

1 THIS CONTRACT OF SALE of real property made this 30th day of
2 October, 1972, between WARREN CONNER and DOROTHY I. CONNER,
3 husband and wife, hereinafter called "Vendor", and GEORGE O. MOORE
4 and SUE A. MOORE, husband and wife, hereinafter called "Purchaser";

5 W I T N E S S E T H:

6 Vendor agrees to sell to Purchaser and Purchaser hereby agrees
7 to buy from Vendor, at the price and on the terms, covenants, condi-
8 tions and provisions hereinafter contained, all of the following
9 described property situate in the County of Klamath, State of Oregon,
10 more particularly described as follows:

11 The real property described in Exhibit "A" attached hereto
12 and thereby made a part hereof as though fully set forth
hereat.

13 SUBJECT TO: The exceptions set forth in Exhibit "A".

14 SPECIAL TERMS, COVENANTS, CONDITIONS AND PROVISIONS

15 The purchase price of the property, which Purchaser agrees to
16 pay, is the sum of \$103,600.00, payable as follows:

17 (a) \$29,000.00 down payment, receipt of which is hereby
acknowledged.

18 (b) \$74,600.00 deferred balance, payable as follows:
19 on December 15, 1973, such amount as will equal interest
20 from date hereof to and including December 15, 1972, plus
\$6,504.37, inclusive of interest from December 15, 1972, to
21 and including December 15, 1973; on December 15, 1974, and
on the 15th day of each December thereafter to and including
the 15th day of December, 1991, annual installments of not
22 less than \$6,504.37, inclusive of interest; on December 15,
1992, a final installment of the then unpaid principal and
interest.

23 The deferred balance shall bear interest at the rate of six (6%)
24 percent per annum from the date of this contract on declining
25 balances thereof.

26 All installments due Vendor from Purchaser under this agreement
27 shall be paid without demand to the Escrow Holder hereinafter named.

28 All payments under the terms of this contract shall be applied first
29 to interest due at the time of payment and then to principal.

30 After January 1, 1974, Purchaser shall have the privilege of
31 increasing any annual installment or pay off in full the entire
32 Contract of Sale

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1 deferred balance of the purchase price together with interest due
2 thereon to the date of payment.

3 In executing, delivering and accepting this contract, it is
4 mutually agreed by the parties hereto that, so long as no default
5 by Purchaser shall occur in any of the terms, conditions provisions
6 and covenants of this contract to be performed by Purchaser, Purchaser
7 shall be entitled to demand and receive, and Vendor shall, within a
8 reasonable time after demand, furnish partial conveyances of the real
9 property described herein as follows:

10 (a) The first area to be so conveyed shall be Parcel 1.
11 Vendor shall not be required to give any conveyance of
12 Parcel 2 and 3 from the lien of this contract until all of
13 Parcel 1 shall be paid for and conveyed from this contract.
14 The price for the conveyance of Parcel 1 shall be \$12,500.00.

15 (b) The second area to be so conveyed shall be Parcel 2.
16 Vendor shall not be required to give any conveyance of
17 Parcel 3 from the lien of this contract until all of
18 Parcel 2 shall be paid for and conveyed from this contract.
19 The price for the conveyance of Parcel 2 is \$12,500.00.

20 (c) The last area to be so conveyed shall be Parcel 3,
21 which shall not be conveyed until the full deferred balance
22 secured by this contract has been paid in full as provided
23 in this contract.

24 All payments for a partial conveyance under subparagraphs a or b
25 above shall be made to the Escrow Holder hereinafter named for the
26 credit of Vendor. Neither the acceptance of any payment for a
27 partial conveyance, nor the giving of a partial conveyance as pro-
28 vided for herein, nor otherwise, shall affect the liability of
29 Purchaser, nor the lien of this contract, on the remainder of the
30 property herein described for the full amount of all sums remaining
31 due, or to become due, Vendor secured by this contract. The cost
32 of preparing and executing any partial conveyance provided for
herein shall be borne and paid by Purchaser. The term "cost",
as used in this portion of this contract, shall mean and include,
but shall not be limited to, expenses relating to surveying, engin-
eering, title company charges and legal fees. No partial conveyance
shall be demanded nor given until after January 1, 1974.

1 The provisions of the immediately preceding paragraph of this
2 agreement shall not be construed as subdividing any of the real pro-
3 perty described herein into parcels or lots. Neither shall the same
4 be construed as requiring either party to subdivide any of the real
5 property described herein into parcels or lots, nor as requiring
6 either party to construct on the real property described herein any
7 improvements of any kind. It is expressly understood and agreed that
8 the undertaking of any subdivision of any of the real property de-
9 scribed herein into parcels or lots, or the making of any improvements
10 thereon, shall be at the full risk and the expense of Purchaser.
11 Purchaser acknowledges that he has entered into this contract subject
12 to state and Federal laws and regulations relating to the subdivision
13 and sale of real property by parcels or lots and assumes and agrees
14 to be bound by such state and Federal laws and regulations relating
15 to such activity. Purchaser agrees to assume and pay, and hold
16 Vendor harmless from, any expenses or obligations incurred as a
17 consequence of, or connected with, any subdivision activity, including,
18 but not limited to, any additional sums due to Klamath County for
19 deferred real property taxes by reason of a change from farm use to
20 nonfarm use.

21 From and after January 1, 1974, Purchaser may increase any install-
22 ment or prepay all or any part of the whole consideration at any time.
23 No partial payment, increased installment, nor payment for a partial
24 conveyance pursuant to the provisions of this agreement, shall be
25 credited in lieu of any regular future installment nor excuse Purchaser
26 from making the regular installments specified in this agreement.

27 Purchaser may remove all buildings on the above described real
28 property without being considered in breach of this agreement and
29 without being obligated to pay Vendor any compensation by reason
30 of removal thereof except the following for which Purchaser shall
31 pay Vendor compensation in the amount set opposite each such
32 structure, namely:

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1 Barn \$8,000.00
2 Small White House \$4,000.00

3 Purchaser shall be entitled to possession of the above described
4 real property on the date hereof subject to the following reservations
5 by Vendor:

6 (a) Vendor expressly reserves possession of all of the real
7 property until January 1, 1973, whereupon Vendor shall vacate
8 the same and leave the same in the same condition as it now is,
9 reasonable usage and damage by causes beyond Vendor's control
10 alone excepted, provided, however, that Vendor shall continue
11 to use all pasturage for livestock grazing to and including
12 January 15, 1973, and shall be entitled to store hay presently
13 stacked on said premises to and including May 1, 1973. As
14 Vendor removes livestock and hay from said premises, Purchaser
15 shall be entitled to possession of said lands and storage area.
16 So long as Vendor shall occupy all or any portion of the premises
17 pursuant to this provision of this agreement, such occupancy
18 shall be at the full risk of Vendor with regard to any injury
19 that may be caused to Vendor, Vendor's family or Vendor's
20 invitees.

21 (b) Vendor hereby expressly reserves to Vendor a perpetual
22 easement for irrigation and drainage purposes through an
23 existing ditch now located on the above described Parcel 1
24 running along the Easterly boundary thereof parallel to the
25 Northerly boundary of the extension of Main Street to the
26 Northerly boundary of Parcel 1 and thence Westerly along the
27 described real property situate in Klamath County, Oregon,
28 to-wit:

29 A parcel of land in S $\frac{1}{2}$ NE $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 11 T41S R10E
30 Klamath Co., Oregon. More particularly described as
31 thus:

32 Beginning at a monument which is the Section Corner
33 common to Sec. 2 & 1, 11 & 12 and also marks the center line
34 intersection of Front St. and Main St. in Merrill, Oregon.
35 Thence S0°02'W 3460.7 ft. and West 30.5 ft. to $\frac{1}{2}$ " rebar
36 and the true point of beginning. Thence S87°55'W 1312.0 ft.
37 along fence line more or less to West line NE $\frac{1}{4}$ SE $\frac{1}{4}$ of
38 Sec. 11. Thence N0°05'W 286.2 ft. along said West line
39 to a point; thence S89°51'E 1087.2 ft. to a point thence:
40 S0°02'W 100.0 ft. to $\frac{1}{2}$ " iron rebar; thence S89°51'E
41 225.0 ft. to $\frac{1}{2}$ " rebar. Thence S0°02'W 134.7 ft. to point
42 of beginning.

43 It being understood and agreed that to the extent that said
44 ditch is not maintained by any irrigation district or company,
45 the maintenance of said ditch shall at the expense of both
46 Vendor and Purchaser equally. The parties agree to execute a
47 further agreement embodying this provision of this agreement.

48 Purchaser has made an independent investigation and inspection
49 of the real property herein described and has entered into this con-
50 tract without relying on any statement or representation or covenant
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1 not specifically embodied in this contract, and accepts the property
2 described in this agreement as is, in its present condition, and
3 requires no work of any kind to be done on said property by Vendor.

4 GENERAL TERMS, COVENANTS, CONDITIONS AND PROVISIONS

5 The real property above described hereby sold to Purchaser includes,
6 all and singular, the tenements, hereditaments, rights, easements, pri-
7 vileges and appurtenances thereunto belonging, or in anywise appertaining,
8 improvements thereon, including, but not limited to, stationary pumps,
9 pumping stations, motors, engines, reservoirs, nonportable pipes and
10 flumes or other nonportable equipment now used for the production of
11 water thereon or for the irrigation or drainage thereof, and the rever-
12 sions, remainders, rents, issues and profits thereof, together with all
13 the rights to the use of water for irrigating said premises and for dom-
14 estic use thereon to which Vendor is now entitled, or which are now used
15 on said premises, however the same may be evidenced, and together with
16 all shares of stock or shares of water in any ditch or irrigation com-
17 pany which, in any manner entitles the Vendor water for irrigating or
18 domestic purposes upon said real property. The Vendor's lien created
19 by this contract shall and does hereby include the real property above
20 described, together with, all and singular, the tenements, hereditaments,
21 rights, easements, privileges and appurtenances thereunto belonging or
22 in anywise appertaining, and all improvements now or hereafter thereon,
23 including, but not limited to, stationary pumps, pumping stations,
24 motors, engines, reservoirs, nonportable pipes and flumes or other non-
25 portable equipment now or hereafter used for the production of water
26 thereon for the irrigation or drainage thereof, and the reversions,
27 remainders, rents, issues and profits thereof, and together with all
28 the rights to the use of water for irrigating said premises and for
29 domestic use thereon to which said real property is now or may hereafter
30 become entitled, or which now are or may hereafter be used on said pre-
31 mises, however the same may be evidenced, and together with all shares
32 of stock or shares of water in any ditch or irrigation company which in

1 any manner entitles the legal or equitable owner thereof to water for
2 irrigating or domestic purposes upon said real property. In addition,
3 Purchaser hereby agrees that the Vendor's lien is superior to any and
4 all rights of Purchaser under and by virtue of any homestead, stay or
5 exemption laws now in force, or which may hereafter become laws and
6 that no timber will be cut from any of the real property subject to
7 said lien.

8 Vendor hereby warrants that he has good and merchantable title to
9 the real property above described, subject to the exceptions above set
10 forth. Vendor will, upon execution hereof, make and execute in favor
11 of Purchaser, a good and sufficient warranty deed conveying said pre-
12 mises free and clear as of this date of all encumbrances, subject to
13 the above set forth exceptions, and will place said deed, together
14 with the original of this agreement, and any other conveyances or
15 title or security instruments required hereby in escrow at Merrill
16 Branch of First National Bank of Oregon with instructions to said
17 Escrow Holder that when and if the Purchaser shall have paid the
18 balance of the purchase money and interest as above specified and
19 shall have complied with all other terms and conditions of this agree-
20 ment, to deliver the same to Purchaser subject to the usual printed
21 conditions and provisions of the standard form of escrow instructions
22 provided by said Escrow Holder.

23 Vendor shall furnish, at his own expense, a Purchaser's Title
24 Insurance Policy issued by Klamath County Title Co. under Order No.
25 A-22230 insuring Purchaser's title in the above described real pro-
26 perty in the amount of \$103,600.00, subject to the above set forth
27 exceptions and the printed conditions and exceptions contained in the
28 usual form of title policy issued by said title insurance company
29 and shall deposit said policy with the above named Escrow Holder to
30 be held in escrow for delivery to Purchaser along with Vendor's warranty
31 deed according to the terms herein specified.

32 Purchaser shall be entitled to possession of the above described
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1 real property according to the provisions of the special terms, cove-
2 nants, conditions and provisions of this agreement and shall remain
3 in possession so long as Purchaser is not in default hereunder. Pur-
4 chaser shall and hereby agrees to keep said real property in clean, sani-
5 tary, slightly, attractive condition; to commit no waste or otherwise
6 damage or injure said premises; to maintain said premises in accordance
7 with the laws and the ordinances and regulations of any constituted
8 authority applying to said premises and to make up no unlawful use
9 thereof; to pay regularly and seasonably, and before the same shall
10 become delinquent, all taxes, assessments, and charges of whatever na-
11 ture (including additional charges by reason of change of use) levied
12 and assessed against said real property and to pay and discharge all
13 encumbrances thereafter placed thereon by Purchaser; to permit no lien
14 or other encumbrances to be filed upon or placed against said premises
15 without the written consent of Vendor; and it is further understood and
16 agreed for the purposes of this provision that if Purchaser fails to
17 pay or discharge any taxes, assessments, liens, encumbrances, or charges,
18 Vendor, at his option and without waiver of default or breach of Pur-
19 chaser, and without being obliged to do so, may pay or discharge all or
20 any part thereof all of which said sums so paid by Vendor shall become
21 repayable by Purchaser, together with interest at the rate of ten (10%)
22 percent per annum, upon demand, payment of which is part of the perfor-
23 mance of this agreement by Purchaser and a condition precedent to deli-
24 very of the warranty deed and other documents by the Escrow Holder.
25 Purchaser agrees to keep the buildings now on or hereafter placed
26 upon the above described real property insured against loss by fire or
27 other casualty in an amount not less than maximum insurable value total
28 insurance and shall obtain, at his own expense, said insurance in the
29 name of Vendor as the primary insured with an endorsement thereon pro-
30 viding for loss payable to Vendor and Purchaser as their respective
31 interests may appear. The policy or policies of insurance shall be
32 delivered to Vendor, or, in lieu thereof, a certificate of such insurance

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1 may be provided by Purchaser and delivered to Vendor. If a loss should
2 occur for which insurance proceeds shall become payable, the Purchaser may
3 elect to either rebuild or repair the portion of the building so destroyed,
4 or apply the proceeds to payment of the then unpaid balance of the pur-
5 chase money. If the Purchaser elects to rebuild, he shall sign such docu-
6 ments as may be required by Vendor to guarantee the application of the
7 insurance proceeds to the cost of such rebuilding or repair.

8 In the event any governmental agency or entity having the power of
9 eminent domain acquires by eminent domain, or by negotiated sale in lieu
10 of eminent domain, all, or any portion of the real property described in
11 this contract, Vendor may require Purchaser to apply all proceeds received
12 by Purchaser from such acquisition (remaining after payment by Purchaser
13 of attorney fees, appraiser fees, and related necessary and reasonable
14 costs in connection with securing said proceeds) which proceeds are herein-
15 after called "net proceeds" toward the payment of the sums secured by this
16 contract. Upon receipt of said net proceeds, Purchaser shall notify
17 Vendor of the amount of said net proceeds and Vendor shall, within ten (10)
18 days after such notification, notify Purchaser in writing if Vendor elects
19 to have said net proceeds applied toward payment of the sums secured by
20 this contract. If Vendor fails to so notify Purchaser of such election,
21 Vendor shall conclusively be deemed to have elected not to require Pur-
22 chaser to apply said net proceeds toward the sums secured by this contract.
23 If Vendor elects to have said net proceeds applied toward payment toward
24 the sums secured by this contract, the amount to be received by Vendor shall
25 not exceed the total of the principal plus accrued interest to the date
26 of receipt thereof by Vendor, and all such sums shall be paid to the Escrow
27 Holder named herein. Regardless of whether Vendor elects to have said net
28 proceeds applied to the sums secured by this contract, Vendor will join in
29 any conveyance required by the governmental agency or entity acquiring a
30 portion or all of the real property described herein by eminent domain,
31 but Vendor shall not be required to partially convey more property than
32 that which is acquired by such governmental agency or entity. Vendor

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1 shall not be obligated to participate in any negotiations with such
2 governmental agency or entity. Any notice or notices required to be
3 given by Purchaser to Vendor pursuant hereto shall be in writing, and
4 shall be deemed given when the same is deposited in the United States
5 Mail, as Registered Mail, postage prepaid, addressed to Vendor at the
6 last address of Vendor shown on the records of the Escrow Holder.

7 If Purchaser shall sell said real property described herein and
8 securing the unpaid balance of this contract, Vendor may elect to
9 permit the subsequent Purchaser to assume the balance of Purchaser's
10 obligation secured hereby, or to demand the then unpaid balance of
11 principal and interest from Purchaser, or the transferee of said
12 Purchaser, or both, at the option of Vendor. This clause cannot be
13 waived, unless Purchaser gives Vendor notice of such sale in writing
14 and Vendor, after receipt of such written notice, accepts a payment
15 from the subsequent Purchaser. The written notice provided for
16 herein shall be deemed given when the same is deposited in the
17 United States Mail as Registered Mail, addressed to the last address
18 of Vendor shown on the records of the Escrow Holder.

19 Vendor may appear in or defend any action or proceeding at law,
20 in equity, or in bankruptcy, affecting in any way the security
21 hereof, and in such event, Vendor shall be allowed and paid, and
22 Purchaser hereby agrees to pay, all costs, charges and expenses,
23 including costs of evidence of title or validity and priority of
24 the security and attorney fees in a reasonable sum, incurred in any
25 such action or proceeding in which Vendor may appear, which shall
26 bear interest at ten (10%) percent from date of demand therefor.
27 Failure of Purchaser to pay Vendor for such costs, charges and
28 expenses within 90 days from date of demand therefor shall con-
29 stitute a breach of this contract.

30 If Purchaser shall fail to perform any of the terms of this
31 agreement, time of payment and performance being of the essence,
32 Vendor shall, at his option, subject to the requirements of notice
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1 as herein provided, have the following rights:

2 (a) To foreclose this contract by strict foreclosure
3 in equity;

4 (b) To declare the full unpaid balance of the purchase
5 price immediately due and payable;

6 (c) To specifically enforce the terms of this
7 agreement by suit in equity; and

8 (d) To declare this agreement null and void as of the
9 date of the breach and to retain as liquidated damages the
10 amount of the payments heretofore made upon said premises.
11 Under option (d) all of the rights, title and interest of
12 Purchaser shall revert and vest in Vendor without any act
13 of re-entry or without any other act by Vendor to be performed,
14 and Purchaser agrees to peaceably surrender the premises to
15 Vendor, or in default thereof, Purchaser may, at the option
16 of Vendor, be treated as a tenant holding over unlawfully
17 after the expiration of a lease and may be ousted and removed
18 as such.

19 Purchaser shall not be deemed in default for failure to perform
20 any covenant or condition of this contract, other than the failure
21 to make payments as provided for herein, until notice of said default
22 has been given by Vendor to Purchaser and Purchaser shall have
23 failed to remedy said default within 30 days after the giving of the
24 notice.

25 If Purchaser shall fail to make payments as herein provided
26 and said failure shall continue for more than 30 days after the
27 payment becomes due, Purchaser shall be deemed to be in default and
28 Vendor shall not be obligated to give notice to Purchaser of a
29 declaration of said default.

30 Where notice in writing is required by Vendor to the Purchaser,
31 such notice shall be deemed given when the same is deposited in
32 the United States mail as Registered Mail, addressed to the address
33 of Purchaser shown at the beginning of this agreement.

34 No waiver by Vendor of any breach of any covenant of this
35 agreement shall be construed as a continuing waiver of any subsequent
36 breach of such covenant nor as a waiver of any breach of any other
37 covenant nor as a waiver of the covenant itself.

38 In the event any suit or action is commenced to foreclose this

1 contract, the court having jurisdiction of the case may, upon motion
2 by Vendor, appoint a receiver to collect the rents and profits arising
3 out of the above described real property and to take possession,
4 management and control of the same during pendency of such foreclosure
5 proceeding or until payment of the obligations hereby secured, and
6 apply said rents and profits to the payment of the amount due hereunder,
7 first deducting all proper charges and expenses attending the execution
8 of said receivership.

9 Upon the commencement of any suit or action to collect the
10 indebtedness or disbursements, secured hereby, or any part thereof,
11 or to enforce any provision of this contract by specific performance,
12 foreclosure, or otherwise, there shall become due, and Purchaser agrees
13 to pay to Vendor, in addition to all statutory costs and disbursements,
14 any amount Vendor may incur or pay for any title report, title search,
15 insurance of title, or other evidence of title subsequent to the date
16 of this contract on any of the real property above described and
17 this contract shall be security for the payment thereof.

18 In the event any suit or action is instituted to collect the
19 indebtedness or disbursements secured hereby, or any part thereof,
20 or to enforce any provision of this contract by specific performance,
21 or foreclosure, or otherwise, the prevailing party, at trial, or on
22 appeal, shall be entitled to such reasonable attorney's fees as shall
23 be fixed by the court having jurisdiction of the case, in addition
24 to statutory costs and disbursements.

25 Upon delivery of any partial conveyance from Vendor to Purchaser,
26 as provided herein, and the payment of the full consideration therefor,
27 the terms, covenants, conditions and provisions of this contract shall
28 not extend to, nor be binding upon, the real property conveyed by
29 such partial conveyance.

30 This agreement contains the full understanding of the parties
31 with respect to the subject hereof and no modification hereof shall
32 be given effect unless the same be in writing subscribed by the

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1 parties hereto or their successors in interest.

2 This agreement shall bind and inure to the benefit of, as the
3 circumstances may require, the parties hereto, and their respective
4 successors, heirs, executors, administrators and assigns.

5 In construing this agreement, the singular shall include both
6 the singular and the plural and the masculine both the masculine
7 and feminine.

8 *Warren Conner* (SEAL)
9 Warren Conner

10 *Dorothy I Conner* (SEAL)
11 Dorothy I Conner
12 Vendor

13 *George O. Moore* (SEAL)
14 George O. Moore

15 *Sue A. Moore* (SEAL)
16 Sue A. Moore
17 Purchaser

18 J. ANTHONY GUAGNONI, ATTORNEY AT LAW, KLAMATH FALLS, OREGON
19 STATE OF OREGON) ss.
20 COUNTY OF KLAMATH)

21 On the 30th day of October, 1972, personally appeared the
22 above named Warren Conner and Dorothy I. Conner and acknowledged the
23 foregoing instrument to be their voluntary act and deed.

24 Before me: *Wm. D. L. Danner*

25 Notary Public for Oregon
26 My commission expires: 8-15-75

27 STATE OF Oregon) ss.
28 COUNTY OF Klamath)

29 On the 30 day of October, 1972, personally appeared the
30 above named George O. Moore and Sue A. Moore and acknowledged the
31 foregoing instrument to be their voluntary act and deed.

32 Before me: *Wm. D. L. Danner*

33 Notary Public for
34 My commission expires: 8-15-75

EXHIBIT "A"

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The following described real property situate in Klamath County, Oregon:

PARCEL 1 A parcel of land in SE_{1/4} of Section 11, Township 41 South, Range 10 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Beginning at $\frac{1}{4}$ " rebar which is South $0^{\circ} 02'$ West 3460.7 feet and 30.5 feet West from the Northeast corner of Section 11; thence South $0^{\circ} 02'$ West 851.5 feet, more or less, along West right-of-way of County Road to a point; thence West 1310.0 feet, more or less, to the West line of SE_{1/4}SE_{1/4} of Section 11; thence North $0^{\circ} 05'$ West 800.0 feet, more or less, along said West line of E_{1/4}SE_{1/4}; thence North $87^{\circ} 55'$ East 1312.0 feet, to point of beginning.

PARCEL 2 A parcel of land in SE_{1/4}SE_{1/4} of Section 11, Township 41 South, Range 10 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Beginning at a point South $0^{\circ} 02'$ West 4312.2 feet and 30.5 feet West from the Northeast corner of Section 11; thence South $0^{\circ} 02'$ West 937.8 feet, more or less, to a point which is 30.0 feet North and 30.0 feet West of the Southeast corner of Section 11; thence West 1205.0 feet, more or less, to a point thence; North 386.0 feet, more or less, to a point; thence West 104.0 feet to West line of SE_{1/4}SE_{1/4} of Section 11; thence North $0^{\circ} 05'$ West 551.8 feet, more or less, along said West line; thence East 1310.0 feet, more or less, to the point of beginning.

PARCEL 3 Also including a parcel of land lying in Lots 4 and 6 and 10 of Section 12, Township 41 South, Range 10 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Beginning at a point on the Southerly right of way line of the Modoc Northern Railroad (now Southern Pacific) which lies 323 feet North and 2295 feet East of the West one-fourth corner of said Section 12, and running thence South at right angles a distance of 1075 feet to an iron pin; thence East at right angles a distance of 362 feet to the West bank of Lost River; thence Northeasterly following the West bank of Lost River to its intersection with the Southerly right of way line of said railroad; thence West following said right of way line to the point of beginning.

ALSO, the SW_{1/4}SW_{1/4}, SE_{1/4}SW_{1/4}, S_{1/4}NW_{1/4}SW_{1/4}, that portion of Lot 4 lying South of the South right of way line of the Modoc Northern Railroad; Lots 10, 11, and the West 17.0 acres of Lot 12 in Section 12, Township 41 South, Range 10, East of the Willamette Meridian.

SUBJECT TO: 1972-73 taxes and assessments; terms and conditions of special assessment as farm use and the right of Klamath County, Oregon, to additional taxes in the event said use should be changed, which obligation Purchaser assumes and agrees to pay and to perform; liens and assessments of Klamath Project and Klamath Irrigation District, and regulations, easements, contracts, water and irrigation rights in connection therewith; the right of the public and of governmental bodies in and to any portion of the above property lying below ordinary high water mark of the Lost River and in and to said water; and easements and rights of way of record and apparent thereon.

STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record at request of KLAMATH COUNTY TITLE CO

this 3rd day of November A.D. 19 72 at 3:40 o'clock P.M., and duly recorded in

Vol. M72 of DEEDS on Page 12699

FEE \$ 26.00

WM. D. MILNE, County Clerk

By *Chase L. Mayall*