

THIS CONTRACT made and entered into the last day written herein between JOAN S. JACOBS, hereinafter referred to as "Seller," and HAROLD L. CAMPBELL and MILDRED L. CAMPBELL, husband and wife, hereinafter referred to as "Purchasers";

## W I T N E S S E T H :

IN CONSIDERATION of the mutual covenants and agreements herein contained, the Seller agrees to sell to the Purchasers and the Purchasers agree to purchase from the Seller all of the following described lands and premises situated in the county of Klamath, state of Oregon, to-wit:

West 1/2 of Government Lots 2, 7 and 10, Section 14, Township 36 South, Range 10 East of the Willamette Meridian, saving and excepting from said Lot 10 those portions deeded in deed recorded in Deed Volume 219 at page 493 and in Deed Volume 335 at page 316, Klamath County Records.

for the sum of Thirty Thousand Dollars (\$30,000), hereinafter referred to as the "purchase price," on account of which Seven Thousand Six Hundred Dollars (\$7,600) 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 Seller with interest at the rate of eight percent (8%) per annum from the date of this contract, in monthly installments of One Hundred Dollars (\$100) plus accumulated interest, payable on or before the 10th day of each month commencing July 10, 1977. Purchasers shall have the right to prepay the purchase price or any portion thereof without penalty.

Taxes for the current tax year shall be prorated between the parties hereto as of the date of this contract.

Purchasers, in consideration of the agreements, hereby agree 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 they will keep all buildings now or hereafter erected on said premises insured in favor of Seller against loss or damage by fire with extended coverage in an amount not less than Five Thousand Dollars (\$5,000) in a company or companies satisfactory to Seller, and will have all policies of insurance upon said premises made payable to Seller as Seller's interest may appear and will deliver all policies of insurance on said premises to Seller as soon as insured.~~ J.J. m2c 4/10/77

All improvements placed upon said premises shall remain and shall not be removed before final payment is made for the above described premises.

In case Purchasers or those claiming under them shall pay the sums of money agreed punctually and at the times above specified and shall strictly and literally perform all and singular agreements and stipulations aforesaid according to the true intent and tenor thereof, then the Seller shall deliver to the order of the Purchasers when the conditions provided in the following paragraph have been fully accomplished and upon the surrender of this agreement by the Purchasers, a title insurance policy insuring title as of this or subsequent date and a good and sufficient deed of conveyance conveying said premises in fee simple free and clear of encumbrances, excepting, however, the above mentioned taxes and assessments and restrictions and rights of way of record and those apparent on the land, and all liens and encumbrances created by Purchasers or Purchasers' assigns.



It is understood by Purchasers that there presently exists on the property various mortgages, liens and contracts of sale which presently create a cloud on Seller's title. In addition, it is understood that there presently exists a contract of sale wherein Carl Jacobs is Seller and Curtis L. Smith and Mildred Sue Smith, husband and wife, are Purchasers, dated August 1, 1976, for the sale of the East 1/2 of Government Lots 2, 7 and 10, and all of Government Lots 1 and 8, all in Section 14, Township 36 South, Range 10 East of the Willamette Meridian, Klamath County, Oregon. Upon final payment pursuant to this agreement or upon final payment to Carl Jacobs or his assigns by Curtis L. Smith and Mildred Sue Smith or their assigns, whichever occurs later, Seller will have cleared all encumbrances and liens upon this property sold, except those created by or through Purchasers, and will provide clear title to Purchasers.

Time is of the essence of this contract and in case the Purchasers shall fail to make the payments above required, or any of them, punctually within twenty (20) days of the time limited therefor, or fail to keep any agreement herein contained, then the Seller at her 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 Purchasers 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 Purchasers hereunder shall revert to and revest in said Seller without any act of re-entry, or any other act of said Seller to be performed and without any rights of the Purchasers 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. In case of such default, all payments theretofore 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. The 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 Purchasers further agree that failure by the Seller at any time to require performance by the Purchasers of any provision hereof shall in no way affect her 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 succeeding breach of any such provision, or as a waiver of the provision itself.

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

This contract has been prepared by Crane & Bailey, Attorneys at Law, 325 Main Street, Klamath Falls, Oregon 97601, as attorneys for the Seller. Purchasers acknowledge that they have been advised of their right to seek separate counsel to advise them in this transaction.



Until a change is requested, all tax statements shall be sent to: Mr. and Mrs. Harold L. Campbell  
P. O. Box 231  
Merrill, Oregon 97633

It is acknowledged and agreed between the parties that Carl Jacobs, transferor to Seller, and Curtis L. Smith and Mildred Sue Smith entered into a land sale contract hereinbefore identified and provided in said contract Carl Jacobs granted to Curtis L. Smith and Mildred Sue Smith the first right to operate, service and maintain the existing well located upon the real property described as follows, to-wit:

Township 36 South, Range 10 East of the Willamette Meridian, Section 14: Lot 15, East 1/2 of West 1/2 (5 acres), which rights were heretofore reserved by grantors in that certain warranty deed dated May 16, 1968 and recorded in Volume M68 at page 23/15, Records of Klamath County, Oregon.

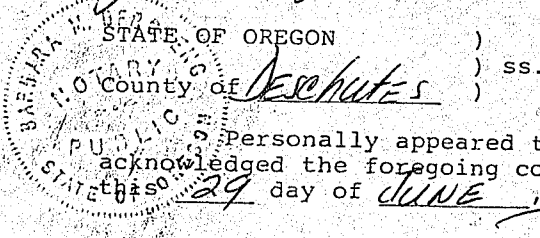
Carl Jacobs further reserves to himself the right to use the water from said well when the needs of Curtis L. Smith and Mildred Sue Smith were fulfilled and further provided that all expenses of said well and pump should be shared on a pro rata basis according to the acreage of the parties. Seller transfers herewith her rights received from Carl Jacobs to the use of said well as hereinabove provided.

IN WITNESS WHEREOF, the parties have executed this contract in triplicate on this 14 day of July, 1977.

Harold L. Campbell  
Harold L. Campbell

Joan S. Jacobs  
Joan S. Jacobs  
SELLER

Mildred L. Campbell  
Mildred L. Campbell  
PURCHASERS



Personally appeared the above named Joan S. Jacobs and acknowledged the foregoing contract her voluntary act and deed this 29 day of JUNE, 1977.

Barbara M. Bergseng  
Notary Public for Oregon  
My Commission expires: 11-12-77

STATE OF OREGON )  
County of Klamath ) ss.

Personally appeared the above named Harold L. Campbell and Mildred L. Campbell, husband and wife, and acknowledged the foregoing contract their voluntary act and deed this 14 day of July, 1977.

Donald R. Crane  
Notary Public for Oregon  
My Commission expires: 6-18-78

After recording, return to: Crane & Bailey  
Attorneys at Law  
325 Main Street  
Klamath Falls, OR 97601

STATE OF OREGON; COUNTY OF KLAMATH; ss.

I hereby certify that the within instrument was received and filed for record on the 2nd day of AUGUST, A.D., 19 77 at 10:00 o'clock A M., and duly recorded in Vol. M 77 of DEEDS on Page 13780.

FEE \$ 9.00

WM. D. MILNE, County Clerk

By Harold D. Dugan Deputy