

May 25, 1931, in Vol. 95 of Deed Records of Klamath County, Oregon, at page 349; (5) Reservations contained in deed from Fred A. Hills and wife to M. A. Bowman and wife recorded Dec. 9, 1948, in Vol. 227, at page 187 of Deed Records of Klamath County, Oregon, pertaining to an easement reserved for road purposes; (6) The rights of the Public and of governmental bodies in and to any portion of the above described property lying below ordinary high water mark of Lost River; and (7) Mortgage dated February 26, 1960, recorded March 15, 1960, in Vol. 195 at page 127 of Mortgage Records of Klamath County, Oregon, executed by Sellers to The Federal Land Bank of Spokane to secure payment of FLB Loan No. 103053, which indebtedness in the amount of \$9,888.00, with interest thereon from Jan. 1, 1963, Buyers assume and agree to pay.

FEDERAL LAND BANK LOAN ASSUMED BY BUYERS

TOTAL PRICE The agreed price for said property is the sum of \$20,000.00, which Buyers agree to pay as follows:

LAND BANK MORTGAGE

FEDERAL LAND BANK ASSOCIATION STOCK

PAYMENTS

(1) Credit for assumption by Buyers of above mentioned Land Bank loan in the amount of \$9,888.00, less value of 102 shares of Federal Land Bank Assn. Stock of agreed value of \$510.00 to be assigned to Buyers, making net credit to them for Land Bank Loan assumed of \$ 9,398.58

(2) Earnest money already paid 1,000.00

(3) Cash on or before January 1, 1963 .. 4,000.00,

leaving a balance of \$5,601.42 which is to be paid with interest in lawful money of the U. S. A. at First National Bank of Oregon, Merrill, Oregon, in annual installments of not less than \$500.00, including interest, on or before January 1st of each year commencing January 1, 1964, date of first annual installment.

INTEREST Interest is at the rate of 5% per annum on all unpaid balances. Interest starts January 1, 1963. Sixty days grace is allowed for making any payment on purchase price. Payments as made shall be applied first on interest accrued to date of payment, and balance on principal.

GRACE PERIOD

1962-3 TAXES Sellers agree to pay the first half of the 1962-63 property taxes and assessments, and interest on Federal Land Bank Loan accrued to January 1, 1963.

POSSESSION Buyers shall have possession of the property on or before January 1, 1963.

SELLERS AGREE FURTHER TO DO THE FOLLOWING:

ESCROW

1. Within 60 days from date hereof, convey said realty by good deed (Warranty form) to Buyers as tenants by the entirety, and within a reasonable length of time thereafter, deposit same in escrow with First National Bank of Oregon, Merrill, Oregon, with instructions to deliver same to Buyers, or to either of them, when Sellers have been paid in full as herein specified.

ASSIGNMENT OF LAND BANK ASSN. STOCK

2. Assign said Federal Land Bank Association Stock to Buyers upon Buyers' making the \$4,000.00 payment hereinbefore specified to be made; and

TITLE INSURANCE

3. Furnish Buyers within 6 months from date hereof with Purchasers' title insurance showing marketable title to the realty, clear of all encumbrances

with exceptions herein indicated and other usual exceptions in policies covering realty in Klamath Irrigation District.

BUYERS AGREE FURTHER TO DO THE FOLLOWING:

PAYMENTS TO BE MADE PROMPTLY

1. Make all payments called for herein promptly, not later than 60 days after due dates thereof, time being of the essence of this contract; promptly make all payments, when same come due, called for in said Federal Land Bank Mortgage and note secured thereby, and strictly perform all other agreements and obligations specified in said Mortgage to be performed by Mortgagee;

TAXES & ASSESSMENTS TO BE PROMPTLY PAID

2. Promptly pay, before same become delinquent, all taxes, assessments and other charges imposed against the property; maintain the property in as good condition as received; usual depletion and damage by fire excepted; not to permit any liens to be filed against the property for labor, materials, repairs, improvements or replacements;

REPAIRS

NO LIENS FOR MATERIAL OR LABOR TO BE FILED

FIRE INSURANCE

3. Keep the buildings on land continuously insured against fire, with extended coverage, for not less than 3/4ths their full insurable value, with loss payable to said Mortgagee; Sellers and Buyers as their respective interests may appear, and deliver certificate of insurance to said Mortgagee; and pay Sellers' reasonable attorney's fees to be determined by the Court in case of suit or action to foreclose this contract, collect any part of the sale price, regain possession of the property, or to enforce or protect any of Sellers' rights hereunder, or interest in the property.

NO STRIP OR WASTE

IN CASE BUYERS FAIL TO PAY TAXES, LIENS OR OTHER CHARGES

It is agreed that should Buyers fail to keep the property clear of past due liens, taxes, assessments or other charges, or fail to make payments called for in said Federal Land Bank note or mortgage, or fail to deliver fire insurance certificate as herein provided for, then in any such event, Sellers, at their option, with or without notice and without waiver of default, may pay such liens, taxes, assessments, other charges, or past due Federal Land Bank loan payments, or any part thereof, and may secure and pay for such fire insurance, or any part thereof, and any payments so made by Sellers shall be immediately due and payable to Sellers, shall draw interest at the rate of 5% per annum until refunded to Sellers, and shall be added to the unpaid balance of this Contract. Any default by Buyers in making any payment called for in said mortgage shall constitute a default hereunder,

MORTGAGE PAYMENTS

TITLE TO REMAIN IN SELLERS UNTIL FULLY PAID

It is agreed that title to said property, subject to said mortgage, shall remain in Sellers until Sellers have been paid in full; that in case of default hereunder by Buyers, Sellers at their option may declare this agreement null and void at any time the default continues after first giving Buyers at least 10 days written notice thereof, in which event the property shall revert to and revert in Sellers as absolutely as though this agreement had never been made, without refund or reclamation to Buyers for any payments or improvements made on or to the property, such payments and improvements, in such an event, to be reasonable rent for the property and liquidated damages for breach of contract. The above remedies to Sellers are not exclusive, but are in addition to all other remedies Sellers may have at Law or in Equity.