

A G R E E M E N T

THIS AGREEMENT, made and entered into by and between JAMES FRANKLIN and LOIS FRANKLIN, husband and wife, hereinafter referred to as "Sellers", and D. C. DAY and NELL FAY DAY, husband and wife, hereinafter referred to as "Purchasers";

W I T N E S S E T H:

ARTICLE I

PURCHASE AND SALE

SECTION 1.01. Sale. Sellers, in consideration of the deposit made by the Purchasers and the covenants and agreements on the part of Purchasers herein contained, agree to sell to Purchasers, and Purchasers agree to buy, an undivided one-half (1/2 interest in that improved property located in the County of Lincoln, State of Nevada, and more particularly described as follows:

Lot 4, Block 2, Sunset Acres Tract No. 1, being a portion of the NW $\frac{1}{4}$ and SW $\frac{1}{4}$, NE $\frac{1}{4}$ of Section 36, T. 3S., R. 55 E., M.D.B.&M.

Together with any and all water rights appurtenant thereto as set forth in Permit No. 30946 issued and controlled by the State of Nevada.

Together with that certain 1976 Champion double wide 24x60 mobile home and fixtures more particularly described on Exhibit "A" attached hereto.

ARTICLE II

PURCHASE PRICE AND TERMS OF PAYMENT

SECTION 2.01. Purchase Price. The total purchase price for all property to be conveyed or transferred to Purchasers hereunder is Six Thousand Dollars (\$6,000.00).

SECTION 2.02. Payment of Purchase Price. Purchasers agree to pay to Sellers the sum of Six Thousand Dollars (\$6,000.00), as follows:

(a) Six Thousand Dollars (\$6,000.00) together with interest thereon at the rate of Seven Percent (7%) per annum in quarterly installments of interest only commencing three months

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1 from the date of the execution of this Agreement, and continuing
2 with a like interest payment on the same day of each quarter
3 thereafter for a period of two (2) years.

4 (b) The balance of Six Thousand Dollars (\$6,000.00),
5 together with any remaining interest accrued thereon in one
6 installment payable on or before two (2) years from the date of
7 the execution of this Agreement. Purchasers shall be allowed to
8 make such payment without penalty.

9 SECTION 2.03. Payment of Installments. The monthly
10 installments provided herein shall be made by Purchasers to
11 Sellers at _____. Such payments shall
12 be applied by Sellers, first to the payment of accrued interest
13 and secondly, to reduce the principal balance.

14 SECTION 2.04. Prepayment Privilege. Purchasers may at
15 their option pay the entire balance of the purchase price re-
16 maining due at any time, or any part of such balance, without
17 penalty.

18 ARTICLE III

19 TITLE AND POSSESSION

20 SECTION 3.01. Execution and Delivery of Deed. In
21 consideration of the payments made and to be made by Purchasers,
22 and the performance of all the covenants and conditions herein
23 contained on the part of Purchasers, Sellers shall, on execution
24 of this Agreement, execute a Joint Tenancy Grant, Bargain and
25 Sale Deed to the above described real property in favor of
26 Purchaser. Sellers shall retain the deed designated herein,
27 together with the executed original of this Agreement. If
28 Purchasers make the payments and perform their agreements as set
29 forth herein, the Sellers shall deliver the deed to them.
30 However, if Purchasers fail to make the payments or fail to
31 perform all of the agreements herein contained, the Sellers shall
32 be entitled to retain said deed upon compliance with Section 7.01

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1 herein and shall further be allowed to record the Quitclaim Deed
2 executed by Purchasers in favor of Sellers.

3 SECTION 3.02. Possession of Property. Purchasers
4 shall be entitled to possession of the property upon the
5 execution of this Agreement.

6 ARTICLE IV

7 PURCHASERS OBLIGATIONS

8 SECTION 4.01. Insurance. Purchasers shall, at their
9 own expense, beginning after the close of escrow, and at all
10 times thereafter, keep in force with an insurance company or
11 companies acceptable to Sellers, fire insurance on the property
12 being purchased, including the buildings and other insurable
13 improvements on the property therein, in the total amount of Six
14 Thousand Dollars (\$6,000.00), with a loss-payable clause for the
15 benefit of the Sellers and Purchasers, as their respective
16 interests may appear at the time of any loss. Proof of insurance
17 shall be deposited with Sellers.

18 SECTION 4.02. Taxes and Assessments. Purchasers shall
19 pay all real property taxes on the property herein described and
20 all other assessments against said property, levied, assessed, and
21 accruing against the property after the close of escrow. Real
22 estate taxes and all other assessments, already paid by Sellers
23 with respect to the property for the current year, shall be pro-
24 rated as of the close of escrow. In the event Purchasers fail to
25 pay their portion of the taxes, or fail to pay any of the taxes or
26 assessments on the property for subsequent years during the life
27 of this Agreement, Sellers may pay such taxes and/or assessments
28 and add the amount so paid to the remaining unpaid balance under
29 this Agreement, or at Sellers' option, declare a default under
30 this Agreement as hereinafter provided.

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ARTICLE V

MUTUAL OBLIGATIONS

SECTION 5.01. Future Conveyances and Encumbrances.

Sellers shall not convey, encumber, or assign the property described herein as long as Purchasers are not in default hereunder.

Purchasers shall not convey, encumber, or assign the property described herein without the prior written consent of Sellers.

Sellers and Purchasers agree that this Agreement provides that should all or any part of the property herein described be sold or conveyed, then the entire unpaid balance remaining due shall become immediately due and payable at the option of the Sellers.

SECTION 5.02. Indemnification. Sellers shall

indemnify and hold Purchasers and the property of the Purchasers, free and harmless from any and all claims, losses, damages, injuries, and liabilities arising from or on account of Sellers' ownership of the property up to and including the close of escrow. Purchasers shall indemnify and hold Sellers free and harmless from any and all claims, losses, damages, injuries, and liabilities arising from or on account of Purchaser's ownership of the property from and after the close of escrow.

SECTION 5.03. Expenses of Sale. All fees incurred by the parties, including initial escrow fee and attorney's fees, shall be paid jointly and equally by the Sellers and Purchasers.

ARTICLE VI

DEFAULT

SECTION 6.01. Purchasers Default. In the event

Purchasers fail to make any installment of the purchase price when due or fail to perform the conditions and agreements provided herein, at the times when due, and such failure continues for thirty (30) days, Sellers may, at their option, either declare the entire balance of the purchase price immediately due

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1 and proceed to collect the same, or rescind this agreement and
2 all rights of purchase thereunder and retake possession of the
3 property. In the event Sellers elect to rescind the contract,
4 all payments theretofore made by Purchasers shall be retained by
5 Sellers and shall be considered damages for breach of this agree-
6 ment and compensation for the use and occupation of the premises,
7 it being understood and agreed that under the circumstances
8 damages would be impractical and extremely difficult to fix.

9 Notice of Election by Sellers shall be given by written
10 notice to Purchasers either by registered mail, return receipt
11 requested, at the address of the property described herein, or
12 by personal delivery of such notice to Purchasers. Purchasers
13 shall have fifteen (15) days thereafter within which to correct
14 such default.

15 If, after notice of default as set forth above, Pur-
16 chasers fail to make the required payments, this agreement shall
17 be of no further force and effect, and Purchasers shall immedi-
18 ately vacate the property described herein. Purchasers shall
19 allow Sellers to re-enter and take possession of the property
20 and the improvements thereon the same as if no agreement had
21 ever been made.

22 SECTION 6.02. Sellers Default. If Sellers fail to
23 comply with any of the terms or conditions of this contract, or
24 if there is a material misrepresentation as to any of the repre-
25 sentations made by Sellers herein, Purchasers shall have the right
26 to seek specific performance of this contract, with such modifica-
27 tions of this contract as may be equitable under the circumstances,
28 or to declare this contract rescinded.

29 Notice of Election by Purchasers shall be given in
30 writing to Sellers either by registered mail, return receipt re-
31 quested, at the address provided herein, or by personal delivery
32

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1 of such notice to Sellers. Sellers shall have fifteen (15) days
2 thereafter within which to correct such default.

3 SECTION 6.03. Attorney's Fees and Costs. In the event
4 that there is a default under this agreement and it becomes
5 necessary for any party hereto to employ the services of an
6 attorney, either to enforce or to terminate this agreement, with
7 or without litigation, the losing party or parties to the
8 controversy shall pay to the successful party or parties a
9 reasonable attorney's fee and, in addition, such reasonable costs
10 and expenses as are incurred in enforcing or terminating this
11 agreement.

12 SECTION 6.04. Waiver of Default. In the event of
13 default under this agreement by any party hereto, and if such
14 default is waived by the other party or parties, such waiver shall
15 not constitute a waiver of any subsequent default by any party,
16 and shall not serve to vary the terms of this agreement.

17 ARTICLE VII

18 MISCELLANEOUS

19 SECTION 7.01. Entire Agreement. It is hereby
20 expressly understood and agreed by the parties that Purchasers
21 accept the property in its present condition and that there are
22 no representations, covenants, or agreements between the parties
23 with reference to the property, except as herein specifically set
24 forth.

25 SECTION 7.02. Modification. No alteration or other
26 modification of this agreement shall be effective unless such
27 modification shall be in writing and signed by the parties hereto.

28 SECTION 7.03. Binding Effect. This agreement shall
29 inure to the benefit of and be binding on the heirs, executors,
30 administrators, assigns, devisees, and legatees of the parties.

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1 SECTION 7.04. Notice. Any notice required hereunder
2 shall be sufficiently given if mailed by registered mail, return
3 receipt requested, to the parties address above.

4 SECTION 7.05. Applicable Law. This Agreement and the
5 rights, obligations and remedies of the respective parties here-
6 under, shall be governed by the laws of the State of Nevada.

7 IN WITNESS WHEREOF, the said parties hereto have here-
8 unto set their hands the 15TH day of JULY, 1987.

9 SELLERS:

10 James Franklin
11 JAMES FRANKLIN

12 Lois Franklin
13 LOIS FRANKLIN

14 PURCHASERS:

15 D.C. Day
16 D.C. DAY

17 Nell Fay Day
18 NELL FAY DAY



Notary Public - State of Nevada
LINCOLN COUNTY
Myrtle Larue Fletcher
MY APPOINTMENT EXPIRES NOV. 9, 1987

19 STATE OF NEVADA,)
20 County of LINCOLN) ss.

21 On this 15TH day of JULY, 1987, personally
22 appeared before me, a Notary Public in and for the County and
23 State above, JAMES FRANKLIN and LOIS FRANKLIN, husband and wife,
24 who acknowledged that they executed the above instrument.



Notary Public - State of Nevada
LINCOLN COUNTY
Myrtle Larue Fletcher
MY APPOINTMENT EXPIRES NOV. 9, 1987

25 Myrtle L. Fletcher
26 Notary Public

27 STATE OF NEVADA,)
28 County of LINCOLN) ss.

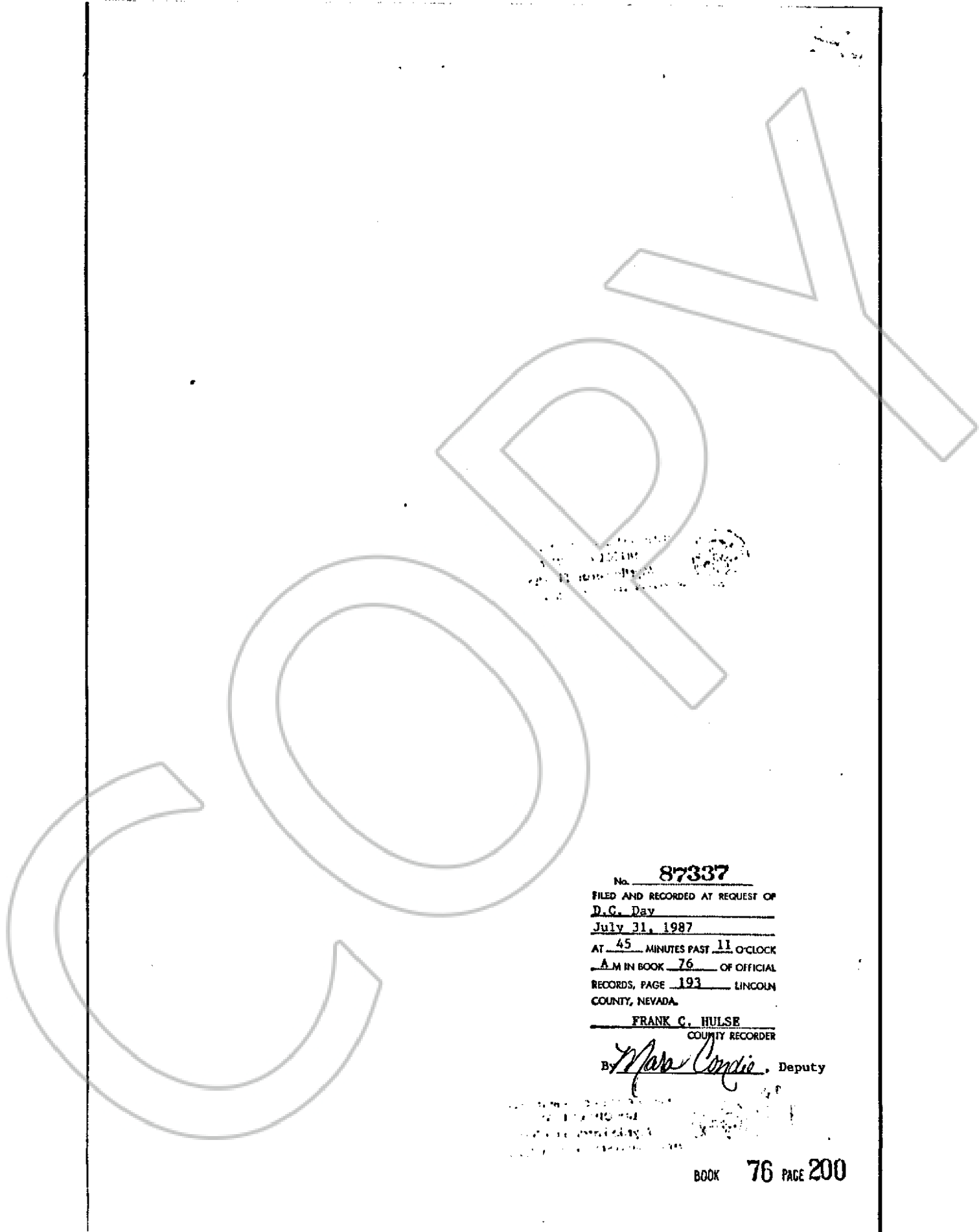
29 On this 15TH day of JULY, 1987, personally
30 appeared before me, a Notary Public in and for the County and
31 State above, D. C. DAY and NELL FAY DAY, husband and wife, who
32 acknowledged that they executed the above instrument.



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LINCOLN COUNTY
Myrtle Larue Fletcher
MY APPOINTMENT EXPIRES NOV. 9, 1987
1988

33 Myrtle L. Fletcher
34 Notary Public

-7 and last-



No. 87337
FILED AND RECORDED AT REQUEST OF
D.C. Day
July 31, 1987
AT 45 MINUTES PAST 11 O'CLOCK
A.M IN BOOK 76 OF OFFICIAL
RECORDS, PAGE 193 LINCOLN
COUNTY, NEVADA.

FRANK C. HULSE
COUNTY RECORDER
By Mara Condie, Deputy