

THIS CONTRACT, Made this 3rd day of ~~XXXX~~ May, 1979, between James H. Patton and William C. Ransom

James H. Patton and William C. Patton, hereinafter called the seller,  
and ~~xxxxxx and xxxxxxxxxx~~ Thomas R. Holm, Lawrence S. Caldwell and  
Suzanne L. Down, parties of interest in C, D and H Enterprises 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 lands and premises situated in Klamath County, State of Oregon, to-wit:

Lot E, Subdivision of Enterprise Tract No. 24, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon, EXCEPTING THEREFROM the Northerly 60 feet and the Westerly 150 feet of the Southerly 83.44 feet.

Subject, however, to the following:

1. Liens and assessments of Klamath Project and Klamath Irrigation District, and regulations, contracts, easements, water and irrigation rights in connection therewith.
2. Rules, regulations and assessments of South Suburban Sanitary District.
3. Reservations and restrictions in deed from Frank Ira White and Lillian E. White, husband and wife, to G. B. Chambers and Lucy Chambers, husband and wife, dated June 16, 1938, recorded June 16, 1938, recorded June 12,

(For continuation of this document, see reverse side of this contract.)  
for the sum of Eighty-seven thousand five hundred and no/100 Dollars (\$87,500.00)  
(hereinafter called the purchase price) on account of which Seventeen thousand five hundred and  
and no/100----- Dollars (\$17,500.00) 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: Seventy thousand and no/100 Dollars (\$70,000.00) with  
interest at the rate of 11% per annum from ~~April~~ 5-3, 1979, is payable  
in monthly installments of not less than \$900.00 per month, including  
interest, the first installment to be paid on the 10th day of June,  
1979, and a further installment on the 10 day of each month thereafter  
until the full balance and interest are paid in full. Buyer agrees to  
pay an additional principal payment of \$2,500.00 on September 1, 1979;  
and an additional principal payment of \$5,000.00 on May 15, 1980.

The buyer warrants to and covenants with the seller that the real property described in this contract is  
 (A) ~~intended for the buyer's personal, family, household or agricultural purposes,~~  
 (B) for an organisation 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 11 per cent per annum from ARRkk 5-3, 1979 until paid, interest to be paid monthly and being included in the minimum regular 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. April 28, 1979, and may retain such possession so long as

the minimum regular payments above required. Taxes on said premises shall be paid by the buyer on or before the date of this contract.

The buyer shall be entitled to possession of said lands on **April 28, 1979**, 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 injury to the same. He will keep said premises free from mechanic's liens and all other liens and save the seller harmless therefrom. He will indemnify and hold the seller harmless for all costs and attorney's fees incurred by him in defending against any such liens; that he will pay the taxes and assessments against said property, as well as all water rents, public charges and municipal liens, which he will keep lawfully made and levied 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 **full insurable value** of the same, to the satisfaction of the seller, with loss payable first to the seller and then to the buyer as

insure and keep insured all buildings now owned, owned or to be owned, by the buyer, in a company or companies satisfactory to the seller, with loss payable first to the seller and then to the buyer as the insured. Now if the buyer shall fail to pay any of their respective interests may appear and all policies of insurance to be delivered to the seller or to procure and pay for such insurance, the seller may do so and any payment so made shall be added to such liens, costs, water rents, taxes, or charges or to secure 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.

30 days from the date hereof, he will furnish unto buyer a title insurance policy in the sum of \$100,000.00, to be in full satisfaction of this agreement.

(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; for this purpose, use 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.

STATE OF OREGON,

County of \_\_\_\_\_

I certify that the within instrument was received for record on the day of \_\_\_\_\_, 19\_\_\_\_.

Record of Deeds of said county.  
 Witness my hand and seal of  
 County affixed.

Recording Officer  
Deputy

By

**SELLER'S NAME AND ADDRESS**

**BUYER'S NAME AND ADDRESS**

**After recording return to**

NAME ADDRESS ZIP

Until a change is requested all tax statements shall be sent to the following address:

Buyers  
2130 Arthur St  
K. Falls

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 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 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 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 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 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 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 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 \$87,500.00. However, the actual consideration is the sum of the consideration (indicate which) of the following: (1) the purchase price of the property, (2) the value of the property, (3) the value of the property as determined by the court, or (4) the value of the property as determined by the parties. 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 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 singular pronoun 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.

James H. Patton  
William C. Ransom

BY: *James H. Patton*  
BY: *Suzanne A. Down*  
BY: *Thomas R. Holm*

NOTE—The sentence between the symbols (1) and (2), if not applicable, should be deleted. See ORS 93.030. By \_\_\_\_\_ ) ss.  
STATE OF OREGON, County of \_\_\_\_\_, 19\_\_\_\_

County of Klamath  
1979

Personally appeared the above named James H. Patton and William C. Ransom

and acknowledged the foregoing instrument to be their voluntary act and deed.

Notary Public for Oregon  
My commission expires 8-5-79

Personally appeared \_\_\_\_\_, 19\_\_\_\_ and \_\_\_\_\_, who, being duly sworn, each for himself and not one for the other, did say that the former is the president and that the latter is the secretary of \_\_\_\_\_, a corporation, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its board of directors; and each of them acknowledged said instrument to be its voluntary act and deed.

Notary Public for Oregon  
My commission expires: \_\_\_\_\_

(OFFICIAL SEAL)

(DESCRIPTION CONTINUED)

1941, in Deed Volume 138 page 453 records of Klamath County, Oregon, as follows: "This conveyance is made subject to existing contracts with the United States and Klamath Irrigation District for irrigation and drainage; also subject to right of way for irrigation ditch for irrigation and drainage; also subject to right of way for irrigation and drainage ditches along or across said land for the use and benefit of other land in the Klamath Irrigation District, and specifically that irrigation ditches shall be permanently maintained across said lot from North to South near the Eastern and Western boundaries thereof."

4. Mortgage, including the terms and provisions thereof, executed by Rookstool and Alter, a partnership consisting of Lester Rookstool and Martin D. Alter to First National Bank of Oregon, dated January 15, 1976, recorded January 15, 1976, in Mortgage Volume M76, page 697, records of Klamath County, Oregon, to secure the payment of \$55,000.00, which Buyer herein does not assume and agree to pay, and Sellers further covenant to and with Buyer that the said prior mortgage 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.

5. Reservations and restrictions contained in deed from Rookstool and Alter, a partnership consisting of Lester Rookstool and Martin D. Alter, to Wayne H. Horton, recorded November 17, 1977, in Deed Volume M77 page 22415, records of Klamath County, Oregon.

6. Covenant Not to Compete, dated November 16, 1977 recorded April 19, 1979 Vol M79 page 8804. Buyer herein agrees to lease to James H. Patton space in rear of subject property at the rate of 30 cents per square foot per month on a minimum term of two years. Buyer agrees to furnish to James H. Patton all utilities, except telephone service.

(For continuation of this document, see attached Exhibit "A" and by this reference incorporated herein as if fully set forth.)



It is further agreed by and between the parties hereto that Sellers herein agree to hold Buyers harmless from that certain Covenant Not to Compete dated November 14, 1977 by and between Wayne N. Horton, Purchaser, and ROOKSTOOL & ALTER, a partnership, consisting of Lester Rookstool and Martin D. Alter, recorded in M-79, page 8804 and recorded on April 19, 1979.

It is further agreed by and between the parties hereto that Sellers herein agree to hold Buyers harmless from that certain reservation and restrictions contained in Deed from Rookstool and Martin D. Alter, to Wayne H. Horton, recorded November 17, 1977 in Deed Vol M77 page 22415, records of Klamath County, Oregon.

FORM NO. 23 — ACKNOWLEDGMENT  
STEVENS-NESS LAW PUB. CO., PORTLAND, ORE.

STATE OF OREGON,

County of Klamath

ss.

BE IT REMEMBERED, That on this 3 day of May, 1979, before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named Thomas R. Holm, Lawrence S. Caldwell and Suzanne L. Down, parties of interest in C. D and H Enterprises,

known to me to be the identical individual S described in and who executed the within instrument and acknowledged to me that they 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.

[Signature]  
Notary Public for Oregon.  
My Commission expires 8-5-79

STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record at request of Klamath County Title Co.

this 4th day of May, A. D. 1979 at 2:53 o'clock PM., at

fully recorded in Vol. M79, of Deeds on Page 10200

Wm D. MILNE, County Clerk

Fee \$9.00

EXHIBIT "A"