

THIS CONTRACT, Made this 10th day of June, 19 79, between
STEVEN CRAIG FREESE and PAMELA DARLENE FREESE, husband and wife
and EDDIE K. EGNER and RENA I. EGNER, husband and wife,

hereinafter called the seller,
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 de-
scribed lands and premises situated in Klamath County, State of Oregon, to-wit:
That portion of the E $\frac{1}{2}$ of the W $\frac{1}{2}$ ~~of Government Lot 3, Section 1, Township 35~~
South, Range 8 East of the Willamette Meridian, Klamath County, Oregon, lying South of the
Sprague River Highway.

EXCEPTING THEREFROM an undivided one-half interest in and to all diatomaceous earth, oil,
gas and mineral rights in connection with the above described real property, as reserved
in Deed recorded February 21, 1973 in Volume M73, page 1841, Microfilm Records of Klamath
County, Oregon.

SUBJECT, however, to the following:

1. Rights of the public in and to any portion of the herein described premises lying within the limits of streets, roads or highways.
2. Reservations and restrictions as contained in Deed recorded July 3, 1918 in Volume 49, page 334, Deed Records of Klamath County, Oregon, to wit:

"there is reserved from the lands hereby granted a right of way thereon for ditches or canals constructed by the authority of the United States."
(for continuation of this contract see reverse side of this contract.)

for the sum of Sixteen Thousand and 00/100----- Dollars (\$ 16,000.00)
(hereinafter called the purchase price) on account of which One Thousand Nine Hundred Forty and 23/100
-----Dollars (\$ 1940.23) 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: As part of the consideration herein, Buyers agree to assume and pay that certain recorded Contract of Sale dated July 29, 1977, Leroy Verne Hileman, et ux, Sellers, to Steven Craig Freese, et ux, Buyers, with a present unpaid balance of \$6,259.77 with interest paid to May 15, 1979, and the remainder to be paid to the order of the Sellers at the times and in amounts as follows, to wit: \$7,800.00 with interest at the rate of 7 $\frac{1}{2}$ % from June 1, 1979, payable in monthly payments of not less than \$100.00 each, and an additional lump sum payment of \$1,500.00 to be paid on the principal ninety (90) days from the closing of said transaction. Said \$100.00 payments are due and payable on the 1st day of each month hereafter beginning with the month of July, 1979, and continuing until said purchase price is fully paid. Prepayment without penalty.

The buyer warrants to and covenants with the seller that the real property described in this contract is:
(A) primarily for buyer's 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 7 $\frac{1}{2}$ %
per cent per annum from June 1, 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
_____, 19 79.

The buyer shall be entitled to possession of said lands on June 1, 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 strip thereof; that he will keep said premises free from mechanics' and all other liens and save the seller harmless therefrom and reimburse seller for all costs and attorney's fees incurred by him 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 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 \$full insurable value of the buildings and other improvements thereon, 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 such liens, costs, water rents, taxes, 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 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.
The seller agrees that at his expense and within 30 days from the date hereof, he 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 this agreement, he will deliver a good and sufficient deed conveying said premises in fee simple unto the buyer, his heirs and assigns, free and clear of encumbrances as of the date hereof and free and clear of all encumbrances since said date placed, permitted or arising by, through or under seller, excepting, however, the said easements and restrictions and the taxes, municipal liens, water rents and public charges so assumed by the buyer and further excepting all liens and encumbrances created by the buyer or his assigns.

(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.

Steven Craig Freese, et ux
PO Box 323
Chiloquin, OR 97624
SELLER'S NAME AND ADDRESS

Eddie K. Egner, et ux
General Delivery
Chiloquin, OR 97624
BUYER'S NAME AND ADDRESS

After recording return to:

Winema Real Estate
PO Box 376
Chiloquin, OR 97624
NAME, ADDRESS, ZIP

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

Eddie K. Egner, et ux
General Delivery
Chiloquin, OR 97624
NAME, ADDRESS, ZIP

STATE OF OREGON,

County of _____

I certify that the within instrument was received for record on the _____ day of _____, 19____, at _____ o'clock M., and recorded in book _____ on page _____ or as file reel number _____, Record of Deeds of said county.
Witness my hand and seal of County affixed.

By _____

Recording Officer
Deputy

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 20 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, (3) to withdraw said deed and other documents from escrow and or (4) 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 \$16,000.00. (However, the actual consideration consists of ~~the value of the property or value given or promised which is XXXXXX~~ consideration (indicate which).)

In case suit or action is instituted to foreclose this contract or to enforce any provision hereof, the losing party in said suit or action agrees to pay such sum as the trial court may adjudge reasonable as attorney's fees to be allowed the prevailing party in said suit or action and if an appeal is taken from any judgment or decree of such trial court, the losing party further promises to pay such sum as the appellate court shall adjudge reasonable as the prevailing party'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 or a corporation; 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.

This agreement shall bind and inure to the benefit of, as the circumstances may require, not only the immediate parties hereto but their respective heirs, executors, administrators, personal representatives, successors in interest and assigns as well.

IN WITNESS WHEREOF, said parties have executed this instrument in triplicate; 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.

Steven C. Freese Eddie K. Egner
Steven Craig Freese Eddie K. Egner
Steven C. Freese, Attorney in fact for Eddie K. Egner
Pamela Darlene Freese Rena I. Egner

NOTE—The sentence between the symbols @, if not applicable, should be deleted. See ORS 93.030.

STATE OF OREGON, }
 County of Klamath } ss.
JUNE 2, 19 79

Personally appeared the above named
Steven Craig Freese and Pamela
Darlene Freese, by her attorney in
 fact, and acknowledged the foregoing instru-
 ment to be their voluntary act and deed.

Before me:
Sharon Allen
 (OFFICIAL SEAL) SHARON ALLEN
 Notary Public for Oregon
 My commission expires
10-5-82

STATE OF CALIFORNIA, County of SACRAMENTO) ss.
JUNE 2, 19 79

Personally appeared Eddie K. Egner and
Rena I. Egner 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 be-
 half of said corporation by authority of its board of directors; and each of
 them acknowledged said instrument to be its voluntary act and deed.

Before me:
Tom Chesson
 Notary Public for CALIFORNIA
 My commission expires:

TONI CHESSEON
 NOTARY PUBLIC—CALIFORNIA
 PRINCIPAL OFFICE IN
 SACRAMENTO COUNTY
 My Commission Expires May 10, 1983

ORS 93.635 (1) All instruments contracting to convey fee title to any real property, at a time more than 12 months after the date of execution, shall be acknowledged, in the manner provided for acknowledgment of deeds, by the parties to the instrument, or a memorandum thereof, shall be recorded by the conveyor not later than 15 days after the instrument is executed and the parties are bound thereby.

ORS 93.990(3) Violation of ORS 93.635 is punishable, upon conviction, by a fine of not more than \$100.

(DESCRIPTION CONTINUED)

3. Reservations and restrictions as contained in Deed recorded February 21, 1973 in Volume M73, page 1841, Microfilm Records of Klamath County, Oregon.
4. Right of way easement, created by instrument, including the terms and provisions thereof,
 Dated: August 22, 1966
 Recorded: August 23, 1966
 Volume: M66, page 8505, Microfilm Records of Klamath County, Oregon
 In favor of: United States of America
 For: Road known as Copperfield Draw Road, Project No. 35013 (Affects NW $\frac{1}{4}$ of Section 1)
5. Real Estate Contract, including the terms and provisions thereof,
 Dated: September 17, 1973
 Recorded: December 17, 1976
 Volume: M76, page 20180, Microfilm Records of Klamath County, Oregon
 Vendor: Oreranches, Inc., an Oregon corporation
 Vendee: Leroy Verne Hileman and Berda Dorla Hileman, husband and wife, which Buyers herein do not assume and agree to pay, and Sellers further covenant to and with Buyers that the said prior Contract 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 Contract upon payment of this Contract.
6. Real Estate Contract, including the terms and provisions thereof,
 Dated: July 29, 1977
 Recorded: August 3, 1977
 Volume: M77, page 13901, Microfilm Records of Klamath County, Oregon
 Vendor: Leroy Verne Hileman and Berda Dorla Hileman, husband and wife
 Vendee: Steven Craig Freese and Pamela Darlene Freese, husband and wife, which Buyers herein assume and agree to pay, and further Buyers agree to hold Sellers harmless therefrom.

STATE OF OREGON; COUNTY OF KLAMATH; ss.

I hereby certify that the within instrument was received and filed for record on the 7th day of
June A.D., 19 79 at 2:17 o'clock P M., and duly recorded in Vol 179
 of Deeds on Page 13390.

FEE \$6.00

WM. D. MILNE, County Clerk
 By Berntha Schleich Deputy