

This Agreement, made and entered into this 26th day of June, 1979 by and between  
 EVERETT A. JONES and CLAIRE H. JONES, husband and wife,  
 hereinafter called the vendor, and  
 JAMES A. JOHNSON,  
 hereinafter called the vendee.

## WITNESSETH

Vendor agrees to sell to the vendee and the vendee agrees to buy from the vendor all of the following described property situate in Klamath County, State of Oregon, to-wit:

Lot 1, Block 56, HOT SPRINGS SECOND ADDITION TO THE CITY OF KLAMATH FALLS, in the County of Klamath State of Oregon..

SUBJECT TO: Regulations, including levies, liens and utility assessments of the City of Klamath Falls; Reservations, restrictions, easements and rights of way of record and those apparent on the land, if any; and to a contract of sale dated July 26, 1977, recorded August 3, 1977, in Book M-77 at page 13955, wherein Benjamin D. Morrison et ux are vendors and Richard E. Jones et ux are vendees; which vendees' interest in said contract was subsequently assigned to vendees herein by instruments recorded August 17, 1978, in Book M-78 at page 18219; recorded August 31, 1978, in Book M-78 at page 19391; and recorded November 30, 1978, in Book M-78 at page 26889, Microfilm Records of Klamath County, Oregon, and which said contract of sale vendees herein DO NOT assume, and vendors covenant and agree to hold them harmless therefrom. Vendors further agree to authorize the escrow holder hereinafter named to pay the sum of \$100.00 out of payments made hereunder to apply on the above-described contract of sale which is escrowed at U. S. National Bank, Main Street Branch (#1428);

at and for a price of \$ 24,000.00 payable as follows, to-wit:  
 \$ 4,000.00 at the time of the execution  
 of this agreement, the receipt of which is hereby acknowledged; \$ 20,000.00 with interest at the rate of 10 %  
 per annum from July 1, 1979, payable in installments of not less than \$ 225.00 per  
 month in clusive of interest, the first installment to be paid on the 10th day of August  
 19 79, and a further installment on the 10th day of every month thereafter until the full balance and interest  
 are paid. All or any portion of said contract balance can be prepaid without penalty.

This contract cannot be assigned without written consent of the vendors,  
 which consent shall not be unreasonably withheld.

Vendee agrees to make said payments promptly on the dates above named to the order of the vendor, or the  
 survivors of them, at the U. S. National Bank, Main Street Branch,  
 at Klamath Falls,  
 Oregon; to keep said property at all times in as good condition as the same now are, that no improvement, now on or which  
 may hereafter be placed on said property shall be removed or destroyed before the entire purchase price has been paid and  
 that said property will be kept insured in companies approved by vendor against loss or damage by fire in a sum not  
 less than \$ full insurable value with loss payable to the parties as their respective interests may appear, said  
 policy or policies of insurance to be held by vendee, copy to vendors, that vendee shall pay regularly  
 and seasonably and before the same shall become subject to interest charges, all taxes, assessments, liens and incumbrances  
 of whatsoever nature and kind

and agrees not to suffer or permit any part of said property to become subject to any taxes, assessments, liens, charges or  
 incumbrances whatsoever having precedence over rights of the vendor in and to said property. Vendee shall not cut  
 or remove any timber on the premises without written consent of vendor. Vendee shall be entitled to the possession of said  
 property July 1, 1979.

Vendor will on the execution hereof make and execute in favor of vendee good and sufficient warranty deed conveying a  
 fee simple title to said property free and clear as of this date of all incumbrances whatsoever, except as set forth  
 above,

EXCEPT above-described contract of sale  
 which vendee assumes, and will place said deed and purchaser's policy of title insurance in sum  
 of \$24,000.00 covering said real property,  
 together with one of these agreements in escrow at the U. S. National Bank, Main Street Branch,

at Klamath Falls, Oregon

79 JUN 28 PM 3 17

shall enter into written escrow instruction in form satisfactory to said escrow holder, instructing said holder that vendee shall have paid the balance of the purchase price in accordance with the terms and conditions of this contract, said escrow holder shall deliver said instruments to vendee, but that in case of default by vendee said escrow holder shall, on demand, surrender said instruments to vendor.

But in case vendee shall fail to make the payments aforesaid, or any of them, punctually and upon the strict terms and at the times above specified, or fail to keep any of the other terms or conditions of this agreement, time of payment and strict performance being declared to be the essence of this agreement, then vendor shall have the following rights: (1) To foreclose this contract by strict foreclosure in equity; (2) To declare the full unpaid balance immediately due and payable; (3) To specifically enforce the terms of the agreement by suit in equity; (4) To declare this contract null and void, and in any of such cases, except exercise of the right to specifically enforce this agreement by suit in equity, all the right and interest hereby created or then existing in favor of vendee derived under this agreement shall utterly cease and determine, and the premises aforesaid shall revert and revest in vendor without any declaration of forfeiture or act of reentry, and without any other act by vendor to be performed and without any right of vendee of reclamation or compensation for money paid or for improvements made, as absolutely, fully and perfectly as if this agreement had never been made.

Should vendee, while in default, permit the premises to become vacant, Vendor may take possession of same for the purpose of protecting and preserving the property and his security interest therein, and in the event possession is so taken by vendor he shall not be deemed to have waived his right to exercise any of the foregoing rights.

And in case suit or action is instituted to foreclose or to enforce any of the provisions hereof, the prevailing party in such suit or action shall be entitled to receive from the other party his costs which shall include the reasonable cost of title report and title search and such sum as the trial court and or appellate court, if an appeal is taken, may adjudge reasonable as attorney's fees to be allowed the prevailing party in said suit or action and or appeal, if an appeal is taken.

Vendee further agrees that failure by vendor at any time to require performance by vendee of any provision hereof shall in no way affect vendor's right hereunder to enforce the same, nor shall any waiver by vendor of such 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.

In construing this contract, it is understood that vendor or the vendee 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.

This agreement shall bind and inure to the benefit of, as the circumstances may require, the parties hereto and their respective heirs, executors, administrators and assigns.

Witness the hands of the parties the day and year first herein written.

Everett A. Jones  
Claire H. Jones

James A. Johnson

STATE OF OREGON

County of Klamath

ss.

June 29, 1979

Personally appeared the above named Everett A. Jones and Claire H. Jones,  
husband and wife, and James A. Johnson,

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

Before me:

[Signature]  
Notary Public for Oregon

My commission expires: 2/14/81

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

James A. Johnson, 1540 Pacific Terrace, Klamath Falls, Oregon 97601  
301 Eldorado

State of Oregon, County of Klamath

I certify that the within instrument was received for record on the 29 day  
of June, 1979 at 3:17 o'clock P in and recorded in book 170  
on page 1526 Record of Deeds of said County.

From the office of

CRANE & BAILEY  
Attorney at Law  
540 Main Street  
Klamath Falls, Oregon 97601

Witness My Hand and Seal of County Affixed.

W. D. Milne

County Clerk - Recorder

Bernetha W. Selock  
Deputy

Fee \$6.00

Return to:

T/A - Julie