

C O N T R A C T

THIS CONTRACT made and entered into this 29th day of December, 1970, by INTERSTATE ENTERPRISES, INC., a Nevada Corporation, hereinafter called Seller; and C-P RECREATIONAL OREGON, LTD., a Limited Partnership, hereinafter called Buyer.

RECITALS:

By this Contract, Seller agrees to sell to Buyer and Buyer agrees to purchase from Seller all of Seller's right, title, equity and interest in that certain land with improvements thereon situated in Klamath County, State of Oregon, described as follows:

PARCEL I: Township 35, South, Range 11 East of the Willamette Meridian.

- Section 2: W 1/2, W 1/2 E 1/2
- Section 3: E 1/2, E 1/2 W 1/2
- Section 10: NE 1/4; E 1/2 NW 1/4; SW 1/4; SE 1/4
- Section 11: W 1/2, W 1/2 E 1/2

SAVING AND EXCEPTING AND EXCLUDING those portions of the above described lying within the Plat of OREGON PINES, a subdivision.

SUBJECT TO: Rights of the public in and to any portion of said premises lying within the limits of roads and highways; reservations in Deed from the United States of America to LeRoy Glanger, recorded April 21, 1959, in Deed Volume 311 at page 630 as follows: "Sale subject to a 60 foot right of way for Indian Service Roads No. S-55, S-58, and S-59, approved by M. M. Zollar, Superintendent, Klamath County, Oregon pursuant to the provisions of the Act of February 5, 1948 (62 Stat. 18; 25 U.S.C. 3230328) Public Law 587, August 13, 1954, (68 Stat. 772, Section 17); and Departmental Regulation (25 CFR 161, 22 FR 248); any existing easements for public roads and highways for public utilities, and for railroads and pipelines and for any other easements or rights of way of record; and there is hereby reserved any and all roads, trails, telephone lines, etc., actually constructed by the United States, with the rights of the United States to maintain, operate or improve the same so long as needed or used for or by the United States. (Dept. Instr., January 13, 1916, 44 L.D. 513)"; reservations of easements as set forth in Land Status Report recorded October 21, 1958, in Deed Volume 305 at page 215, 205 as set forth in last paragraph of Exceptions 3 above; easement, including the terms and provisions thereof, for right of way for road, recorded February 13, 1959 in Miscellaneous Volume 13 at page 342.

JUN 13 9 30 AM '71

the
pay
tin
time
sell
annua
inter
per an
annual

The purchase price of the above described property with improvements, which Buyer agrees to pay, is ONE HUNDRED SIXTY THOUSAND AND NO/100 DOLLARS (\$160,000.00), payable as follows:

1. The sum of TWENTY THOUSAND AND NO/100 DOLLARS (\$20,000.00) cash payable upon the execution hereof, of which NINE THOUSAND FIVE HUNDRED AND NO/100 DOLLARS (\$9,500.00) shall be credited to the Contract purchase price and TEN THOUSAND FIVE HUNDRED AND NO/100 DOLLARS (\$10,500.00) shall be applied by Seller as pre-paid interest computed at 7 1/2 per cent per annum on the Contract balance of ONE HUNDRED FIFTY THOUSAND FIVE HUNDRED AND NO/100 DOLLARS (\$150,500.00), which interest payment shall cover the period ending December 3, 1971.

2. A payment of not less than THIRTEEN THOUSAND FIVE HUNDRED AND NO/100 DOLLARS (\$13,500.00) shall be made annually on the anniversary date of this Contract, the first of said annual payments to be due and payable not later than December 29, 1971, continuing for nine consecutive years until December 29, 1979, at which time the then remaining Contract balance shall be due and payable to Seller, his predecessor in interest, or his assigns in full.

3. It is mutually understood and agreed that from each annual payment, there shall be computed and applied as pre-paid interest a sum equal to interest for one year at 7 1/2 per cent per annum on the Contract balance owing, with the remainder of each annual payment to be credited to the principal balance due on the Contract.

By this Contract, Seller assigns and transfers to Buyer Seller's interest, rights and duties in and to that certain Contract entitled Agreement dated March 19, 1970, wherein Andrew A. Silani, et ux, and Edward I. Mitchell, et ux are Vendors and Interstate Enterprises, Inc., a Nevada Corporation, is Purchaser. A true copy

of said
Record
Contract
Recorded
signed
dated
obligat

under s

perform
not deli
presentl

Transamer
STATE OF
paid into
County of
any delin

of March
the 1971
said con
Mitchell h

assignment
Oregon, Ltd

County of

of said Agreement is attached hereto and made a part of this Contract, the same as though fully set out herein. By Buyer's signature subscribed hereto, Buyer herewith assumes all of Seller's obligations under the Agreement of March 19, 1970. The balance due under said Agreement as of December 29, 1970, is \$110,595.87.

Seller represents and warrants that its duties and performance under the Agreement of March 19, 1970, are current and not delinquent. Seller Further agrees that, should any delinquencies presently exist under said Agreement, that the escrow agent, Transamerica Title Insurance Company, shall apply from the funds paid into escrow by Buyer under this Agreement to the payment of any delinquent amounts due and owing by Purchaser under the Agreement of March 19, 1970.

By their signatures subscribed hereto, Vendors Silani and Mitchell herewith indicate their consent to this Contract sale and assignment between Interstate Enterprises, Inc. and C-P Recreational Oregon, Ltd.

Dated this 29th day of December, 1970.

INTERSTATE ENTERPRISES, INC.,
a Nevada corporation

By Stephen M. Brink
President

C-P RECREATIONAL OREGON, LTD.,
a Limited Partnership

By Howard A. Palmer
General Partner

C O N S E N T

The undersigned herewith consent to the Contract sale and assignment between Interstate Enterprises, Inc., and C-P

Recreational
hereto, they
dated Decem

STATE OF ORE
County of Ma

Per
say that he
the seal aff
said corpora
behalf of sa
he acknowledged

Recreational Oregon, Ltd., and, by their signatures subscribed hereto, they acknowledge receipt of executed copies of this Contract dated December 29, 1970.

Edward I. Mitchell Andrew A. Silani
Gene C. Mitchell
By Edward I. Mitchell
Attorney in fact Alice E. Silani

STATE OF OREGON)
 KLAMATH) ss.
County of Multnomah

Personally appeared HUGH D. BONDE, who being duly sworn did say that he is the president of INTERSTATE ENTERPRISES, INC. and that the seal affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its board of directors; and he acknowledged said instrument to be its voluntary act and deed.

Before me:

John A. Maass
Notary Public for Oregon
My Commission expires: 7-2-74

STATE OF OREGON)
 KLAMATH) ss.
County of Multnomah

Personally appeared Howard A. Pohrman, who being duly sworn did say that he is a General Partner of C-P Recreational Oregon, Ltd., and that the seal affixed to the foregoing instrument is the corporate seal of said limited partnership and that said instrument was signed and sealed in behalf of said limited partnership by authority of its partners; and he acknowledged said instrument to be its voluntary act and deed.

Before me:

John A. Maass
Notary Public for Oregon
My Commission expires: 7-2-74

STATE OF OREGON)
County of Klamath) ss.

Personally appeared the above named Andrew A. Silani, Alice E. Silani, Edward I. Mitchell and Gene C. Mitchell, and acknowledged the foregoing instrument to be their voluntary act and deed.

Before me:

John A. Maass
Notary Public for Oregon
My Commission expires: 7-2-74

JUN 14 9 31 AM '71

5
6
7
8
9
10
11
12
13
14
15
16
17
18

270
*Purchase Agreement
West portion*

AGREEMENT

1
2 THIS AGREEMENT made and entered into this 19th day of
3 March, 1970, by Andrew A. Silani and Alice E. Silani, husband and
4 wife, Edward I. Mitchell and Gene C. Mitchell, husband and wife,
5 hereinafter called VENDOR, and Interstate Enterprises, Inc.,
6 a Nevada Corporation, hereinafter called PURCHASER.

WITNESSETH:

8 VENDOR agrees to sell to PURCHASER and PURCHASER agrees
9 to purchase that certain land, and all improvements thereon,
10 situated in Klamath County, State of Oregon, described as
11 follows:

12 PARCEL I: Township 35, South, Range 11 East of
13 the Willamette Meridian.

14 Section 2: W 1/2, W 1/2 E 1/2

15 Section 3: E 1/2, E 1/2 W 1/2

16 Section 10: NE 1/4; E 1/2 NW 1/4; SW 1/4;
SE 1/4

Section 11: W 1/2, W 1/2 E 1/2

17 SAVING AND EXCEPTING AND EXCLUDING those portions of
18 the above described lying within the Plat of OREGON
PINES, a subdivision.

19 SUBJECT TO: Rights of the public in and to any portion
20 of said premises lying within the limits of roads and
21 highways; reservations in Deed from the United States
22 of America to LeRoy Glenger, recorded April 21, 1959, in
23 Deed Volume 311 at page 630 as follows: "Sale subject
24 to a 60 foot right of way for Indian Service Roads
25 No. S-55, S-58, and S-59, approved by M. M. Zollar,
26 Superintendent, Klamath County, Oregon pursuant to the
27 provisions of the Act of February 5, 1948 (62 Stat. 18;
28 25 U.S.C. 3230328) Public Law 587, August 13, 1954,
29 (68 Stat. 772, Section 17); and Departmental Regulation
30 (25 CFR 161, 22 FR 248); any existing easements for
31 public roads and highways, for public utilities, and
32 for railroads and pipelines and for any other easements
or rights of way of record; and there is hereby reserved
any and all roads, trails, telephone lines, etc.,
actually constructed by the United States, with the rights
of the United States to maintain, operate or improve the
same so long as needed or used for or by the United States.
(Dept. Instr., January 13, 1916, 44 L.D. 513); reserva-
tions of easements as set forth in Land Status Report
recorded October 21, 1958, in Deed Volume 305 at page
215, 205 as set forth in last paragraph of Exceptions 3
above; easement, including the terms and provisions
thereof, for right of way for road, recorded February 13,
1959 in Miscellaneous Volume 13 at page 342.

RICHARD J. SMITH
ATTORNEY AT LAW
810 NORTH 4TH STREET
KLAMATH FALLS, ORE.
882-6607

Page 1 - Agreement

1
2 to pay
3 HUNDRE
4
5 hereof
6
7 a paym
8 2nd day
9 time t
10 balance
11 the dat
12 hereto
13

1 The purchase price of the property, which PURCHASER agrees
2 to pay, shall be the sum of ONE HUNDRED TWENTY TWO THOUSAND ONE
3 HUNDRED FIFTY ONE AND 20/100 (\$122,151.20) DOLLARS as follows:

4 a. The sum of \$11,555.33 which is paid upon execution
5 hereof;

6 b. The remaining balance of \$110,595.87 shall be paid with
7 a payment of \$10,849.45 on January 2, 1971 and a like payment on the
8 2nd day of each January thereafter until January 2, 1980 at which
9 time the whole balance is due and payable. Said unpaid principal
10 balance to accrue interest at the rate of 7 1/2% per annum from
11 the date of this Agreement, it being understood between the parties
12 hereto that the aforementioned annual payment includes interest.

13 PURCHASER shall have the privilege of increasing any
14 payment or prepaying the whole consideration at any time; provided
15 that no additional payments shall be credited as regular future
16 payments nor excuse PURCHASER from making the regular payments
17 provided for in this Agreement except as hereinafter stated.

18 VENDOR agrees to release from this Agreement 80 acre parcels
19 upon payment to VENDOR of \$70.00 per acre. One-half of said payment
20 shall apply toward the next annual payment due hereunder and one-half
21 of said payment shall be applied to the final payment due hereunder.
22 Any expense incurred by virtue of preparation of deeds, releases,
23 recording fees or other documents relative to the aforementioned
24 releases shall be the sole responsibility and expense of PURCHASER.
25 This release provision does not apply to any land adjacent to any
26 water springs on the property.

27 PURCHASER is aware that said property being conveyed here-
28 under is subject to the terms of a certain mortgage dated January 6,
29 1970, recorded January 15, 1970 in M-70 at page 367, records of
30 Klamath County, Oregon, given to secure the payment of a certain
31 promissory note from VENDOR to Glenger Enterprises, Inc., an Oregon
32 Corporation, and VENDOR agrees to pay said note and discharge said

RICHARD J. SMITH
ATTORNEY AT LAW
210 NORTH 4TH STREET
KLAMATH FALLS, ORE.
882-6607

1 mortgage in accordance with the terms thereof and hold PURCHASER
2 harmless therefrom.

3 PURCHASER agrees to pay when due all taxes which are here-
4 after levied against the property and all public, municipal and
5 statutory liens which may be hereafter lawfully imposed upon the
6 premises. The parties agree to pro-rate taxes for the year 1969-70
7 effective the date of this Agreement.

8 PURCHASER shall be entitled to possession of the premises
9 immediately upon the execution of this Agreement by the parties.

10 PURCHASER agrees that all improvements now located or which
11 shall hereafter be placed on the premises, shall remain a part of
12 the real property and shall not be removed at any time prior to the
13 expiration of this Agreement without the written consent of VENDOR.
14 PURCHASER shall not commit or suffer any waste of the property, or
15 any improvements thereon, or alterations thereof, and shall main-
16 tain the property, and all improvements thereon, and all alterations
17 thereof, in good condition and repair.

18 VENDOR shall furnish at their expense a Purchaser's Title
19 Insurance Policy in the amount of \$122,151.20 insuring PURCHASER
20 against loss or damage sustained by them by reason of the unmarket-
21 ability of VENDOR'S title or lien or encumbrances thereon, excepting
22 matters contained in usual printed exceptions in such title
23 insurance policies, easements, conditions and restrictions of record
24 and encumbrances herein specified, if any. Said policy of title
25 insurance shall be deposited with the escrow agent as hereinafter
26 set forth.

27 VENDOR covenants that they are the owners of the above
28 described property free of all encumbrances other than as stated
29 herein.

30 PURCHASER certifies that this contract of purchase is
31 accepted and executed on the basis of its own examination and
32 personal knowledge of the premises and opinion of the value thereof

RICHARD J. SMITH
ATTORNEY AT LAW
210 NORTH 4TH STREET
KLAMATH FALLS, ORE.
802-6607

1 that no attempt has been made to influence their judgment; that no
 2 representations as to the condition or repair of said premises have
 3 been made by VENDOR or by any agent of VENDOR; that no agreement
 4 or promise to alter, repair, or improve said premises has been made
 5 by VENDOR or by any agent of VENDOR, and that PURCHASER takes said
 6 property and the improvements thereon in the condition existing at
 7 the time of this Agreement.

8 Failure by VENDOR at any time to require performance by
 9 PURCHASER of any of the provisions hereof shall in no way affect
 10 VENDOR'S rights hereunder to enforce the same, nor shall any waiver
 11 by VENDOR of any breach hereof be held to be a waiver of any
 12 succeeding breach, or a waiver of this non-waiver clause.

13 In case litigation is instituted arising directly or in-
 14 directly out of this contract, the losing party shall pay to the
 15 prevailing party his or her reasonable attorney fees and court costs
 16 together with any attorney fee incurred by the prevailing party on
 17 the appeal of any judgment or order of any trial court together
 18 with the prevailing party's costs of said appeal. It is further
 19 agreed between the parties hereto that venue for any litigation
 20 growing out of enforcement of the terms of this Agreement shall be
 21 in the State of Oregon.

22 PURCHASER is aware that Andrew A. Silani and Edward I.
 23 Mitchell are real estate broker and salesman respectively, licensed
 24 in the State of Oregon.

25 As soon as practicable following the execution of this
 26 Agreement VENDOR shall deliver in escrow to Transamerica Title
 27 Insurance Co., Klamath Falls, Klamath County, Oregon,:

- 28 (a) A warranty deed to the property, free and clear
 29 of all encumbrances, except as expressly specified
 30 herein, said deed to be executed by VENDOR with
 31 PURCHASER as the grantee.
- 32 (b) An executed copy of this Agreement.
- (c) Purchaser's Policy of Title Insurance in the amount
 of \$122,151.20.

1 The parties hereto hereby instruct said escrow agent to
 2 receive for VENDOR'S account the balance of the installment payments
 3 provided for herein. Upon full payment of the principal and interest
 4 provided for herein, the escrow agent shall deliver to PURCHASER
 5 the instruments specified above. If PURCHASER fails to pay any
 6 installment before the expiration of thirty (30) days after the due
 7 date thereof, the escrow agent is authorized to surrender to VENDOR
 8 upon demand and without notice to PURCHASER, all of the documents
 9 specified in the preceding paragraphs, thereby terminating the
 10 escrow.

11 In the event that PURCHASER shall fail to perform any of
 12 the terms of this Agreement, time of payment and performance being
 13 of the essence, VENDOR shall, at their option, subject to the
 14 requirements of notice as herein provided, have the following rights:

- 15 (a) To foreclose this contract by strict foreclosure
 16 in equity.
- 17 (b) To declare the full unpaid balance of the purchase
 18 price immediately due and payable.
- 19 (c) To specifically enforce the terms of this Agreement
 20 by suit in equity.
- 21 (d) To declare this agreement null and void as of the
 22 date of the breach and to retain as liquidated
 23 damages the amount of the payment theretofore made
 24 upon said premises. Under this option all of the
 25 right, title and interest of PURCHASER shall revert
 and revert in VENDOR without any act of re-entry or
 without any other act by VENDOR to be performed, and
 PURCHASER agrees to peaceably surrender the premises
 to VENDOR, or in default thereof PURCHASER may, at
 the option of VENDOR, be treated as a tenant holding
 over unlawfully after the expiration of a lease and
 may be ousted and removed as such.

26 PURCHASER shall not be deemed in default for failure to perform any
 27 covenant or condition of this contract, other than the failure to
 28 make payments as provided for herein, until notice of said default
 29 has been given by VENDOR to PURCHASER and PURCHASER shall have
 30 failed to remedy said default within ten (10) days after the giving
 31 of the notice. Notice for this purpose shall be deemed to have been
 32 given by the deposit in the mails of a certified letter containing

RICHARD J. SMITH
 ATTORNEY AT LAW
 210 NORTH 4TH STREET
 KLAMATH FALLS, ORE.
 882-6607

1 said notice and addressed to PURCHASER at 2105 Mitchell Street,
 2 Carson City, Nevada. If PURCHASER shall fail to make payment as
 3 herein provided and such failure shall continue for more than thirty
 4 (30) days after the payment becomes due, PURCHASER shall be deemed
 5 in default and VENDOR shall not be obligated to give notice to
 6 PURCHASER of a declaration of said default.

7 The covenants, conditions and terms of this Agreement shall
 8 extend to and be binding upon and inure to the benefit of the heirs,
 9 administrators, executors and assigns of the parties hereto,
 10 provided, however, that nothing contained in this paragraph shall
 11 alter the restrictions hereinabove contained relating to assignment.

12 IN WITNESS WHEREOF, the parties have caused this Agreement
 13 to be executed this 12 day of March, 1970.

14 VENDOR:

15 Andrew A. Silani

16 Alice E. Silani

17 Edward I. Mitchell

18 Gene C. Mitchell

PURCHASER:

INTERSTATE ENTERPRISES, INC.

By High Ennis

President

Treasurer

21 STATE OF OREGON)
 22 County of Klamath) ss.

23 On this 12th day of March, 1970, before me, the undersigned
 24 a Notary Public in and for said County and State, personally
 25 appeared the within named Andrew A. Silani and Alice E. Silani,
 26 husband and wife, Edward I. Mitchell and Gene C. Mitchell, husband
 27 and wife, who are known to me to be the identical individuals
 28 described in and who executed the within instrument, and acknowledged
 29 to me that they executed the same freely and voluntarily.

30 IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed
 31 my official seal the day and year last above written.

32 NOTARY PUBLIC FOR OREGON

My Commission Expires: 11/25/72

12-13-71

This

W. R.

hereinafter

CLAUD

hereinafter

Vendor
 vendor.

1 STAT

2 Coun

3

4 CLARK

5 the o

6 that t

7 was vol

8 authori

9

10

11

12

13

14

15

16

17

1 STATE OF OREGON)
2) ss. March 19, 1970.
3 County of Klamath)

4 Personally appeared Hugh D. Bonds and Craig
5 Clark who, being sworn, each for himself and not one for
6 the other, stated that the former is the President and
7 that the latter is the Treasurer of the corporation and
8 that the seal affixed hereto is its seal and that this agreement
9 was voluntarily signed and sealed in behalf of the corporation by
10 authority of its board of directors.

11 Before me: NOTARY PUBLIC FOR OREGON
12 My Commission Expires: 12/25/72

13
14
15
16
17
18
19 STATE OF OREGON; COUNTY OF KLAMATH; ss.
20 Filed for record at request of Transamerica Title Insurance Co.
21 this 12th day of January, A. D., 1971, at 3:53 o'clock P.M., and duly recorded in
22 Vol. M71, of Deeds, on Page 266.

23 Fee \$16.50
24 By WM. D. MILNE, County Clerk
25 Cynthia L. Milne

26
27
28
29
30
31
32
RICHARD J. SMITH
ATTORNEY AT LAW
1 NORTH 4TH STREET
KAMATH FALLS, ORE.
882-6607

This
W. R.
hereinafter
CLAUD
hereinafter
Vendor
vendor.
The South
North bo
PARCEL 1
of Section
89°30' West
said canal
43.1 feet
and being
PARCEL 2:
9°47' West
corner of t
39 S., R. 9
West along t
506.6 feet t
iron pin; the
on the North
along the Nor
more or less,
or less, in t
39 S., R. 9, M
RESERVING unto
School District
SUBJECT TO: Li
District, and re
in connection th
of America, by
Deed Records of
recorded August
County, Oregon;
Records of Klamath
thereof, recorded
Klamath County, O
recorded November
Oregon.