

A G R E E M E N T

This AGREEMENT made this 24th day of ~~April~~ ^{MARCH, 1972}, 1972, between Bemis Hardwood Lumber Company, a North Carolina Corporation (herein called "Seller"), party of the first part, and Willis B. Kyle, The Village Green Corp., an Oregon Corporation, and Bohemia Lumber Company, Incorporated, an Oregon Corporation, a partnership doing business as "Railroad Town, U.S.A." (herein called "Purchaser") party of the second part;

W I T N E S S E T H:

WHEREAS, the Seller is the owner of certain property described hereinbelow which Seller wishes to sell, and which Purchaser wishes to purchase; and

WHEREAS, the Seller desires to pass title to the property hereinafter described to Purchaser, and to retain a security interest therein to secure the payment of the fixed purchase price as hereinafter mentioned, and to secure also the payment of all contract sums due hereunder; and

WHEREAS, the Purchaser proposes to use the articles purchased pursuant to this Agreement as a tourist oriented facility to be established adjacent to The Village Green Motor Hotel, Village Loop, Cottage Grove, Oregon, and to charge, with regard to such museum, a minimum adult admission fee of \$1.00 per person, plus tax, and to have such museum in a condition of readiness, and open to the public, no later than November 1, 1972, and thereafter to maintain the museum as a going concern throughout the year for as long as payments are due pursuant to this Agreement.

NOW, THEREFORE, in consideration of the premises the parties agree:

1. The Seller hereby sells, and the Purchaser hereby purchases, the following:

- 1 - Shay Locomotive 1923
- 1 - Pullman "Woodland"
- 1 - Pullman "Glen Fee"
- 1 - Obs Lge "Robert E. Lee"
- 1 - Diner "Wabash Valley"
- 1 - Diner "Martha Washington"
- 1 - Lot Artifacts, complete collection, without reservation of framed pictures of locomotives, lighting fixtures, collection of railroad lanterns and accessories, signs "Railroad Town, U.S.A."

All of the property hereby purchased shall be used for museum purposes during the term of this Agreement, and not otherwise.

As a part of the Agreement between the parties, the Seller hereby retains a security interest in the items of property hereby sold, and the Purchaser assents to such retention, and grants a security interest in all of the property herein described to secure payment of all sums due under paragraph 2 hereof, and to secure further the performance of all obligations of the Purchaser hereunder.

2. The total purchase price for the articles described in paragraph 1 above is \$58,500.00 f.o.b. Topton, North Carolina for all property other than the "Wabash Valley" Diner and the "Martha Washington" Diner, which price is f.o.b. Louisville, Kentucky. The purchase price is to be paid at the rate of \$5,850.00 on December 1, 1973, with a like amount due and payable on December 1, each year thereafter until paid in full. The Purchaser may not prepay an annual installment without the prior written approval of Seller.

In addition to the fixed purchase price hereinabove detailed, and for so long as there is a balance due and owing to the Seller, pursuant to this Agreement, the Purchaser shall pay Seller, as an additional annual payment, a sum equal to 20%

of the annual "gross receipts" in excess of \$29,250.00 attributable to the railroad museum. For the purposes hereof the term "gross receipts" shall be defined as all receipts whatsoever attributable to the museum, less sales taxes and other taxes of a similar nature which may be imposed directly upon the cost of admission. The first "annual" period for the purpose of calculating the compensation due to the Seller pursuant hereto, shall be the period beginning with the date hereof through November 30, 1973, and thereafter, the "annual" period for consideration in calculating payments hereunder, shall be the fiscal year beginning December 1 and ending November 30 of the subsequent year. All payments due pursuant to the variable formula shall be due and payable within 30 days after the end of the "annual" period.

3. The Seller shall, at its own cost, prepare all equipment for rail shipment from point of shipment (Topton, North Carolina and Louisville, Kentucky) and shall secure the necessary P.U.C. approvals for such common carrier shipment. Purchaser shall pay the cost of shipment to destination and all other costs incident to placing the equipment on display at the museum site.

4. Purchaser agrees to have the museum site complete to the extent necessary for opening by November 1, 1972.

5. Seller agrees to transfer to Purchaser, and its (their) assigns, the name "Railroad Town, U.S.A." and shall take all necessary steps to assist Purchaser in its (their) registration of such name so as to afford Purchaser all legal title to said name.

6. Seller shall in no way be deemed to be a partner, or joint venturer, with Purchaser and Seller, shall have no rights pursuant to this Agreement except for the payment of money and the enforcement of its security interest in the property sold, or except as may otherwise be set out herein.

7. Purchaser shall pay all ad valorem or other taxes incurred as a result of the ownership of the property hereby sold and shall keep the property insured against fire, loss and other casualty for an amount no less than the principal balance due pursuant to this Agreement, with policies acceptable to the Seller, and will name the Seller as a loss payee in all such policies under a "long form" endorsement, or other endorsement which will provide insurance to the Seller regardless of any misconduct or malfeasance on the part of the Purchaser. Purchaser will furnish Seller with such evidence of insurance as may from time to time be required. In the event of the failure of Purchaser to pay ad valorem taxes, or to carry insurance pursuant hereto, Seller may pay such taxes, or purchase such insurance, or perform any other obligations of the Purchaser with regard to this Agreement, and may act as agent for the Purchaser with regard to such obligations of the Purchaser, and all payments made by Seller for the account of the Purchaser shall be secured in the same manner and to the same extent as payment of the principal obligation pursuant to this Agreement.

8. Time is of the essence hereof and all sums due shall be payable on or before their due date. Failure to pay when due shall constitute a default hereunder and Purchaser shall pay, in addition, interest at 10% per annum or such lesser "legal rate" as may be provided by law.

9. The property shall be held by the Purchaser for business purposes and shall be maintained at Village Loop, Cottage Grove, Oregon, Lane County, Oregon, and shall not be removed without the written consent of the Seller. The property shall retain its characteristics as personal property and shall not be affixed to the realty, or attached to other property as an accession thereof. Purchaser will not sell, exchange, lease, or otherwise dispose of the property subject hereto, or permit any lien, levy or attachment against such property, or create or allow a security interest therein, or a financing statement to be filed with regard thereto, without the prior consent of the Seller. The Purchaser has caused no liens to be attached to the property, or financing statement to be filed with regard thereto, prior to the date of this Agreement -- except for liens in favor of Seller.

10. Purchaser will maintain the collateral in good condition and repair and preserve the collateral against waste or deterioration, reasonable wear and tear accepted. The property shall not be used for illegal purposes. The Seller may examine and inspect the collateral at any reasonable time wherever the property may be located. The Purchaser will notify Seller of any change in Purchaser's business address.

11. This Agreement may not be assigned by the Purchaser without the prior written consent of the Seller; however, notwithstanding any such assignment, the Purchaser, and each of the Partners constituting the Partnership, shall be jointly and severally liable to the Seller as if the assignment had not been made.

12. Purchaser will join with the Seller in executing, filing and doing whatever may be necessary under applicable law to perfect and continue the Seller's security interest in the collateral, including, but not limited to executing additional financing statements, executing such documents as may be required for filing this Agreement with Interstate Commerce Commission, and otherwise affording Seller a valid purchase money security interest in the property sold.

13. All of the benefits of this Agreement shall inure to the Seller, its successors in interest and assigns and the obligations hereunder shall be binding upon the Purchaser, its successors and assigns, and upon the personal representatives of the individual partner of the "Purchaser". The obligations of each partner shall be joint and several. Seller shall not be deemed to have waived any of its rights under this or any other Agreement unless the waiver is in writing signed by the Seller. No delay in executing any rights shall be deemed a waiver.

14. Any notice required by this Agreement may be given:

To the Seller, Bemis Hardwood Lumber Company, Robbinsville, North Carolina, 28771.

To the Purchaser, Railroad Town, U.S.A., 101 South 10th Street, Cottage Grove, Oregon, 97424, with copies to: The Village Green Corp., Village Loop, Cottage Grove, Oregon, 97424, Bohemia Lumber Company, Incorporated, 2280 Oakmart Way, Eugene, Oregon, 97401 and Willis B. Kyle, P. O. Box 1108, Fresno, California, 93714.

15. Purchaser shall be in default hereunder upon the failure to pay any sum when due; failure to perform any obligation hereunder; failure or termination of the business or commencement of any insolvency or receivership proceedings by or against the Purchaser. Upon default of the Purchaser, Seller shall have all the rights and remedies provided under the Uniform Commercial Code of Oregon. This Agreement shall be construed in accordance with the laws of the State of Oregon. In the event that suit or other legal proceeding is required to enforce the obligation of the Purchaser, the Seller shall be entitled to recover reasonable attorney fees with regard to any action for collection, or to repossess collateral, or to otherwise enforce the obligations of the Purchaser hereunder.

In testimony whereof, the said parties have set their hands and seals, and have caused these premises to be executed by their Presidents, or Vice Presidents, and attested by their Secretaries, the day and year first-above written.

BEMIS HARDWOOD LUMBER COMPANY

By *John B. Vogel*
President

ATTEST:

Wayne P. Baker
Secretary

[Corporate Seal]

RAILROAD TOWN, U.S.A.

By *Willis B. Kyle* (SEAL)
Willis B. Kyle

THE VILLAGE GREEN CORP.

By *John C. Woodard*
President

ATTEST:

M. Louise Smith
Secretary

[Corporate Seal]

BOHEMIA LUMBER COMPANY, INCORPORATED

BY *R. L. Stewart*
President

ATTEST:

Neal Combs
Asst. Secretary

[Corporate Seal]

STATE OF *North Carolina*
COUNTY OF *Drahan*

On this *24* day of *March*, 1972, before me personally appeared *Dayle R. Brock*, to me personally known, who being by me duly sworn, says that he is the *Secretary* of BEMIS HARDWOOD LUMBER COMPANY, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

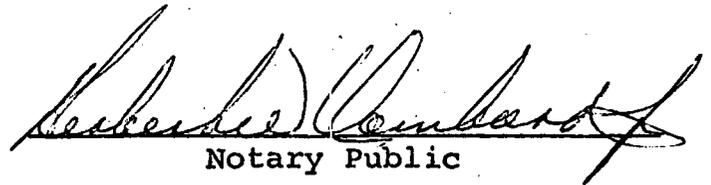
John R. Brooke
Notary Public

My commission expires:

My Commission Expires April 5, 1976

STATE OF OREGON)
)
COUNTY OF LANE)

On this 12th day of May, 1972, before me personally appeared WILLIS B. KYLE, to me known to be the person described in and who executed the foregoing instrument and he acknowledged that he executed the same as his free act and deed.

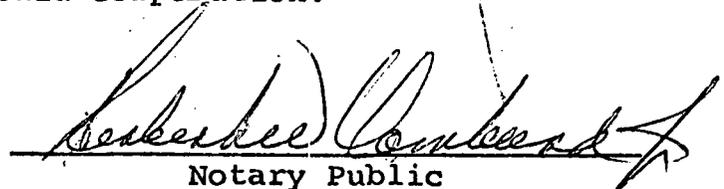

Notary Public

My commission expires:

9-12-72

STATE OF OREGON)
)
COUNTY OF LANE)

On this 12th day of May, 1972, before me personally appeared Kim C. Woodard, to me personally known, who being by me duly sworn, says that he is the President of THE VILLAGE GREEN CORP., that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

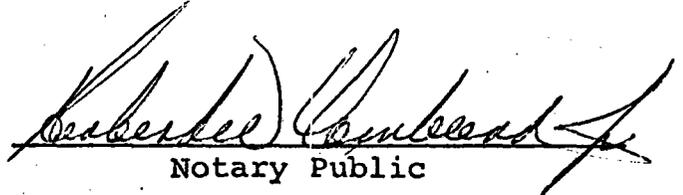

Notary Public

My commission expires:

9-12-72

STATE OF OREGON)
)
COUNTY OF LANE)

On this 12th day of May, 1972, before me personally appeared L. L. Stewart, to me personally known, who being by me duly sworn, says that he is the President of BOHEMIA LUMBER COMPANY, INCORPORATED, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.


Notary Public

My commission expires:

9-12-72