

and Cecil F. Fletcher and Geraldine S. Fletcher, hereinafter called the seller, and wife, husband

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 de- scribed lands and premises situated in Klamath County, State of Oregon, to-wit: That portion of the NE1/4SW1/4 of Section 35, Township 34 South, Range 8 East of the Willamette Meridian, Klamath County, Oregon, that lays Southerly of the Sprague River-Chiloquin Highway.

Subject, however, to the following:
1. Taxes for the year 1977-78 are now a lien but not yet payable.
2. An easement created by instrument, including the terms and provisions thereof,

Dated : April 4, 1967
Recorded : April 10, 1967 Book: M-67 Page: 2525
In favor of : United States of America
For : Roadway over SW1/4 of Sec. 35, Twp 34 S., R 8 EWM

2. Unrecorded Contract of Sale dated June 30, 1972, by and between Henry Wolff, Seller, and George A. Pondella, Jr., Buyer, which Buyers do not assume and agree to pay and Seller further covenants to and with Buyers 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 mortgage upon payment of this contract.

(for continuation of this contract see reverse side of this document)

for the sum of Twelve Thousand Five Hundred and No/100ths Dollars (\$12,500.00) (hereinafter called the purchase price), on account of which Three Thousand Five Hundred and Dollars (\$3,500.00) is paid on the execution hereof (the receipt of which is hereby acknowledged by the seller); the buyer agrees to pay the remainder of said purchase price (to-wit: \$ 9,000.00) to the order of the seller in monthly payments of not less than ONE HUNDRED NINE and 20/100THS Dollars (\$109.20) each, or more, prepayment without penalty.

payable on the 1st day of each month hereafter beginning with the month of November, 1977, and continuing until said purchase price is fully paid. 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 October 1, 1977 until paid, interest to be paid monthly and * being included in the minimum monthly payments above required. Taxes on said premises for the current tax year shall be pro- rated between the parties hereto as of the date of 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 an organization or institution, or (C) for an investment or business purpose.

The buyer shall be entitled to possession of said lands on closing 19 77, and may retain such possession as 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 waste or strip thereof; that he will keep said premises free from mechanic's 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, he 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 \$ none in a company or companies satisfactory to the seller, with loss payable first to the seller and then to the buyer as their respective interests may appear and all policies of insurance to be delivered to the seller as soon as insured. Now if the buyer shall fail to pay any such liens, costs, water rents, taxes, or charges or to procure and pay for such insurance, the seller 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 seller for buyer's breach of contract.

The seller agrees that at his expense and within 30 days from the date hereof, he will furnish unto buyer a title insurance policy in- suring (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, and except the usual printed exceptions and other restrictions and covenants now of record, if any. Seller also agrees that when 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 all encumbrances as of the date hereof and free and clear of all encumbrances, 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; Stevens-Ness 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-Ness Form No. 1307 or similar.

Hammond
510 Castro St Apt 3
San Francisco CA 94157
Fletcher
PO Box 624
Avalon CA 90704
After recording return to:
JA - Kathy
NAME, ADDRESS, ZIP
Fletcher
same
NAME, ADDRESS, ZIP

STATE OF OREGON, ss.
County of
I certify that the within instru- ment was received for record on the day of 19 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.
By Recording Officer Deputy

19415
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 therein, 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 for (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 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 money paid on account of the purchase of said property as absolutely, fully and directly 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 and 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 suc- ceeding breach of any such provision, or as a waiver of the provision itself.

The true and actual consideration paid for this transfer, stated in terms of dollars, is \$ 12,500.00. However, the actual consid- eration consists of or includes other property or value given or promised which is the value of the consideration which may be determined by 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 singu- lar pronoun shall be taken to mean and include the plural, 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 un- dersigned 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.

Richard Hammond
Cecil F. Fletcher
Geraldine S. Fletcher

STATE OF CALIFORNIA } ss.
COUNTY OF Los Angeles

On September 22, 1977, before me, the undersigned, a Notary Public in and for said State, personally appeared Cecil F. Fletcher and Geraldine S. Fletcher known to me to be the person(s) whose name(s) are subscribed to the within instrument and acknowledged that they executed the same.

WITNESS my hand and official seal.
(Seal) OFFICIAL SEAL
ARDIS L. SALDANA
NOTARY PUBLIC CALIFORNIA
PRINCIPAL OFFICE IN
LOS ANGELES COUNTY
My Commission Expires Jan. 19, 1979
(Notary Public's Signature)

Section 4 of Chapter 618, Oregon Laws 1976, provides:
"(1) All instruments contracting in convey fee title to any real property, at a time more than 12 months from the date that the instrument is ex- ecuted 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."

3. Unrecorded Contract of Sale dated June 30, 1972 by and between George A. Pondella, Jr., Seller, and Richard B. Hammond, Buyer, which Buyers do not assume and agree to pay, and Seller further covenant to and with Buyers 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 mortgage upon payment of this contract.

STATE OF CALIFORNIA } ss.
County of Alameda

BE IT REMEMBERED, That on this 3rd day of October, 1977, before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named Richard Hammond known to me to be the identical individual described in and who executed the within instrument and acknowledged to me that he 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.

LOURDES A. MENDES
NOTARY PUBLIC - CALIFORNIA
PRINCIPAL OFFICE IN
ALAMEDA COUNTY
My Commission Expires Nov. 30, 1980
Notary Public for California
My Commission expires