

Aspen Title #01630779

RIGHT OF FIRST REFUSAL

DATE: August 27, 1991

PARTIES: Edwin J. Clough, Owner
Frank P. Grohs and Charlotte P. Grohs, husband and wife

The undersigned, Edwin J. Clough, hereinafter called Grantor, in consideration of the purchase of adjacent real property from the Grantor, hereby grants to Frank Grohs and Charlotte Grohs, husband and wife, a right of first refusal with respect to the following described real property:

A parcel of land situated in Lots 3, 4 and 5, Block 2, HOMELAND TRACTS, in the NW 1/4 SW 1/4 Section 1, Township 39 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon, more particularly described as follows:

Parcel 1 of Minor Land Partition 41-91, filed for Record in the Office of Klamath County Clerk on August 22, 1991.

CODE 43 MAP 3909-1CB TL 2500 (Covers additional property)

CODE 43 MAP 3909-1CB TL 2600 (Covers additional property)

on the following terms and conditions:

1. **Restriction on Transfer:** The Grantor shall not at any time prior to July 1, 1996, sell, contract to sell, transfer, exchange, grant an option to sell, or lease or otherwise dispose of the property to anyone other than the Grantee, unless the owners shall have first communicated to Grantee by written notice a written offer to sell the property to Grantee, which offer hereinafter called grantor's offer, shall specify, in commercially reasonable detail, the price, terms, and conditions upon which the Grantor is willing to sell the property.

2. **Acceptance of Offer:** Grantee shall have a period of 30 days following the giving of the Grantor's offer notice within which to accept the Grantor's offer by giving the Grantor written notice of acceptance. If the Grantor's offer is accepted, the parties shall be obliged to close the sale in accordance with the terms of the Grantor's offer. Closing shall occur within 30 days following acceptance or within such longer closing period as may be specified in Grantor's offer.

3. **Sale to Third Party:** If Grantee does not accept the Grantor's offer, Grantor may sell the property to any other party provided that such a sale must be consummated within 60 days following the earlier of the expiration of the acceptance period for the Grantor's offer, or the date of any written rejection of the Grantor's offer by Grantee and be upon the same price, terms, and conditions as those specified in the Grantor's offer. If such a sale to another party is consummated, Grantee's rights hereunder shall be automatically and forever extinguished. If, however, such a sale to another party is not consummated, Grantee's rights hereunder shall be in full force and effect.

4. **Notices.** All notices and communications given with respect hereto shall be in writing and shall be deemed given when personally delivered or on the third day following the date of deposit of the notice in a postage paid envelope in the registered or certified mails and addressed to the parties intended to receive the notice at the party's address as follows:

Right of First Refusal - Page 1.

1 Grantor: Edwin J. Clough
 2 P.O. Box 338
 3 Klamath Falls, OR 97601

4 Grantee: Frank P. Grohs and
 5 Charlotte P. Grohs
 6 4040-A Adelaide Avenue
 7 Klamath Falls, OR 97603

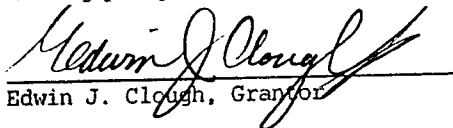
8 or at such other address as either party may hereafter specify by notice to the
 9 other.

10 5. Long Term Lease. Any lease of the property by Grantor for a period
 11 longer than the termination date of this agreement shall be subject to the terms
 12 hereof provided, however, the property shall remain subject to the terms hereof
 13 notwithstanding any lease of the property, whether to the Grantee or any other
 14 party.

15 6. Successors and Assigns. This right of first refusal shall be binding
 16 upon, and inure to the benefit of the parties and their respective heirs,
 17 successors and assigns.

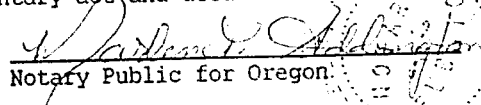
18 7. Termination. Grantee's rights hereunder shall terminate automatically
 19 and forever at 11:59 p.m. on the termination date. Upon such termination, or
 20 in the event of termination pursuant to paragraph 3 above, Grantee shall
 21 cooperate in providing Grantor with any instruments which Grantor may reasonably
 22 require for the purpose of removing from the public record any cloud on
 23 Grantor's title to the property attributable in any manner to the grantor or
 24 existence of this right of first refusal.

25 8. Attorney Fees. If any suit or action shall be instituted to enforce
 26 or interpret this agreement, the prevailing party shall be entitled to recover
 27 from the losing party, in addition to statutory costs, such sums as the court
 28 may adjudge as reasonable for the prevailing party's attorney fees in such suit,
 29 action or any appeal thereof.

30 
 Edwin J. Clough, Grantor

31 STATE OF OREGON)
 32) SS
 33 County of Klamath)

34 Personally appeared the above named Edwin J. Clough and acknowledged the
 35 foregoing instrument to be his voluntary act and deed. Before me:

36 
 Notary Public for Oregon

37 (SEAL)
 38 My Commission Expires: 3-22-93

39 After recording, return to:

40 Frank P. Grohs
4040-A Adelaide Avenue
Klamath Falls, OR 97603

41 STATE OF OREGON, ss.
 42 County of Klamath

43 Filed for record at request of:

44 Aspen Title Co.
 45 on this 28th day of Aug. A.D., 19 91
 46 at 1:12 o'clock P.M. and duly recorded
 47 in Vol. M91 of Deeds Page 17215
 48 Evelyn Biehn County Clerk
 49 By Rauline Mulendrie
 50 Deputy.

51 Fee. \$13.00