

less than \$15,000.00 and to keep the personal property hereinabove mentioned insured against loss by fire or other casualty in an amount of not less than \$2,000.00, with loss payable in each case to the parties hereto as their interests appear at the time of loss. Any amount received by Vendor under the insurance in payment of a loss shall be applied upon the unpaid balance of the purchase price and shall reduce said unpaid balance to the extent of the amount of the insurance payment received by Vendor. All uninsured losses shall be born by Purchaser, on or after the date Purchaser becomes entitled to possession. In addition Purchaser agrees to carry liability insurance protecting both Purchaser and Vendor against bodily injury liability in the amount of \$100,000, limited to \$300,000 per occurrence, and against liability for property damage in the amount of \$25,000 per accident. All such insurance shall be in a company or companies satisfactory to the Vendor, and all policies of insurance to be delivered to Vendor for inclusion in the escrow hereinafter mentioned.

7. Purchaser agrees that all improvements now located or which shall hereafter be placed on the premises, shall remain a part of the real property and shall not be removed at any time prior to the expiration of this agreement without the written consent of Vendor. Purchaser shall not commit or suffer any waste of the property, or any improvements thereon, or alterations thereof, and shall maintain the property, and all improvements thereon, and all alterations thereof, in good condition and repair. Purchaser shall not otherwise make or cause to be made any improvements or alterations to

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the property without first obtaining the written consent of Vendor.

8. Vendor shall furnish at his expense a Purchaser's title insurance policy in the amount of \$26,000.00 within 20 days from the date hereof insuring Purchaser against loss or damage sustained by him by reason of the unmarketability of Vendor's title, or liens or encumbrances thereon, excepting matters contained in usual printed exceptions in such title insurance policies, easements, conditions and restrictions of record and encumbrances herein specified, if any.

9. As soon as practicable following the execution of this agreement Vendor shall deliver in escrow to Pacific First Federal Savings and Loan Association of Eugene, Oregon:

(a) A warranty deed to the real property, free and clear of all encumbrances, except as expressly specified herein, said deed to be executed by Vendor with Purchaser as grantee

(b) An executed copy of this agreement.

(c) An unexpired policy or policies of fire insurance on the described property.

(d) A bill of sale covering the above described personal property.

(e) All expenses of escrow shall be shared by the parties.

10. The parties hereto hereby instruct said escrow agent to receive for Vendor's account the balance of the installment payments provided for herein. Upon full payment of the principal and interest provided for herein, the escrow agent shall deliver to Purchaser the instruments specified above. If Purchaser fails to pay any installment-

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ment before the expiration of thirty (30) days after the due date thereof, the escrow agent is authorized to surrender to Vendor, upon demand and without notice to Purchaser, all of the documents specified in the preceding paragraphs, thereby terminating the escrow.

11. And it is understood between the parties as follows:

(a) That the sanitary facilities for said property are serviced by a septic tank sewage system and that approval by the county and state health officers may be required from time to time. Purchaser understands that it is his responsibility to secure such approval.

(b) That the water supply for the property is drawn from a well located thereon and that it is Purchaser's responsibility to have the purity of the water checked from time to time.

12. Purchaser shall not assign this agreement, his rights thereunder or in the property covered thereby without the written consent of Vendor, but such consent shall not be unreasonably withheld.

13. That Purchaser has inspected said property, improvements and inventory and in entering into this agreement does so based on such inspection and observation, and not on any representations or statements made by Vendor or her agents.

14. Immediately prior to Purchaser taking possession, Vendor and Purchaser shall take inventory of the bulk gasoline stored in the tanks at the station. Vendor agrees to sell such inventory to Purchaser at her cost and payment shall be made at the time of the taking of possession.

15. The Purchaser and Vendor as used in this contract of sale include the heirs, legal representatives and the assigns of those

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parties.

16. Purchaser agrees to operate the business in a good and workmanlike manner, staying open for all usual and reasonable hours for business, to keep the premises neat and orderly and the equipment in good repair and do all reasonable things to maintain the business. However, Purchaser may at his option close the business during the winter months of October through March of each year.

17. In the event that Purchaser shall fail to perform any of the terms of this agreement, time of payment and performance being of the essence, Vendor shall, at his option, subject to the requirements of notice as herein provided, have the following rights:

(a) To foreclose this contract by strict foreclosure in equity.

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

(c) To specifically enforce the terms of this agreement by suit in equity.

(d) To declare this agreement null and void as of the date of the breach and to retain as liquidated damages the amount of the payment theretofore made upon said premises. Under this option all of the right, title and interest of Purchaser shall revert and revest in Vendor without any act of reentry 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. Purchaser shall not be deemed in default for fail-

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ure to perform any covenant or condition of this contract, other than the failure to make payments as provided for herein, until notice of said default has been given by Vendor to Purchaser and Purchaser shall have failed to remedy said default within 10 days after the giving of the notice. Notice for this purpose shall be deemed to have been given by the deposit in the mails of a certified letter containing said notice and addressed to Purchaser at 4200 Loma Paseo, Bonita, California 92002.

If Purchaser shall fail to make payment as herein provided and said failure shall continue for more than 10 days after the payment becomes due, Purchaser shall be deemed in default and Vendor shall not be obligated to give notice to Purchaser of a declaration of said default.

18. Failure by Vendor at any time to require performance by Purchaser of any of the provisions hereof shall in no way affect Vendor's rights hereunder to enforce the same, nor shall any waiver by Vendor of any breach, or a waiver of this non-waiver clause.

19. In the event suit or action is instituted under this contract, the prevailing party in such suit or action shall be entitled to recover in addition to any other remedies provided under this contract or at law, a reasonable attorney fee to be set by the Judge of the Court in which said action is instituted, and in any appeal thereof, such additional fees for such appeal as shall be set by the appeal Judge or Judges.

20. In construing this contract, it is understood that the Vendor or the Purchaser may be more than one person; that if the context

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so requires, the singular 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, the parties hereto have executed this agreement the day and year first above written.

Evelyn Smutz

VENDOR

Clifford C. McLean

Kathleen V. McLean

PURCHASER

*For St.
P.O. Box 47
Crescent Lake
Or 97125*

*Return to
Benet Sattle Co.
P.O. Box 752
Bend 97704*

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STATE OF OREGON; COUNTY OF KLAMATH; ss.

I hereby certify that the within instrument was received and filed for record on the 22nd day of NOVEMBER, 1976 at 11:19 o'clock A.M., and duly recorded in Vol. 18574 of DEEDS on Page 18574.

FEE \$ 36.00

WM. D. MILNE, County Clerk

By W. D. Milne Deputy