0-3327-43-39

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THIS CONTRACT, Made this 8th day of September, 1978, between Michael B. [illegible] and Margaret H. [illegible], husband and wife, and Clark J. Kenyon, a single man, hereinafter called the seller, and [illegible], a single man, and Gretchen H. Alenin, a married woman, 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 land, situated in Klamath County, State of Oregon, to-wit:

"You have the option to void your contract or agreement by notice to the seller if you did not receive a Property Report prepared pursuant to the Rules and Regulations of the Office of Interstate Land Sales Registration, U.S. Department of Housing and Urban Development, in advance of, or at the time of your signing the contract or agreement. If you received the Property Report less than 48 hours prior to signing the contract or agreement you have the right to revoke the contract or agreement by notice to the seller until midnight of the third business day following the consummation of the transaction. A business day is any calendar day except Sunday, or the following business holidays: New Year's Day, Washington's Birthday, Memorial Day, Independence Day, Labor Day, Veteran's Day, Columbus Day, Thanksgiving, and Christmas."
It is mandatory that the purchaser be a member of the Little Deschutes River Woods Owners Association and is subject to maintenance of both the access road and those roads within subdivision Tract 1069 as spelled out in the Articles of Association recorded in Klamath County on March 12, 1973 instrument No. 74116, volume M73, page No. 2591.
The sellers are able to deliver deeds free of the lien of the blanket encumbrance in all cases because the 40 acre minimum release provision is well within their financial capability to perform.

Lot 7, Block 4, Tract No. 1069.

for the sum of Nine Thousand Nine Hundred Fifty and no/100 Dollars ($9,950.00) (hereinafter called the purchase price), on account of which Nine Hundred Ninety-five and no/100 Dollars ($995.00) 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: $8,955.00) to the order of the seller in monthly payments of not less than Ninety and no/100 Dollars ($90.00) each,

payable on the 10th day of each month hereafter beginning with the month of December, 19 78, and continuing until said purchase price is fully paid. All of said purchase price may be paid at any time; all deferred balance of said purchase price shall bear interest at the rate of 8% per cent per annum from November 10, 1978 until paid, interest to be paid monthly and * ~~(in addition to~~ (being included in the minimum monthly 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~~ paid by sellers, thereafter by buyers

The buyer warrants and covenants with the seller that the real property described in this contract is [illegible] (2) for an [illegible] or (even if buyer is a natural person) is for business or commercial purposes other than agricultural purposes.

The buyer shall [illegible] said premises on September 8, 1978, 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 waste or strip thereof; that he will keep said premises free from mechanic's and all other liens and charges; that he will pay all taxes and assessments levied against said premises; that he will defend the title to said premises against all persons whomsoever, and will indemnify seller against any loss or damage on account of any defect in said title, hereunder, or any other claim against said property, as well as all water rents, public charges and municipal liens which hereafter lawfully may be imposed upon said premises; that he will promptly deliver the same or any part thereof become past due; that at buyer's expense, he will keep and keep insured in the name of the seller against loss or damage by fire (with extended coverage) in an amount not less than $ 8000 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 taxes, assessments, water rents, 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 said sum 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 10 days from the date hereof, he will furnish unto buyer a title insurance policy insuring him as assignee of said purchase price, marketable title in and to said premises in the seller on or subsequent to the date of this agreement, subject only to encumbrances 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 surrender of this agreement, he will deliver a good and sufficient deed conveying said premises in fee simple to the buyer, his heirs and assigns, free and clear of encumbrances as of the date hereof and free and clear of all encumbrances were said date placed, or created by, through or under seller, excepting, however, the said easements and restrictions and the taxes, municipal liens, water rents and public charges to be assumed by the buyer and further excepting all liens and encumbrances created by the buyer or his assigns.

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 may (1) to declare this contract null and void, (2) declare the whole unpaid principal balance of said purchase price with 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 described and all other rights acquired by the buyer hereunder shall revert to and revest in said seller without any act of the seller, and without any right of the buyer of return, reclamation or compensation for moneys paid on account of the purchase, and all payments 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 date 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 said premises or any part thereof, in the name of the whole, and take and hold 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 seller's right hereunder to enforce 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.

The true and actual consideration paid for this transfer, stated in terms of dollars, is $ 9,950.00. (However, the actual consideration consists of or includes other property or value given or promised which is the whole 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 plaintiff's attorney's fees on such suit or action and if an appeal is taken from any judgment or decree of the trial court, the buyer in the premises 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 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.

BUYER: [signature] [signature]

SELLERS: [signature] Margaret H. Sayer [signature]

STATE OF OREGON, COUNTY OF KLAMATH, ss.

I hereby certify that the within instrument was received and filed for record on the 27th day of September A.D., 19 78 at 2:09 o'clock P.M., and duly recorded in Vol. M78, of Deeds on Page 21485.

WM. D. MILNE, County Clerk
By [signature] Deputy

FEE $3.00

FIRST NATIONAL BANK OF OREGON
101 Main St.
Klamath Falls, Oregon 97601
ATTENTION: CLARA

Ryan Abbate & Gretchen H. Alenin
2555 Greenview Dr.
Newport Beach, California 92663

1 tax statement to: