

THIS CONTRACT, Made the 10th day of August, 1977, between Patricia M. Thomas of the County of Klamath and State of Oregon, hereinafter called the first party, and David G. Heideman and Carol M. Heideman, husband and wife of the County of Klamath and State of Oregon, hereinafter called the second party, WITNESSETH, That in consideration of the stipulations herein contained and the payments to be made as hereinafter specified, the first party hereby agrees to sell, and the second party agrees to purchase, the following described real estate, situated in the County of Klamath, State of Oregon, to-wit: The E 1/2 of the NW 1/4 of the SE 1/4 of Section 32, Township 40 South, Range 8 East of the Willamette Meridian, Klamath County, Oregon, RESERVING unto Grantor an easement for road and utility purposes over and across 30 feet along the Southerly boundary and a 90 foot easement for road and utility purposes as follows: Beginning at the Southeast coenr of the E 1/2 NW 1/4 SE 1/4 of said Section 32, Township 40 South, Range 8 East of the Willamette Meridian, and extending 250 feet North. ALSO a 60 foot road and utility easement over the existing road that traverses the above described property in a Northwesterly direction. (for continuation of this document see reverse side of this contract) for the sum of Thirty-three Thousand Seven Hundred Thirty Dollars (\$33,737.50) Seven and 50/100ths Dollars (\$7,000.00) on account of which Eight Thousand and No/100ths Dollars (\$8,000.00) is paid on the execution hereof (the receipt of which is hereby acknowledged by the first party), and the remainder to be paid to the order of the first party with interest at the rate of 10% per cent per annum from August 1, 1977, on the dates and in amounts as follows: The balance of \$25,737.50 with interest at the rate of 10% per annum from August 1, 1977, is payable in monthly installments of not less than \$248.40, inclusive of interest, for a period of 5 years from the date of this contract. At the end of 5 years the balance due converts to a 10%, 10 year amortized loan in monthly payments. The first installment to be paid on the 6th day of Sept. 1977, and a further installment on the 6th day of every month thereafter until the full balance and interest are paid. It is further understood and agreed by and between the parties hereto that there will be a 3% prepayment penalty for payment of more than 20% of the balance in any one year for a period of 3 years from the date of this Contract unless there is an agreement to the contrary between Buyers and Seller. Of the \$33,737.50 purchase price \$15,737.50 is allocable to the mobile home and \$18,000.00 is allocable to the real property set forth herein. Reserving an easement for ingress, egress and public utilities along the Southerly 30'; the east 90' of the South 250', and along an existing 60' road that traverses the property in a northwesterly direction.

The buyer (also called second party) 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 an organization, even if buyer is a natural person, is for business or commercial purposes other than agricultural purposes. Taxes for the current tax year shall be prorated between the parties hereto as of the date of this contract. The second party, in consideration of the premises, hereby agrees to pay all taxes hereafter levied and all public and municipal liens and assessments hereafter lawfully imposed upon said premises, all promptly and before the same or any part thereof become past due, that he will keep all buildings now or hereafter erected on said premises insured in favor of the first party against loss or damage by fire (with extended coverage) in an amount not less than \$ Full insurable value. The second party, in consideration of the premises, hereby agrees to first party, and will have all policies of insurance on said premises made payable to the first party as first in a company or companies and will deliver all policies of insurance on said premises to the first party as soon as insured. All improvements placed thereon shall remain, and shall not be removed before final payment be made for said above described premises. (Continued on reverse)

IMPORTANT NOTICE: Delete, by lining out, whichever phrase and whichever warranty (A) or (B) is not applicable. If warranty (A) is applicable and if the seller is a creditor, as such word is defined in the Truth-in-Lending Act and Regulation Z, the seller MUST comply with the Act and Regulation by making required disclosures; for this purpose, use Stevens-Hess Form No. 1303 or similar unless the contract will become a first lien to finance the purchase of a dwelling in which event use Stevens-Hess Form No. 1307 or similar.

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| SELLER'S NAME AND ADDRESS | | STATE OF OREGON, County of _____ } ss. I certify that the within instrument was received for record on the _____ day of _____, 19____, at _____ o'clock _____ M., and recorded in book _____ on page _____ or as file/roll number _____, Record of Deeds of said county. Witness my hand and seal of County affixed. |
| BUYER'S NAME AND ADDRESS | | |
| After recording return to: Mountain Title Co. 407 Main Klamath Falls, Ore. NAME, ADDRESS, ZIP | | |
| Until a change is requested all tax statements shall be sent to the following address: David G. Heideman & Carol M. Heideman Ashland Star Route Klamath Falls, Ore. NAME, ADDRESS, ZIP | | |
| SPACE RESERVED FOR RECORDER'S USE | | By _____ Recording Officer Deputy |

13773

The first party agrees that at his expense and within 30 days from the date hereof, he will furnish to second party a title insurance policy insuring (in an amount equal to said purchase price) marketable title in and to said premises in the first party on or subsequent to the date of this agreement, save and except the usual printed exceptions and the building and other restrictions and easements now of record, if any. First party 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 second party, 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 first party, excepting, however, the said easements and restrictions and the taxes, municipal liens, water rents and public charges so assumed by the second party and further excepting all liens and encumbrances created by the second party or his assigns.

But in case the second party shall fail to make the payments aforesaid, or any of them, punctually and upon the strict terms and at the times above specified, or fail to keep any of the other terms or conditions of this agreement, time of payment and strict performance being declared to be of the essence of this agreement, then the first party 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 the right and interest hereby created or then existing in favor of the second party derived under this agreement, shall utterly cease and determine, and the premises aforesaid shall revert and revert in the first party without any declaration of forfeiture or act of re-entry, or without any other act by first party to be performed and without any right of the second party of reclamation or compensation for money paid or for improvements made as absolutely fully and perfectly as if this agreement had never been made.

The true and actual consideration paid for this transfer, stated in terms of dollars, is \$33,737.50. However, the actual consideration consists of or includes other property or value given or promised which by the whole consideration (imparted which) is.

And in case suit or action is instituted to foreclose this contract or to enforce any of the provisions thereof, second party agrees to pay such sum as the trial 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 such 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.

The second party further agrees that failure by the first party at any time to require performance by the second party of any provision hereof shall in no way affect first party's right hereunder to enforce the same, nor shall any waiver by said first party of any breach of any provision hereof be held to be a waiver of any succeeding breach thereof or as a waiver of the provision itself.

In construing this contract, it is understood that the first party or the second party may be more than one person; that if the context 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, said parties have executed this instrument in duplicate; if either of the undersigned 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.

Patricia M. Thomas
Patricia M. Thomas

David G. Heideman
David G. Heideman
Carol M. Heideman
Carol M. Heideman

NOTE—The sentence between the symbols (1), if not applicable, should be deleted. See ORS 93.030.

STATE OF OREGON,
County of Klamath } ss.
August 1, 1977

STATE OF OREGON, County of _____) ss.
_____, 19____

Personally appeared the above named
Patricia M. Thomas, David G.
Heideman and Carol M. Heideman

Personally appeared _____ and
_____, who, being duly sworn,
each for himself and not one for the other, did say that the former is the
_____, president and that the latter is the
_____, secretary of _____

and acknowledged the foregoing instrument to be _____
their voluntary act and deed.

and that the seal affixed to the foregoing instrument is the corporate seal
of said corporation and that said instrument was signed and sealed in behalf
of said corporation by authority of its board of directors; and each of
them acknowledged said instrument to be its voluntary act and deed.
Before me:

(OFFICIAL SEAL)
Gay Blush
Notary Public for Oregon
My commission expires 8-12-77

Notary Public for Oregon
My commission expires: (SEAL)

Section 4 of Chapter 618, Oregon Laws 1975, provides:
“(1) All instruments contracting to convey fee title to any real property, at a time more than 12 months from the date that the instrument is executed and the parties are bound, shall be acknowledged, in the manner provided for acknowledgment of deeds, by the owner of the title being conveyed. Such instruments, or a memorandum thereof, shall be recorded by the conveyer not later than 15 days after the instrument is executed and the parties are bound thereby.
“(2) Violation of subsection (1) of this section is a Class B misdemeanor.”

(DESCRIPTION CONTINUED)

Subject, however, to the following:

1. Rights of the public in and to any portion of the herein described premises lying within the limits of streets, roads or highways.
2. Agreement, including the terms and provisions thereof, between Jack N. Martin and Vanella La Von Martin, husband and wife, First Parties, and John O. Stone, Jr. and Ursula Stone, husband and wife, Second Parties, recorded November 7, 1962 in Volume 341, page 291, Deed Records of Klamath County, Oregon.
3. Interest of Patricia M. Thomas as disclosed by Quitclaim Deed recorded June 15, 1976 in Volume M76, page 8851, and re-recorded May 6, 1977 in Volume M77, page 7866, all Microfilm Records of Klamath County, Oregon, Theodore A. Thomas to Patricia M. Thomas.
4. Reservations as contained in deed recorded June 15, 1976 in Volume M76, page 8851 and re-recorded May 6, 1977 in Volume M77, page 7866, all Microfilm Records of Klamath County, Oregon.
5. Unrecorded Contract of Sale dated December 27, 1963, wherein Jack N. Martin and Vanella LaVon Martin, husband and wife, are Sellers, (for continuation of this document see attached Exhibit "A" and by this reference incorporated herein.)

It is hereby agreed by and between the parties hereto that Seller reserves the right of way claim to the 500,000 volt KVA power line, or any money derived therefrom until this Contract is paid in full.

to James Stanley Head and Dorothy E. Head, husband and wife, as Buyers, and Sellers covenant to and with Buyers herein that the said prior Contract shall be paid in full prior to, or at the time this Contract is fully paid and that said above described real property will be released from the lien of said Contract upon payment of this Contract.

6. Unrecorded Contract of Sale dated July 27, 1965, wherein James Stanley Head and Dorothy E. Head, husband and wife, are Sellers, to Nitco Builders, a partnership, as Buyers, and Seller covenant to and with Buyers herein that the said prior Contract shall be paid in full prior to, or at the time this Contract is fully paid and that said above described real property will be released from the lien of said Contract upon payment of this Contract.

7. Unrecorded Contract of Sale dated January 29, 1969 wherein Nitco Builders, a partnership, consisting of C. W. Langeberg and T. A. Thomas, Sellers, to Louis Albert Moglich, Jr. and Beverly Ann Moglich, husband and wife, as to an undivided one-half interest, and Allen Wayne Stevens and Beverly Ann Stevens, husband and wife, as to an undivided one-half interest, as Buyers, and Seller further covenants to and with Buyers herein that the said prior Contract shall be paid in full prior to, or at the time this Contract is fully paid and that said above described real property will be released from the lien of said Contract upon payment of this Contract.

8. Assignment of Contract dated April 16, 1973 wherein Louis Albert Moglich, Jr. and Beverly Ann Moglich, husband and wife, and Allen Wayne Stevens and Beverly Ann Stevens, husband and wife, as Assignors, assigned their interest to T. A. Thomas in that certain Contract of Sale dated December 27, 1963 set forth above, which Vendee's interest in said contract was on July 15, 1965, assigned to Nitco Builders, a partnership; and which Vendee's interest in said contract was then assigned to Assignors herein by instrument dated January 29, 1969 set forth above.

9. Unrecorded Contract of Sale dated April 16, 1973, by and between Louis Albert Moglich, Jr. and Beverly Ann Moglich, husband and wife, and Allen Wayne Stevens and Beverly Ann Stevens, husband and wife, as Sellers, to T. A. Thomas, as Buyer, and Seller covenants to and with Buyers herein that the said prior Contract shall be paid in full prior to, or at the time this Contract is fully paid and that said above described real property will be released from the lien of said Contract upon payment of this Contract.

STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record at request of MOUNTAIN TITLE CO
this 2nd day of AUGUST A. D. 1977 at 9:30 o'clock A.M., or

duly recorded in Vol. M77, of DEEDS on Page 13772

FEE \$ 9.00

Wm D. MILNE, County Clerk

By Hazel Brazel

FILED
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Peggy
p. O.
Merri
After recording
Peggy
p. O.
Merri