

CONTRACT FOR SALE OF REAL PROPERTY

DATE THIS AGREEMENT MADE IN TRIPLICATE the 9th day of
 PARTIES March, 1973, by and between, JOHN D. MCAULIFFE, hereinafter
 called Seller, and RODNEY R. LYON and MARIE M. LYON, husband
 and wife, hereinafter called Buyers,

WITNESSETH:

AGREEMENT Seller hereby agrees to sell to Buyers and the latter
 hereby agree to buy from the former the following described
 real property situated in Klamath County, Oregon:

DESCRIPTION Township 40 South, Range 12 East of the Willamette
 Meridian:

Section 22: SE $\frac{1}{4}$ SE $\frac{1}{4}$
 Section 23: SW $\frac{1}{4}$ SW $\frac{1}{4}$
 Section 26: NW $\frac{1}{4}$ NW $\frac{1}{4}$
 Section 27: NE $\frac{1}{4}$ NE $\frac{1}{4}$
 Section 36: ALL, Except the SE $\frac{1}{4}$ NE $\frac{1}{4}$ and NE $\frac{1}{4}$ SW $\frac{1}{4}$
 Section 35: ALL, Except the NE $\frac{1}{4}$ NE $\frac{1}{4}$, SW $\frac{1}{4}$ SW $\frac{1}{4}$
 Section 34: NE $\frac{1}{4}$ SE $\frac{1}{4}$

Township 41 South, Range 12 East of the Willamette
 Meridian:

Section 1: SE $\frac{1}{4}$ NE $\frac{1}{4}$
 Section 2: NE $\frac{1}{4}$, E $\frac{1}{2}$ W $\frac{1}{2}$

SUBJECT TO: (1) Easements and rights of way of record
 or apparent on the land; (2) liens, assessments, regu-
 lations, contracts, statutes and water and irrigation
 rights for reclamation or drainage purposes; and (3)
 special assessment of said property as farm land.

PRICE DOWN The total agreed purchase price for said real property
 is the sum of \$150,000.00, of which the sum of \$43,500.00
 shall be paid down upon execution and delivery of this con-
 tract. Buyers agree to pay the remaining balance of \$106,500.00,
 plus interest on deferred principal thereof at the rate of
 4% per annum from March 10, 1973, until paid, in annual
 payments of not less than \$10,000.00 each, plus accrued
 interest, with the first such payment to become due not later
 than March 10, 1974, and subsequent payments to be made
 not later than the 10th day of each March thereafter until
 the entire purchase price and interest has been paid.
 Additional payments may be made at any time without penalty,
 except during 1973. All payments shall be made at First
 National Bank of Oregon, Merrill Branch, the escrow holder
 herein.

SELLER FURTHER AGREES TO DO THE FOLLOWING:

TITLE
INSURANCE

1. Furnish Buyers with and pay the premium for a purchasers' policy of title insurance in the amount of \$150,000.00, subject only to the standard exceptions of Title Insurance Company of Oregon and those mentioned herein.

EXECUTE DEED

2. Execute a good and sufficient deed in Warranty form conveying an undivided one-half interest in said real property to each of Buyers and to deposit the same in escrow with First National Bank of Oregon, Merrill Branch, with instructions to deliver the same to Buyers upon payment in full of said purchase price and interest as herein provided.

PAY HALF OF COSTS

3. Pay for one-half the attorney's fee, escrow charges and recording fees in connection with this sale.
4. Cause to be transferred to Buyers all Bureau of Land Management, State Land Board or Forest Service grazing leases or permits now held by Seller, so far as the same are transferable.

BUYERS FURTHER AGREE TO DO THE FOLLOWING:

**MAKE PAYMENTS
PROMPTLY**

1. Make all payments called for herein promptly, time being in all respects of the essence of this agreement.
2. Promptly pay all taxes and assessments accruing against said property after March 10, 1973, and promptly pay all indebtedness incurred by their acts which may become a lien against said real property.

PAY HALF
OF COSTS

3. Pay for one-half the attorney's fee, escrow charges and recording fees in connection with this sale.

The 1972-73 taxes ~~and income and interest and dividends~~ shall be prorated between Seller and Buyers as of March 10, 1973.

Should Buyers fail to keep the said property clear of past due taxes, liens, assessments or other charges imposed against the same, it is agreed that Seller may, at his option, without notice and without waiver of such default, pay such taxes, liens, or assessments, or any part thereof; and any payments so made by Seller shall become immediately due and payable from Buyers to Seller, and the latter then shall be entitled to interest on any amount or amounts so paid at the rate of 10% per annum from date of payment until reimbursed.

Should Buyers fail to perform any of the terms of this contract, time of payment and performance being of the essence, Seller 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 contract by suit in equity; or (d) to declare

this agreement null and void as of the date of the breach of contract and to retain as liquidated damages the amount of any payments theretofore made under this contract. If Seller elects to declare this agreement null and void, all of the right, title, and interest of Buyers shall revert to and revest in Seller without any act of reentry or without any other act by Seller to be performed; and Buyers agree, in such event, to peaceably surrender the premises to Seller, and in default of such delivery Buyers may, at the option of Seller, be treated as a tenant holding over unlawfully after the expiration of a lease, and may be ousted and removed as such.

Buyers shall not be deemed in default for failure to perform any covenant or condition of this contract, including failure to make payment as herein provided until notice of said default by Seller to Buyers, and Buyers shall have failed to remedy said default within thirty days after the giving of such notice. Notice for this purpose shall be deemed to have been given upon the deposit in the mails of a certified letter containing said notice and addressed to Buyers at Star Route, Malin, Oregon 97632.

It is understood that the above described real property has been specially assessed as farm land, and that if the same becomes disqualified for special assessment under the statute, an additional tax may be levied for the last 5 years or lesser number of years in which the land was subject to the special land use assessment. Buyers understand that they must make application for special assessment within 60 days of date of this sale in order to avoid such additional tax, and Buyers assume the responsibility for making such application and agree to pay any increase in tax caused by their failure to do so.

In the event Seller acquires Buyers' interest in said land through foreclosure proceedings or deed in lieu of foreclosure, Buyers agree to reassign to Seller all grazing leases and permits assigned to them under the terms of this contract.

Waiver by Seller of any breach of any of the terms of this agreement shall not be considered a waiver of subsequent breaches, if any. In any suit or action brought on this contract, the prevailing party shall be entitled to recovery of reasonable attorney's fees to be fixed by the Court.

This agreement shall bind and inure to the benefit of the parties hereto and their executors, administrators, heirs, successors and assigns.

IN WITNESS WHEREOF, said parties hereunto set their hands.

John D. McAuliffe
JOHN D. MCAULIFFE
Rodney K. Lyon
RODNEY K. LYON
Marie M. Lyon
MARIE M. LYON

5504

STATE OF OREGON)
County of Klamath) ss

On this 16th day of March, 1973, before me, Wilbur O. Brickner, a Notary Public for Oregon, personally appeared the above named John D. McAuliffe, and acknowledged the foregoing instrument to be his voluntary act and deed.

Wilbur O. Brickner
Wilbur O. Brickner
Notary Public for Oregon
My commission expires Oct. 29, 1975

Wilbur O. Brickner
Notary Public for Oregon
My comm. expires Oct. 29, 1975

STATE OF OREGON)
County of Klamath) ss

On this 16th day of March, 1973, before me, Wilbur O. Brickner, a Notary Public for Oregon, personally appeared the above named Rodney R. Lyon and Marie M. Lyon, husband and wife, and acknowledged the foregoing instrument to be their voluntary act and deed.

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STATE OF OREGON; COUNTY OF KLAMATH; ss.
Filed for record at request of KLAMATH COUNTY TITLE CO
his 1st day of APRIL A. D. 1977 at 3:53 o'clock PM, and
duly recorded in Vol. M 77, of DEEDS on Page 5501
FEE \$ 12.00
By Wm D. MILNE, County Clerk
Hazel Drayton

Return
Discomini, James & Mary
635 Main St
Klamath Falls, Oregon
97601

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WILBUR O. BRICKNER
ATTORNEY AT LAW
MERRILL, OREGON