

THIS CONTRACT, Made this 24th day of July, 1972, between
O. W. Goakey, Guardian and Attorney for Edna Mae Sherman,
incompetent
and Andrew M. Wagner and Ruby J. Wagner, husband and wife,
hereinafter called the seller,
hereinafter called the buyer,

WITNESSETH: That in consideration of the mutual covenants and agreements herein contained, the
seller agrees to sell unto the buyer and the buyer agrees to purchase from the seller all of the following de-
scribed lands and premises situated in Klamath County, State of Oregon, to-wit:

Lot 14 in Block 304 of DARROW ADDITION to the City of Klamath Falls,
Oregon, Klamath County;

for the sum of Eight Thousand and No/100ths----- Dollars (\$8,000.00)
(hereinafter called the purchase price) on account of which Seven Hundred Fifty and
No/100ths----- Dollars (\$750.00) is paid on the execution hereof (the receipt of which is
hereby acknowledged by the seller), and the remainder to be paid to the order of the seller at the times and in
amounts as follows, to-wit: The sum of One Thousand Eighty and No/100ths Dollars
shall be applied toward the purchase price of Eight Thousand and
No/100ths Dollars at the time Buyers exercise their option to purchase,
and the balance of Six Thousand One Hundred Seventy and No/100ths
(\$6,170.00) Dollars is payable in monthly installments of not less
than Ninety and No/100ths (\$90.00) Dollars or more, the first
installment being due and payable on the 10th day of each month
hereafter commencing July 10, 1972, and a like installment being due
and payable on the 10th day of each month thereafter, including interest
at 7% from July 10, 1972 until the whole of the balance of the purchase
price is fully paid. Said payments do not include taxes and fire
insurance; however, Buyers agree to pay to Seller the taxes for each
year hereafter until the Contract has been paid in full.

The buyer warrants to and covenants with the seller that the real property described in this contract is

(A) primarily for buyer's personal, family, household or agricultural purposes,

(B) for business or commercial purposes other than agricultural purposes.

All of said purchase price may be paid at any time; all deferred balances of said purchase price shall bear interest at the rate of 7
per cent per annum from July 10, 1972 until paid, interest to be paid monthly and XXXXXX
the minimum regular payments above required. Taxes on said premises for the current tax year shall be prorated between the parties hereto as of the
date of this contract, July 1, 1972.

The buyer shall be entitled to possession of said lands on July 1, 1972, and may retain such possession so long as
he is not in default under the terms of this contract. The buyer agrees that at all times he will keep the buildings on said premises, now or hereafter
erected, in good condition and repair and will not suffer or permit any waste or strip thereof; that he will keep said premises free from mechanic's
and all other liens and save the seller harmless therefrom and reimburse seller for all costs and attorney's fees incurred by him in defending against any
such liens; that he will pay all taxes hereafter levied against said property, as well as all water rents, public charges and municipal liens which here-
after lawfully may be imposed upon said premises, all promptly before the same or any part thereof become past due; that at buyer's expense, he will
insure and keep insured all buildings now or hereafter erected on said premises against loss or damage by fire (with extended coverage) in an amount
not less than \$ 6,170.00

in a company or companies satisfactory to the seller, with loss payable first to the seller and then to the buyer as
their respective interests may appear and all policies of insurance to be delivered to the seller as soon as insured. Now if the buyer shall fail to pay any
such liens, costs, water rents, taxes, or charges or to procure and pay for such insurance, the seller may do so and any payment so made shall be added
to and become a part of the debt secured by this contract and shall bear interest at the rate aforesaid, without waiver, however, of any right arising to
the seller for buyer's breach of contract.

The seller agrees that at his expense and within 30 days from the date hereof, he will furnish unto buyer a title insurance policy in-
suring (in an amount equal to said purchase price) marketable title in and to said premises in the seller on or subsequent to the date of this agreement,
save and except the usual printed exceptions and the building and other restrictions and covenants now of record, if any. Seller also agrees that when
said purchase price is fully paid and upon request and upon surrender of this agreement, he will deliver a good and sufficient deed conveying said
premises in fee simple unto the buyer, his heirs and assigns, free and clear of encumbrances as of the date hereof and free and clear of all encumbrances
since said date placed, permitted or arising by, through or under seller, excepting, however, the said easements and restrictions and the taxes, municipal
liens, water rents and public charges so assumed by the buyer and further excepting all liens and encumbrances created by the buyer or his assigns.
And it is understood and agreed between said parties that time is of the essence of this contract, and in case the buyer shall fail to make the
payments above required, or any of them, punctually within ten days of the time limited therefor, or fail to keep any agreement herein contained, then
the seller at his option shall have the following rights: (1) to declare this contract null and void, (2) to declare the whole unpaid principal balance of
said purchase price with the interest thereon at once due and payable and/or (3) to foreclose this contract by suit in equity, and in any of such cases,
all rights and interest created or then existing in favor of the buyer as against the seller hereunder shall utterly cease and determine and the right to the
possession of the premises above described and all other rights acquired by the buyer hereunder shall revert to and rest in said seller without any act
of re-entry, or any other act of said seller to be performed and without any right of the buyer of return, reclamation or compensation for moneys paid
on account of the purchase of said property as absolutely, fully and perfectly as if this contract and such payments had never been made; and in case
of such default all payments thereafter made on this contract are to be retained by and belong to said seller as the agreed and reasonable rent of said
premises up to the time of such default. And the said seller, in case of such default, shall have the right immediately, or at any time thereafter, to
enter upon the land aforesaid, without any process of law, and take immediate possession thereof, together with all the improvements and appurtenances
thereon or thereto belonging.

The buyer further agrees that failure by the seller at any time to require performance by the buyer of any provision hereof shall in no way affect
his right hereunder to enforce the same, nor shall any waiver by said seller of any breach of any provision hereof be held to be a waiver of any suc-
ceeding breach of any such provision, or as a waiver of the provision itself.

The true and actual consideration paid for this transfer, stated in terms of dollars, is \$ 8,000.00 (Eight Thousand and No/100ths Dollars)

in case suit or action is instituted to foreclose this contract or to enforce any of the provisions hereof, the buyer agrees to pay such sum as the
court may adjudge reasonable as attorney's fees to be allowed plaintiff in said suit or action and if an appeal is taken from any judgment or decree
of the trial court, the buyer further promises to pay such sum as the appellate court shall adjudge reasonable as plaintiff's attorney's fees on such
appeal.

In construing this contract, it is understood that the seller or the buyer may be more than one person; that if the contract so requires, the singu-
lar pronoun shall be taken to mean and include the plural, the masculine, the feminine and the neuter, and that generally all grammatical changes shall
be made, assumed and implied to make the provisions hereof apply equally to corporations and to individuals.

IN WITNESS WHEREOF, said parties have executed this instrument in duplicate; if either of the un-
dersigned is a corporation, it has caused its corporate name to be signed and its corporate seal affixed hereto
by its officers duly authorized thereunto by order of its board of directors.

O. W. Goakey

O. W. Goakey, Guardian and
Attorney for Edna Mae Sherman

Andrew M. Wagner

Andrew M. Wagner
Ruby J. Wagner

GOAKEY & HARNISH
Attorneys At Law
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First National Bank Bldg.
Klamath Falls, Oregon 97601

Noting out, whichever phrase and whichever warranty (A) or (B) is not applicable,
if the seller is a creditor, as such word is defined in the Truth-in-Lending Act and
if with the Act and Regulation by making required disclosures for this purpose,
similar unless the contract will become a first lien to finance the purchase of a
New Form No. 1307 or similar.

Note: The sentence between the sym-
bols (A) and (B) is not applicable, should be
deleted; see Oregon Revised Statutes,
Section 92.020. (Notarial acknowledg-
ment on reverse).

