

THIS CONTRACT, Made this 13 day of Oct. 1978, between Michael B. Jager and Margaret H. Jager, (H&W) and Clark J. Keayn, a single man and Richard Simpson hereinafter called the seller,

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 1 and lot 3, Block 10 Lot 13, Block 4 Lot 17, Block 6 Tract 103) Donna Woods, Unit #2

The purchase price on account of which One Thousand Seven Hundred Fifty Dollars (\$1,755.00) is paid on the execution hereof (the receipt of which is hereby acknowledged by the seller), and the remainder to be paid to the order of the seller at the times and in amounts as follows, to-wit:

One Hundred Fifty One Dollars (\$151.00) per month or more until both principal and interest are paid in full. First payment due December 3, 1978 and a like payment the 3rd of each month thereafter.

The buyer warrants to and covenants with the seller that the real property described in this contract is (A) for the personal, family, household or agricultural purposes (B) for an organization or even if buyer is a natural person) is for business or commercial purposes other than agricultural 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 the date of payment until paid, interest to be paid monthly

At the time of the execution hereof, the seller herin (who are husband and wife) own said described real estate as tenants by the entireties; be that of joint tenants with the right of survivorship and not that of tenants in common; in the event of the death of one of the sellers, the title to the seller's interest in this contract and in to the then unpaid balance of said purchase price, principal and interest, immediately shall vest solely in the survivor of the sellers. The buyer shall be entitled to possession of said lands on closing 1978 and may retain such possession 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 other liens and save the seller harmless therefrom and reimburse sellers for all costs and attorney's fees incurred by them 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 \$ 200,000 in a company or companies satisfactory to the seller, with loss payable to the seller as their interest 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 taxes, costs, water rents, taxes, or charges on or 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 and in favor of the seller of said contract.

The seller agrees that at the expense and within ten days from the date hereof, when principal reduced 50% they 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 the agreement, they will deliver a good and sufficient deed conveying said premises simple unto the buyer, his heirs and assigns, free and clear of encumbrances as of the date hereof excepting all liens and encumbrances created by the buyer or his assigns, water rents and public charges so assumed by the buyer as 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 declare this contract null and void, then the seller at their 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 and in case of such default of the buyer, the seller hereunder shall 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 of the buyer, the seller hereunder shall 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 of the same.

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 their 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. The true and actual consideration paid for this land, stated in terms of dollars, is \$ 17,550.00

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 agrees 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 masculine shall include the feminine and the neuter, and that generally all grammatical cases shall be taken to mean and include the plural, the masculine shall include the feminine and the neuter, and that generally all grammatical cases shall be made, assumed and implied to make the provisions hereof apply equally to corporations and to individuals; also, in the event of the demise of one of said sellers, that the word "seller" shall mean only the survivor of them and the heirs and assigns of such survivor.

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 hereunto by order of its board of directors. Buyers: Richard Simpson Sellers: Margaret H. Jager Clark J. Keayn

I hereby certify that the within instrument was received and filed for record on the 15th day of November A.D., 1978 at 1:26 o'clock P.M., and duly recorded in Vol. 178 of Deeds on Page 2575.

WM. D. MILNE, County Clerk By: Pamela H. Hetch Deputy

ATTENTION: CLARA 97601 Oregon 97601 601 Main St. Klamath Falls, Oregon 97601 FIRST NATIONAL BANK OF OREGON

Richard Simpson P. O. Box 23, Beatty, Oregon 97621 Said tax statement to:

FEE \$3.00