

LAND SALE CONTRACT

THIS CONTRACT by and between LLOYD D. COGLEY and SUZANNE M. COGLEY, husband and wife, hereinafter referred to as "Sellers," and HAROLD E. McCANCE and LILA R. McCANCE, husband and wife, and JOHN T. RICHARDS and EVA R. RICHARDS, husband and wife, hereinafter referred to as "Purchasers;"

W I T N E S S E T H :

In consideration of the agreements herein contained and the payments to be paid by Purchasers to Sellers, Sellers hereby agree to sell to Purchasers the following described real property with the exception set forth hereafter, situated in the county of Klamath, state of Oregon, to-wit:

South 1/2 of Section 7, Township 40 South, Range 12 East of the Willamette Meridian, Klamath County, Oregon.

EXCEPTING THEREFROM a 30 foot easement along the North boundary of the South 1/2 of Section 7, Township 40 South, Range 12 East of the Willamette Meridian, Klamath County, Oregon, which is hereby expressly reserved by Sellers for a right of way.

upon the following terms and conditions:

1. Purchase Price. Purchasers shall pay as the purchase price of said property the sum of Twenty-five Thousand Dollars (\$25,000) lawful money of the United States. The downpayment of Eight Thousand Dollars (\$8,000) is paid on the execution hereof, the receipt of which is hereby acknowledged by the Sellers. Purchasers agree to pay the remainder of said purchase price as

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follows: Seventeen Thousand Dollars (\$17,000) payable at the rate of Nine Hundred Sixty-six Dollars (\$966) semi-annually including interest at the rate of seven percent (7%) per annum. The first year's payments shall be due on the 1st day of July, 1973 and the 1st day of January, 1974; and a semi-annual payment to be made on the 1st day of July and the 1st day of January each year thereafter until said purchase price is fully paid. All of said purchase price may be paid at any time without penalty to Purchasers for an early pay-off. All deferred balances of said purchase price shall bear interest at the rate of seven percent (7%) per annum until paid and being included in the minimum semi-annual payments above required.

2. Release. Upon the payment of each One Hundred Dollars (\$100) of principal, Sellers agree to release one (1) acre to Purchasers; however, it is mutually understood and agreed that Sellers shall not be required to release less than twenty (20) acres at any one time. This release of acreage begins in either direction from the spring in the Southwest corner. It is understood that the Eight Thousand Dollar (\$8,000) downpayment will release eighty (80) acres. It is further understood and agreed that Purchasers shall pay all costs, fees and expenses which may be incurred for preparation and recording of all releases and deeding of any portions of said property.

3. Taxes. Taxes on said premises for the current year shall be prorated between the parties hereto.

4. Possession. The Purchasers shall be entitled to possession of the premises on the 12th day of December, 1972 and may retain such possession so long as they are not in default under the terms of this contract.

5. Premises. The Purchasers agree at all times they will keep the buildings on said premises, now or hereafter erected, in good condition and repair and will not suffer or permit any waste or strip thereof; that they will keep said premises free from mechanic's liens and all other liens and save the Sellers harmless therefrom and reimburse Sellers for all costs and attorney's fees incurred by them in defending against any such liens; that they 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. If the Purchasers shall fail to pay any such liens, costs and water rents, taxes or charges, the Sellers may do so and any payment so made shall be added to and become a part of the debt secured by this contract and shall bear interest at the rate aforesaid, without waiver, however, of any right arising to the Sellers for Purchasers' breach of contract.

6. Title Insurance. The Sellers agree that at their expense they will furnish unto Purchasers a title insurance policy insuring in an amount equal to said purchase price marketable title in and to said premises upon payment in full of the purchase price.

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7. Insurance. At Purchasers' expense, they will insure and keep insured all buildings now or hereafter erected on said premises against loss or damage by fire, with extended coverage, in an amount not less than Seventeen Thousand Dollars (\$17,000) in a company or companies satisfactory to the Sellers, with loss payable first to the Sellers then to the Purchasers as their respective interest may appear and all policies of insurance to be delivered to the Sellers as soon as insured.

8. Deed. Sellers agree that when said purchase price is fully paid they will deliver a good and sufficient deed conveying said premises in fee simple unto the Purchasers, their 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 Sellers; excepting, however, the said easements, restrictions, taxes, municipal liens, water rents and public charges as assumed by the Purchasers and further excepting all liens and encumbrances created by the Purchasers or their assigns.

9. Default. It is understood and agreed between the parties that time is of the essence of this contract and in case the Purchasers fail to make the payments above required, or any of them, punctually within thirty (30) days of the time limited therefor, or fail to keep any agreement herein contained, then the Sellers at their option shall have the following rights:

- A. To declare this contract null and void;
- B. To declare the whole unpaid principal

balance of said purchase price with the interest thereon at once due and payable; and/or

C. 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 Sellers hereunder shall utterly cease and determine and the right of possession of the premises above described and all other rights acquired by the Purchasers hereunder shall revert to and revest in the Sellers without any act of re-entry, or any other act of Sellers to be performed and without any right of the Purchasers of return, reclamation or compensation for monies paid on account of the purchase price 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 the Sellers as the agreed and reasonable rent of said property up to the time of such default. The Sellers in case of such default shall have the right immediately or at any time thereafter, to enter upon the land aforesaid and take immediate possession thereof, together with all of the improvements and appurtenances thereon or thereto belonging.

10. Waiver. The Purchasers agree that failure by the Sellers at any time to require performance by them of any provision hereof shall in no way effect their right hereunder to enforce the same, nor shall any waiver by the Sellers 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.

11. Attorney's Fees. In the event that suit or action be instituted by either party to enforce any rights under this contract, or for any matter in any way arising out of this contract, including appeals to appellate court, it is understood and agreed that the prevailing party in such suit or action shall recover in addition to costs and disbursements, such further sum as to the court may be deemed reasonable as attorney's fees.

12. Successors and Assigns. All rights, remedies and liabilities herein given to or imposed upon either of the parties hereto shall extend to and inure to the benefit of and bind, as the circumstances may require, the heirs, personal representatives, successors and so far as this contract is assignable by the terms hereof, to the assigns of such parties.

13. Paragraph Headings. Paragraph headings in this contract are inserted for convenience only and are not to be construed as restricting the meaning of the paragraphs to which they refer.

IN WITNESS WHEREOF, the parties have executed four (4) counterparts of this land sale contract this 14th day of December, 1972.

Lloyd D. Cogley
Lloyd D. Cogley

Suzanne M. Cogley
Suzanne M. Cogley

Harold E. McCance
Harold E. McCance

Lila R. McCance
Lila R. McCance

John T. Richards
John T. Richards

Eva R. Richards
Eva R. Richards

SELLERS

PURCHASERS

STATE OF OREGON; COUNTY OF KLAMATH; ss.

I hereby certify that the within instrument was received and filed for record on the 5th day of October A.D., 19 77 at 4:13 o'clock P M., and duly recorded in Vol. M77 of Deeds on Page 19000.

FEE \$18.00

WM. D. MILNE, County Clerk

By Wazil Drazil Deputy

Ret: Lloyd D. Cogley
2839- Miller Island Rd,
City