

determining the exact legal description of the subject property and the amount of acreage of the subject property upon which the purchase price is to be determined.

2. The amount paid heretofore and herewith is the sum of Six Thousand and No/100ths (\$6,000.00) -----Dollars.

All sums paid hereunder by Buyer to Seller shall be credited to the purchase price upon the exercise of this option at anytime hereafter by Buyer. In the event Buyer fails to exercise this option in accordance with the terms hereof, all sums paid by Buyer to Seller pursuant to the terms of this option shall be retained as liquidated damages by the Seller, and Buyer shall have no further liability under this option.

3. The terms of the sale shall be as follows:

(a) The purchase price shall be determined by multiplying the acreage as disclosed by the survey by the price per acre.

(b) The Buyer shall receive credit for all amounts paid under the terms of this option.

(c) At closing, Buyer shall pay an additional amount of cash to Seller sufficient to comprise twenty-five (25%) percent of the total purchase price including the amounts paid under the terms of this option.

(d) Buyer shall give to Seller its promissory note (secured by a first mortgage on the subject property) for the balance of the purchase price, to be paid in three equal annual installments with interest payable annually at seven (7%) percent on the unpaid balance with installments due on the anniversary date of the closing.\*

(e) On the closing of the sale, twenty-five (25%) percent of the total property shall not be subject to the mortgage given by Buyer. Only the balance of the total acreage is to be included in the mortgage. Upon the payment of each annual installments under the above-

\*Said promissory note shall contain a provision prohibiting any prepayment of said debt without the consent of Seller.

073

4328 RV-2