

THIS CONTRACT, Made this 18 day of August, 1977, between Ole A. Hornseth and Mabel N. Hornseth, as tenants by the entirety, hereinafter called the seller, and Ronald D. Williams and Phyllis M. Williams, husband and wife, as tenants by the entirety, hereinafter called the buyer,

WITNESSETH: That in consideration of the mutual covenants and agreements herein contained, the seller agrees to sell unto the buyer and the buyer agrees to purchase from the seller all of the following described lands and premises situated in Klamath County, State of Oregon, to-wit:

Lot 80 of SECOND ADDITION TO SPORTSMAN PARK, Klamath County, Oregon

SUBJECT TO THE FOLLOWING:

1. Taxes for the year 1977-78 are now a lien but not yet payable.
2. Restrictions, but omitting restrictions, if any, based on race, color, religion or national origin, as shown on the recorded plat of Second Addition to Sportsman Park.
3. Agreement providing for control of water level of Klamath Lake, including the terms and provisions thereof, recorded February 15, 1924, in Deed Volume 63 at page 459 and 468.
4. Covenants, easements and restrictions, but omitting restrictions if any, based on race, color, religion or national origin, imposed by instrument, including the terms thereof recorded July 21, 1964 in Book 354 at page 571.

~~5. Restrictions, but omitting restrictions, if any, based on race, (continued on reverse)~~

for the sum of THREE THOUSAND EIGHT HUNDRED AND NO/100—Dollars (\$ 3,800.00) (hereinafter called the purchase price) on account of which EIGHT HUNDRED AND NO/100ths—Dollars (\$ 800.00) is paid on the execution hereof (the receipt of which is hereby acknowledged by the seller), and the remainder to be paid to the seller at the times and in amounts as follows, to-wit:

The balance of \$3,000.00 payable in installments of not less than \$75.00 per month, the first payment to be made on or before October 15, 1977, and a like payment of not less than \$75.00 on or before the fifteenth (15th) day of each month thereafter, with the full and complete balance of principal and interest due and payable on or before October 15, 1980. There shall be no penalties for prepayment in full of the principal and interest balance in this contract.

The buyer 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 investment or business purposes.

All of said purchase price may be paid at any time; all deferred balances of said purchase price shall bear interest at the rate of 8 per cent per annum from September 1, 1977, until paid; interest to be paid monthly and being included in the minimum regular payments above required. Taxes on said premises for the current tax year shall be prorated between the parties hereto, as of the date of this contract.

The buyer shall be entitled to possession of said lands on September 1, 1977, and may retain such possession so long as he is not in default under the terms of this contract. The buyer agrees that at all times he will keep the buildings on said premises, now or hereafter erected, in good condition and repair, and will not suffer or permit any water or strip therefrom; that he will keep said premises free from mechanic's liens and all other liens and save the seller harmless therefrom and reimburse seller for all costs and attorney's fees incurred by him in defending against any such liens; that he will pay all taxes hereafter levied against said property, as well as all water rents, public charges and municipal liens which hereafter lawfully may be imposed upon said premises, all promptly before the same or any part thereof become past due; that at buyer's expense, within 30 days after lawfully may be imposed upon said premises, he will cause to be recorded a deed of reconveyance to the seller, with loss payable first to the seller, and then to the buyer, and the seller shall execute and deliver to the buyer a deed of reconveyance to the buyer, with loss payable first to the buyer, and then to the seller.

The seller agrees that at his expense and within 30 days from the date hereof, he will furnish unto buyer a title insurance policy insuring (in an amount equal to said purchase price) marketable title in and to said premises in the seller 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. Seller 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 buyer, 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 seller, excepting, however, the said easements and restrictions and the taxes, municipal liens, water rents and public charges so assumed by the buyer and further excepting all liens and encumbrances created by the buyer or his assigns.

(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-Neess Form No. 1308 or similar unless the contract will become a first lien to finance the purchase of a dwelling in which event use Stevens-Neess Form No. 1307 or similar.

Ole A. and Mabel N. Hornseth  
600 S.E. Reed Market  
Bend, Oregon

SELLER'S NAME AND ADDRESS

Ronald D. and Phyllis M. Williams  
1625 Siskiyou  
Klamath Falls, Oregon 97601

BUYER'S NAME AND ADDRESS

After recording return to:  
Klamath First Federal  
540 Main  
Klamath Falls, Oregon 97601

NAME, ADDRESS, ZIP

Until a change is requested all tax statements shall be sent to the following address.

NAME, ADDRESS, ZIP

STATE OF OREGON.

County of

I certify that the within instrument was received for record on the day of 1977, at o'clock M., and recorded in book on page or as file/reel number Record of Deeds of said county.

Witness my hand and seal of County affixed.

Recording Officer

By

Deputy

And it is understood and agreed between said parties that time is of the essence of this contract, and in case the buyer shall fail to make the payments above required, or any of them, punctually within ten days of the time limited therefor, or fail to keep any agreement herein contained, then the seller at his 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 buyer 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 buyer hereunder shall revert to and rest in said seller without any act of re-entry, or any other act of said seller to be performed and without any right of the buyer 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; and 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. And the said 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 buyer further agrees that failure by the seller at any time to require performance by the buyer of any provision hereof shall in no way affect his 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.

Regardless of other provisions contained herein, Buyer shall pay and fully satisfy all real and personal property taxes levied on said property and hold Seller harmless from any liability thereon and shall not allow any of said taxes to become a lien on said real property. On payment of said taxes annually by the Buyer, Buyer agrees to provide Seller with written proof of payment.

The true and actual consideration paid for this transfer, stated in terms of dollars, is \$ 3,800.00. (However, the actual consideration consists of all the property or value given or promised which is part of the consideration. Indicate which.)

In case suit or action is instituted to foreclose this contract or to enforce any of the provisions hereof, the buyer agrees to pay such sum as the 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 the 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.

In construing this contract, it is understood that the seller or the buyer 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.

Ole A. Hornseth  
Ole A. Hornseth  
Mabel N. Hornseth  
Mabel N. Hornseth

Ronald D. Williams  
Ronald D. Williams  
Phyllis M. Williams  
Phyllis M. Williams

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

STATE OF OREGON,

County of Klamath  
August 18, 1977

STATE OF OREGON, County of

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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

M. Williams, and acknowledged the foregoing instrument to be their voluntary act and deed.

Before me:  
(OFFICIAL SEAL)

Notary Public for Oregon

My commission expires 7-1-81

Notary Public for Oregon

My commission expires:

(OFFICIAL SEAL)

(DESCRIPTION CONTINUED)

color, religion or national origin, as shown on the recorded plat of Second Addition to Sportsman Park.

STATE OF OREGON,

County of Klamath

BE IT REMEMBERED, That on this 17 day of August, 1977, before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named Ole A. Hornseth and Mabel N. Hornseth

known to me to be the identical individual(s) described in and who executed the within instrument and acknowledged to me that they executed the same freely and voluntarily.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

Linda G. Chandler  
LINDA G. CHANDLER  
Notary Public for Oregon  
My commission expires 5-12-81

Notary Public for Oregon  
My Commission expires

STATE OF OREGON; COUNTY OF KLAMATH; ss.

I hereby certify that the within instrument was received and filed for record on the 19th day of AUGUST A.D., 1977 at 11:11 o'clock A.M., and duly recorded in Vol H77 of DEEDS on Page 15271.

FEE 4.00

WM. D. MILNE, County Clerk

By Hazel Drayl Deputy