

Contract Of Sale Of Sycan Store Bly, Oregon

This agreement made and entered into this fourteenth day of June, 2000 by and between Luther R. Cole, Jr. and Catherine J. Cole, husband and wife of Bly, Oregon hereinafter referred to as the sellers and Lonnie and Melinda K. Gomez, husband and wife of 61000 Highway 140 East, Bly, Oregon 97622, hereinafter referred to as the buyers.

WITNESSETH

That the sellers for and in consideration of the sums of money hereinafter set forth to be paid by the buyers and further consideration of the covenants of the buyers hereafter set forth to be performed by them do hereby promise and agree to sell and the buyers do hereby promise and agree to buy the following described real property and personal property assets located at 61278 Highway 140 East within the community of Bly, Klamath County, Oregon. Described on the Klamath County Property Tax Statement on Map 5-3614-034DC-07200-000, Code 58, Account No. R365508.

1. Property Description. That certain real property described above which comprises certain real property upon which the sellers have been conducting a retail grocery business as owners under the assumed name of "Sycan Store": agreed value of land and improvements, \$55,000.00. Property is sold in as is condition.
2. Inventory. Merchandise inventory and store supplies to be valued at \$15,000.00. No actual inventory will be taken.
3. Fixtures and Equipment. Fixtures and equipment situated in said grocery store and used in connection of the operation, the same having an agreed value of \$10,000.00. A list of said fixtures and equipment marked Exhibit A as set forth herein.
4. Payment Schedule. The buyers do hereby promise and agree to pay the sum of \$10,000.00 on July 1, 2000 for the purchase of the store fixtures. A further sum of \$15,000.00 is to be paid for the inventory on June 30, 2000 at the close of business. A further sum of \$20,000.00 is to be paid on January 1, 2001. The sellers will carry a contract in the amount of \$35,000.00 of which the buyers do hereby further promise and agree to make monthly payments unto the sellers in the sum of \$400.00. The first said monthly payment being due August 10, and shall be paid monthly thereafter until the entire amount due the sellers has been paid in full. Each and every payment made by the buyers to the sellers, as set forth in this contract shall be applied first to interest and the balance to principal at a deferred interest rate of six percent per annum.
5. Assumed Business Name. On June 30, 2000 the sellers shall retire said business name of "Sycan Store" so that the buyers can assume the name.
6. No Real Estate Broker. It is agreed between the parties that no real estate broker has brought the parties together, therefore, no real estate commission is due anyone.
7. U.C.C. Security Lien Agreement. No U.C.C. Agreement is required because the fixtures have been paid for as described in paragraph 4.
8. Warranty of Title. The sellers warrant that they have a clear title to the real property described in Paragraph 1 and the seller guarantees that the premises are free of all liens and encumbrances.

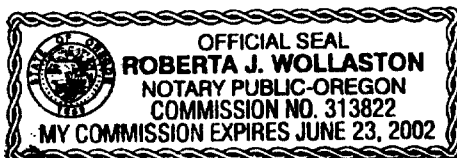
9. **Fire Insurance.** The buyers will provide business owners policy with liability and fire protection effective on July 1, 2000. Sellers shall be named as the additional insured in the policy to protect the sellers' interest until contract of sale is paid in full.
10. **Taxes.** Since real property taxes and personal property taxes in Oregon run from July 1 to June 30 of the following year the sellers hereby warrant that they have paid all real property taxes and personal property taxes hereto fore assessed against the real property herein contracted to be sold down to June 30, 2000. The buyers do hereby assume said obligation beginning with the July 1, 2000 assessment and do hereby promise and agree that during the life of this contract that they will pay all such tax levies prior to delinquency.
11. **Utility Bills.** The parties shall cause the electricity, water to be read at the close of business on June 30, 2000 and the amount due up to that date shall be the liability of the sellers; the accounts due thereafter shall be the responsibility of the buyers. The telephone shall also be switched over at that time.
12. **The Right of Prepayment.** The buyers shall have the right to prepay on this contract without penalty with payments being applied first to accrued interest and the balance to principal.
13. **Restriction on Assignment.** The buyers shall not have the right to assign this contract in whole or in part or to pledge the same as security without first receiving the written consent of the sellers.

[Signature] 6-14-00

[Signature] 6/14/00
SELLERS SIGNATURE/DATE

[Signature] 6/14/00

[Signature] 6/14/2000
BUYERS SIGNATURE/DATE



[Signature] 6/14/2000
NOTARY PUBLIC SIGNATURE/DATE

Roberto J. Wollaston
My Commission expires
6/23/2002

State of Oregon, County of Klamath
Recorded 01/02/01, at 2:14 p.m.
In Vol. *Mo* Page *102*
Linda Smith,
County Clerk Fee \$*26-*

cc: Melinda Gomez