

THIS CONTRACT made and entered into this 30 day of January, 1979, by and between STILES ENTERPRISES, INC., an Oregon Corporation, hereinafter referred to as "Seller," and CIRCLE 5 RANCH, INC., an Oregon Corporation, hereinafter referred to as "Purchaser":

W I T N E S S E T H :

The Seller agrees to sell to the Purchaser and the Purchaser agrees to purchase from the Seller the following described real property situated in the county of Klamath, State of Oregon, to-wit:

A parcel of land situated in the SW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 2, Township 41 South, Range 11 East of the Willamette Meridian, being more particularly described as follows:

Beginning at a point in the Easterly right of way fence of the existing county road along the West line of said Section 2, from which point the East 1/4 corner of Section 10, T. 41 S. R. 11 EWM, bears N. 89°07'50" W. 27.0 feet and S. 0°02'50" W. 6148.5 feet distant; thence N. 0°02'50" E. along said Easterly right of way fence 439.88 feet to a 5/8" iron pin; thence S. 89°57'10" E. 194.20 feet to a 5/8" iron pin reference monument; thence S. 89°57'10" E. 3.60 feet to a point; thence S. 2°15'20" W. 442.96 feet to a 5/8" iron pin; thence N. 89°07'50" W. 180.8 feet to the point of beginning.

Including all rights and interest in that certain easement between RAFTER NINE CATTLE CO., INC. and STILES ENTERPRISES, INC., dated June 8, 1976, recorded in Volume 76, Page 8773 of the records of the County Clerk of Klamath County, Oregon.

on the following terms and conditions:

The purchase price is Ten Thousand Dollars (\$10,000), of which One Thousand Dollars (\$1,000) has been paid as a down-payment on the execution hereof, the receipt of which is hereby acknowledged, and the Purchaser agrees to pay the balance of said purchase price as follows: Nine Thousand Dollars (\$9,000) to be paid to the order of Seller in yearly installments of not less than One Thousand Dollars (\$1,000) each commencing upon January 1, 1980, and a like payment being due on the first day of January on each year thereafter 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 ten percent (10%) per annum from January 1, 1979, until paid. Interest to be paid yearly and in addition to the minimum yearly payment above required.

The Purchaser shall be entitled to possession of said premises on January 1, 1979. All real property taxes shall be prorated as of that date and all future real property taxes shall be paid by the Purchaser.

Sellers, upon payment in full by Purchaser shall secure a title insurance policy insuring marketable title in and to said premises in Purchaser; excluding, however, any liens incurred by Purchaser during the time of his possession of said premises.

The property has been carefully inspected by the Purchaser and no agreements or representation pertaining thereto, or to this transaction, have been made, save such as are stated herein.

The Purchaser assumes all risk of taking of the property for a public use and agrees that any such taking shall not constitute a failure of consideration, but all monies received by Seller by reason thereof shall be applied as a payment on account of the purchase price, less any sums which the Seller may be required to expend in procuring such monies.

The Seller agrees, upon execution of this contract, to place in escrow at a contract, together with a warranty deed to the property, free of encumbrances except easements, restrictions, rights of way of record and those apparent on the land.

Time is of the essence hereof, and in the event Purchaser shall fail to pay any amount herein provided within thirty (30) days of the due date thereof, or shall fail to comply with or perform any condition or agreement hereof promptly at the time and in the manner herein required, the Seller may elect to declare all of the Purchaser's rights, all payments made hereunder and all improvements placed upon the premises shall be forfeited to the Seller as liquidated damages, and the Seller shall have the right to re-enter and take possession of the property; and if the Seller after such forfeiture shall commence an action to procure an adjudication of the termination of the Purchaser's rights hereunder, the Purchaser agrees to pay the expense of searching the title for the purpose of such action, together with all costs and a reasonable attorney's fee.

This contract has been prepared by Crane & Bailey, Attorney at Law, 540 Main Street, Klamath Falls, Oregon 97601, as attorneys for the Seller. Purchaser acknowledges that he has been advised of his right to seek separate counsel to advise him in regards to this transaction.

Seller and Purchaser agree to divide equally the attorney's fees incurred in preparation of these documents and the closing costs incurred herein.

Until a change is requested, all tax statements shall be sent to:

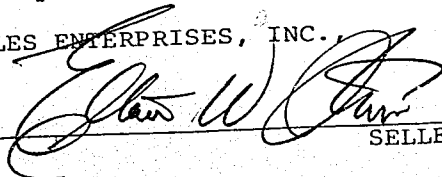
Circle 5 Ranch, Inc.

After recording return to: CRANE & BAILEY
Attorneys at Law
540 Main Street
Klamath Falls, OR 97601

IN WITNESS WHEREOF, the parties have executed this contract in triplicate on the date first above written.

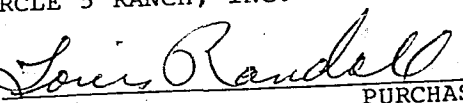
STILES ENTERPRISES, INC.

By


SELLER

CIRCLE 5 RANCH, INC.

By


PURCHASER

STATE OF OREGON)
) ss.
County of Klamath)

5975

Personally appeared the above named representative
of STILES ENTERPRISES, INC., and acknowledged the foregoing
contract his voluntary act and deed this 30th day of January, 1979
197 .

Paul (Deed)
Notary Public for Oregon

My Commission expires: 10/12/82

STATE OF OREGON)
) ss.
County of Klamath)

Personally appered the above named representative
of CIRCLE 5 RANCH, INC., and acknowledged the foregoing
contract his voluntary act and deed this 30th day of January, 1979
197 .

Paul (Deed)
Notary Public for Oregon

My Commission expires: 10/12/79

STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record at ~~request of~~ _____

is 16th day of March A. D. 19 79 at 9:14 clock A M., and

fully recorded in Vol. M79, of Deeds on Page 5973

Wm D. MILNE, County Clerk

By: Bernetha Shelsch

Fee \$9.00