

above described real property; that Sellers' title to the same is marketable; that Sellers have a right to transfer title to the same and possession thereof; that the properties are presently free from all matured and inchoate liens, charges, and encumbrances whatsoever, except as the same may be noted in this agreement; that Buyers shall have the quiet enjoyment of the properties and that Sellers will warrant and defend the same against all lawful claims and demands whatsoever, except as stated herein.

TITLE INSURANCE: Sellers shall furnish at Sellers' expense a Buyers' title insurance policy in the amount of \$106,500.00~~00.00~~ within 10 days from the date of closing, insuring Buyers against loss or damage sustained by Buyers by reason of the unmarketability of Sellers' title, or liens or encumbrances thereon, excepting matters contained in the usual printed exceptions in such title insurance policies.

DEED: Upon payment of the total purchase price for the property as provided herein, and performance by Buyers of all other terms, conditions and provisions hereof, Sellers shall forthwith deliver to Buyers a good and sufficient warranty deed conveying the property free and clear of all liens and encumbrances, excepting those placed upon the property or suffered by Buyers subsequent to the date of this contract.

DEFAULT: It is understood and agreed between the parties that time is of the essence of this contract and in case the Buyers 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. 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 Buyers 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 Buyers 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 Buyers 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.

Sellers shall be entitled to the appointment of a receiver as a matter of right whether or not the apparent value of the property exceeds the amount of the balance due hereunder, and any receiver appointed may serve without bond. Employment by Sellers shall not disqualify a person from serving as receiver. Upon taking possession of all or any part of the property the receiver may:

- A. Use, operate, manage, control and conduct business on the property and make expenditures for all maintenance and improvements as in its judgment are proper;

B. Collect all rents, revenues, income, issues and profits from the property and apply such sums to the expenses of use, operation and management;

C. At Sellers' option, complete any construction in progress on the property, and in that connection pay bills, borrow funds, employ contractors and make any changes in plans or specifications as Sellers deem appropriate.

If the revenues produced by the property are insufficient to pay expenses, the receiver may borrow, from Sellers or otherwise, such sums as it deems necessary for the purposes stated in this paragraph, and repayment of such sums shall be secured by this contract. The amounts borrowed or advanced shall bear interest at the same rate as the balance of the purchase price hereunder from the date of expenditure until repaid and shall be payable by Buyers on demand.

Buyers accept the land, buildings, improvements and all other aspects of the property in their present condition, AS IS, including latent defects, without any representations or warranties, expressed or implied, unless they are in writing signed by Sellers. Buyers agree that they have ascertained, from sources other than Sellers, the applicable zoning, building, housing and other regulatory ordinances and laws and that they accept the property with full awareness of these ordinances and laws as they may affect the present use or any intended future use of the property, and Sellers have made no representations with respect thereto.

NOTICE: Any notice under this contract shall be in writing and shall be effective when actually delivered or when deposited in the mail, registered or certified, addressed to the parties at the addresses stated in this contract or such other addresses as either party may designate by written notice to the other.

WAIVER: Failure of Sellers at any time to require performance of any provision of this contract shall not limit the right of Sellers to enforce the provision, nor shall any waiver by Sellers of any breach of any provision be a waiver of any succeeding breach of that provision or a waiver of that provision itself or any other provisions.

COSTS AND ATTORNEY'S FEES: In the event suit or action is instituted to enforce any of the terms of this contract, the prevailing party shall be entitled to recover from the other party such sum as the court may adjudge reasonable as attorney's fees at trial or on appeal of such suit or action, in addition to all other sums provided by law.

SUCCESSOR INTERESTS: This contract shall be binding upon and inure to the benefit of the parties, their successors and assigns.

PRIOR AGREEMENTS: This document is the entire, final and complete agreement of the parties pertaining to the sale and purchase of the property, and supersedes and replaces all written and oral agreements heretofore made or existing by and between the parties or their representatives insofar as the property is concerned.

RELEASE OF PARCELS: The Sellers agree to release to Buyers portions of the property herein sold as follows:

That portion of the NE $\frac{1}{4}$ of the NE $\frac{1}{4}$ lying northerly of Lost River upon payment of the sum of \$750.00 per acre or portion thereof of each parcel so released; and/or

CONTRACT OF SALE
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That portion of the N $\frac{1}{2}$ of the SE $\frac{1}{4}$ lying southerly of the East Langell Valley highway upon payment of the sum of \$300.00 per acre or portion thereof of each parcel so released. All cost of such partial fulfillment deeds and any expenses of engineering, survey and attorney's fees incident thereto shall be paid by Buyers. Said released property shall not include property with any improvements thereon.

ESCROW ARRANGEMENTS: As soon as practicable following the execution of this contract, the parties shall deliver to Western Bank, Shasta Plaza Branch, 2885 South Sixth Street, Klamath Falls, Oregon, in escrow the following documents:

- (a) An original recorded and executed Contract of Sale.
- (b) An unrecorded Warranty Deed to the property free and clear of any and all encumbrances, except as hereinabove set forth.
- (c) Termination of Financing Statements--Form UCC-3 in duplicate.
- (d) Such escrow instructions as shall meet with the approval of the above named escrow agent.

The parties hereby instruct said escrow agent to receive for Sellers' account the balance of the installment payments provided herein. Said escrow agent is further authorized and instructed that it is to close the escrow and deliver the documents to the parties entitled thereto at such time as all sums called for herein, including interest, have been fully and completely paid by Buyers.

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.

If Buyers fail to pay any installment before the expiration of thirty (30) days after the due date thereof, the Escrow Agent is authorized to surrender to Sellers, upon demand, after proof of written notice to Buyers, all of the documents specified in the preceding paragraphs, thereby terminating the escrow.

IN WITNESS WHEREOF, the parties have caused this contract to be executed in duplicate as of the day and year first above written.

Harold V. Gravett
Harold V. Gravett

Dorothy M. Gravett
Dorothy M. Gravett

SELLERS

John Hamner
John Hamner

Joanne M. Hamner
Joanne M. Hamner

BUYERS

STATE OF OREGON)
) ss.
 County of Klamath)

January 10th, 1978

Personally appeared the above named HAROLD V. GRAVETT and DOROTHY M. GRAVETT, husband and wife, and acknowledged the foregoing instrument to be their voluntary act and deed.

Before me:

Mildred D. Lewis
 Notary Public for Oregon
 My Commission Expires: 7-19-78

Oregon
 STATE OF ~~CALIFORNIA~~)
) ss.
 County of *Klamath*)

January 9th, 1978

Personally appeared the above named JOHN HAMNER and JOANNE M. HAMNER, husband and wife, and acknowledged the foregoing instrument to be their voluntary act and deed.

Before me:

Mildred D. Lewis
 Notary Public for ~~California~~ *Oregon*
 My Commission Expires: *7-19-78*

PERSONAL PROPERTY

EXHIBIT "A"

John Deer model A wheel tractor

Plow

Tandem disc

7-1-1983 8 section harrow

Swather 260 Heston 10'

New Holland baler

Hay conditioner

Mower & rake attachment

Spring tooth harrow

440' sprinkler pipe

400' 2" lateral

Stock truck

Old pickup

Log splitter

Space heater

Fireplace doors

Carpeting

Drapes & curtains

Range and refrigerator

10 HP irrigation pump

STATE OF OREGON, COUNTY OF KLAMATH, ss.

Filed for record at request of Mountain Title Co.this 10th day of January A. D. 1978 at 3:21 clock P. M., andfully recorded in Vol. MZ8, of Deeds on Page 601

Wm D. MILNE, County Clerk

By Bernard H. Hetch

Fee: \$24.00

Return to
M. T. C.