments of \$727.97 commencing October 15, 1984, and continuing each month thereafter to and including a payment on September 15, 1987. Said sum shall accrue interest at the rate of eight percent per annum from September 15, 1984 through September 14, 1987.

c. Thereafter the monthly installments shall decrease to \$617.21 per month beginning October 15, 1987 and shall continue at that rate until paid. Interest on the then remaining balance shall increase to ten percent per annum commencing September 15, 1987 and shall continue at that rate until paid. The entire remaining balance of principal and interest due under the note shall be due and payable in full on or before September 15, 1994.

5. Failure to Exercise Option. If the Optionee fails to comply with any of the requirements or exercise of this option as set forth above, this option shall terminate as of 5:00 p.m. September 15, 1984, and Optionee shall have no further rights hereunder. Any consideration paid by Optionee prior to that period shall be retained by Optionor and neither party shall have any further rights or claims against the other.

6. Deed and Title Insurance. If the Optionee exercises this option the Optionor shall convey title to the real property to Optionee, or as the Optionee shall designate, by a good and sufficient warranty deed, warranting title free and clear of all liens and encumbrances except as set forth in Exhibit A attached hereto and made a part hereof. Optionor shall also deliver to Optionee a purchaser's policy of title insurance in the amount of

\$80,000.00 showing title to said property to be marketable save and except for the usual printed exceptions contained in policies of title insurance being issued by Transamerica Title Company, and save and except for the exceptions set forth in Exhibit A attached hereto.

7. Prorations. All real estate taxes and assessments shall be prorated as of the date Optionee exercises this option.

8. Tender of Option. Optionee may exercise his option hereunder by tendering to Optionor the written notice, down payment, promissory note and trust deed as set forth above to any of the partners or designees of Optionor at:

John Moody

500 Fourth Street

Yreka, CA 96097

or by depositing the same in the United States Mail, certified return receipt requested, addressed to Optionor at:

John Moody

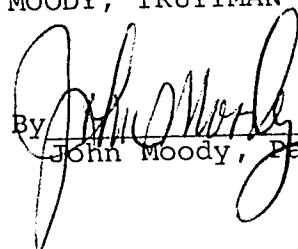
P. O. Box 688

Yreka, CA 96097

9. Successors. This agreement shall be binding upon and inure to the benefit of the Optionor and the Optionee, and their respective heirs, executors, administrators or assigns.

10. Recording Agreement. This agreement shall be executed in a recordable form and recorded at Optionee's election.

MOODY, TRUTTMAN & MEAMBER

By  _____
John Moody, Partner

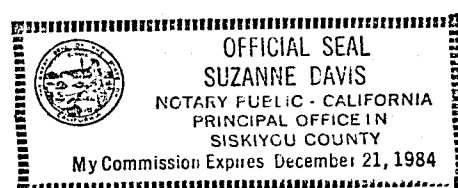
 _____
Kenneth W. Carr

17292

STATE OF California)
County of Siskiyou) ss.

On this 7th day of October, 1983, personally appeared JOHN MOODY, to me known to be a partner of MOODY, TRUTTMAN & MEAMBER, a California corporation, and acknowledged the foregoing instrument to be the free and voluntary act and deed of said corporation and on oath stated that he was authorized to execute said instrument by authority of its board of directors.

Before me:

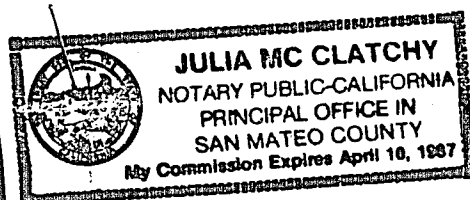


Suzanne Davis
Notary Public for Siskiyou County
My Commission Expires: 12-21-84

STATE OF CALIFORNIA
COUNTY OF San Mateo

} ss

ON September 23, 1983, 19....., before me, the undersigned, a Notary Public in and for said County and State, personally appeared
Kenneth W. Carr



PROVEN TO ME ON THE BASIS OF SATISFACTORY EVIDENCE
known to me to be the person.... whose name is subscribed to the within
instrument, and acknowledged to me that he executed the same.

Notary's Signature *Julia Mc Clatchy*

GENERAL ACKNOWLEDGMENT
Form No. 16

Parcel 2

A tract of land situated in the NW¼SW¼ of section 3, T39S, R9EWM, Klamath County, Oregon, being a portion of Lot 3, Block 3, Tract 1080-Washburn Park, a duly recorded subdivision, said tract being more particularly described as follows:

Beginning at a point on the northerly line of Crosby Ave., said point being N89°25'10"W ~~165.85~~ feet from the southeast corner of said Lot 3; thence N89°25'10"W, along said northerly line of Crosby Ave., 184.20 feet; thence N00°34'50"E 256.59 feet to the northerly line of said Lot 3; thence S89°56'30"E, along said Lot line, 184.21 feet; thence S00°34'50"W 258.27 feet to the point of beginning, containing 1.09 acres (47,419 sq. ft.), with bearings based on said Tract 1080-Washburn Park.

Parcel 3

A tract of land situated in the NW¼SW¼ of section 3, T39S, R9EWM, Klamath County, Oregon, being a portion of Lot 3, Block 3, Tract 1080-Washburn Park, a duly recorded subdivision, said tract being more particularly described as follows:

Beginning at a point on the northerly line of Crosby Ave., said point being N89°25'10"W ~~349.26~~ feet from the southeast corner of said Lot 3; thence N89°25'10"W, along said northerly line of Crosby Ave., 202.38 feet; thence N00°04'50"E 254.72 feet to the northerly line of said Lot 3; thence S89°56'30"E, along said Lot line, 204.60 feet; thence S00°34'50"W 256.59 feet to the point of beginning, containing 1.19 acres (52,022 sq. ft.), with bearings based on said Tract 1080-Washburn Park.

17294

DO NOT DESTROY THIS NOTE: When paid, this note and the Deed of Trust must be surrendered to the Mt. Shasta Title and Escrow Company with request for reconveyance.

INSTALLMENT NOTE

(INTEREST INCLUDED)

\$ 60,000.00YREKA

, California,

In installments and at the times hereinafter stated, for value received KENNETH W. CARR
promise to pay to JOHN MOODY, JIM TRUTTMAN & JON MEAMBER

or order, at P.O. BOX 688, YREKA, CALIFORNIA 96097
the principal sum of SIXTY THOUSAND
with interest from SEPTEMBER 15, 1984 on the amounts of principal remaining from time to time
unpaid, until said principal sum is paid, at the rate of _____ per cent, per annum. Principal and interest due
in monthly installments of _____ Dollars,
(\$ _____), or more on the 15TH day of each and every month, beginning on the 15TH day
of OCTOBER, 1984

\$ 60,000.00 at 8% amortized over ten years
Monthly payment \$ 727.97 then \$ 46,505 at 10%
amortized over ten years all due in seven years
Monthly payment \$ 617.21

and continuing until said principal sum and the interest thereon has been fully paid. AT ANY TIME, THE PRIVILEGE IS RESERVED TO PAY MORE THAN THE SUM DUE Each payment shall be credited first, on the interest then due; and the remainder on the principal sum; and interest shall thereupon cease upon the amount so credited on the said principal sum. Should default be made in the payment of any of said installments when due, then the whole sum of principal and interest shall become immediately due and payable at the option of the holder of this note. Should suit be commenced to collect this note or any portion thereof, such sum as the Court may deem reasonable shall be added hereto as attorney's fees. Principal and interest payable in lawful money of the United States of America. This note is secured by a certain DEED OF TRUST to the MT. SHASTA TITLE AND ESCROW COMPANY, a California corporation, as TRUSTEE.

EXHIBIT "B"

101B (11/09)

17295

ADDENDUM

THIS ADDENDUM to an option to purchase real property dated September 16, 1983, wherein, MOODY, TRUTTMAN & MEAMBER, a California corporation, hereinafter referred to as "Optionors", granted to KENNETH W. CARR, hereinafter referred to as "Optionee", an option to purchase certain real property located in Klamath County, Oregon.

Said option to purchase is hereby supplemented by the following agreements between "Optionors" and "Optionee".

The real property consists of two parcels of land as set forth in exhibit A attached to the option agreement.

Optionors covenant that upon payment by optionee of \$20,000.00 principal, in addition to the \$20,000.00 down payment, they will release parcel 2 from the trust deed securing the balance of the promissory note.

Upon payment of \$40,000.00 in principal in addition to the \$20,000.00 down payment optionors will release parcel 3 from the trust deed securing the balance of the promissory note.

MTM

Kenneth W. Carr
Kenneth W. Carr

By John Moody
John Moody

STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record

this 10th day of Oct. A.D. 19 83 at 10:46 o'clock A.M., and
duly recorded in Vol. M83, of Mortgages on Page 17289

Addendum

Fee: 28,00

By Evelyn Biehn
EVELYN BIEHN, County Clerk