

CONTRACT OF SALE

This Agreement, made and entered into this 4th day of February, 1966, by and between MARY SPARKS, widow of W. H. SPARKS, hereinafter called Seller, and GARY B. WILLIAMS and KATHLEEN M. WILLIAMS, husband and wife as tenants by the entirety, hereinafter called Purchasers;

W I T N E S S E T H:

Seller hereby agrees to sell to Purchasers and Purchasers agree to purchase that certain land and all improvements thereon situate in the County of Klamath, State of Oregon, to-wit:

The North Half of the Southeast Quarter of Section 7, and the West Half of the Southwest Quarter of Section 8, all in Township 39 South, Range 12 East of the Willamette Meridian,

Subject to: Acreage and use limitations under the United States Statutes and regulations issued thereunder; Liens and assessments of Klamath Project and Horsefly Irrigation District, and regulations, contracts, easements, and water and irrigation rights in connection therewith; and Rights of way of record and apparent thereon.

The purchase price of the property which Purchasers agree to pay, without demand, is the sum of Twenty-seven Thousand Five Hundred and No/100ths Dollars (\$27,500.00), payable as follows:

(a) The sum of One Thousand Two Hundred Fifty and No/100ths Dollars (\$1,250.00), receipt of which is hereby acknowledged, as a down payment of said purchase price upon execution hereof; and

(b) The sum of Twenty-six Thousand Two Hundred Fifty and No/100ths Dollars (\$26,250.00), the deferred balance of total purchase price, payable as follows: (1) \$1,250.00, on or before October 1, 1966; and (2) \$2,500.00, or more, on or before the 1st day of October 1967, and a like sum on or before the 1st day of each October thereafter until the full deferred balance has been paid, the final installment to be the balance then due under this contract. All installments shall include interest on the deferred declining balances at the rate of Five Percent (5%) per annum from date hereof. Seller agrees to pay in full that

1 certain Mortgage recorded March 17, 1961, in Volume 201 at Page
 2 248, Mortgage Records of Klamath County, Oregon, according
 3 to the terms thereof and to satisfy the same upon or prior to
 4 the full payment of the principal and interest due hereunder
 5 and Seller will execute appropriate instructions to the escrow
 6 holder hereunder.

7 Purchasers shall be entitled to said premises on the
 8 date of execution of this Contract, and Purchasers may retain
 9 such possession so long as they are not in default under the
 10 terms of this Contract, Provided, However, that Seller may
 11 live in the residence on the above described real property
 12 during her lifetime, rent free, it being understood and agreed
 13 that if Seller vacates said residence, this provision shall
 14 be conclusively deemed abandoned.

15 Klamath County Taxes for the 1965-1966 tax year shall
 16 be paid by Seller and Purchasers shall pay all water bills
 17 from January 1, 1966. Insurance shall not be pro-rated between
 18 Seller and Purchasers.

19 Purchasers agree to keep all buildings on said
 20 premises now or hereafter erected in good repair, not permitting
 21 waste or strip of said premises; and that

22 Purchasers will keep the premises free from liens of
 23 all kinds, saving Seller Harmless thereon and reimbursing
 24 Seller for costs and attorney's fees incurred in defending
 25 against any such liens.

26 Purchasers agree to pay all taxes hereafter levied
 27 against said property, and all public and municipal liens which
 28 may be hereafter lawfully imposed upon said premises; and

29 Purchasers will keep insured all buildings on said
 30 premises against loss by fire or damage therefrom in an
 31 amount not less than Ten Thousand and No/100ths Dollars, all policies
 32 to be made payable first to Seller, then to Purchasers as their

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