

LAND SALE CONTRACT

THIS AGREEMENT, made and entered into this 15th day of October, 1979, by and between KEITH R. KNOPF and FLORICE KNOPF, husband and wife, hereinafter called the Sellers, and GERALD C. STREGE and ROCHELLE A. DAY, hereinafter called the Buyers.

W I T N E S S E T H:

Sellers agree to sell to Buyer, and Buyer agrees to purchase from the Sellers all the following described property situate in Klamath County, State of Oregon, to-wit:

The West 1/2 of the SE 1/4 of Section 22, in Township 38 South, Range 15 East of the Willamette Meridian, Klamath County, Oregon.

SUBJECT TO:

1. Right of way, including the terms and provisions thereof, for Fishole Road, as disclosed by Deed recorded May 29, 1960 in Deed Volume 321 at page 453, in favor of United States Department of Interior-Forest Service.
2. Contract, including the terms and provisions thereof, set up at First Federal.
Dated : April 16, 1971
Recorded : May 6, 1971
Vendee : Jerry V. Rajnus & Helen M. Rajnus, husband & wife
Vendor : Warren Byers, a single man, Gerald N. DeRoco & Carole DeRoco, husband & wife
3. The right, title and interest of Keith R. Knopf and Florice Knopf, husband and wife as disclosed by Quitclaim Deed recorded November 7, 1977 in Book M-77 at page 21364 and re-recorded on December 9, 1977 in Book M-77 at page 23941, Microfilm Records.
4. As disclosed by the assessment and tax roll, the premises herein have been specially assessed for farm use. If the land becomes disqualified for this special assessment under the statutes, an additional tax, plus interest and penalty, will be levied for the number of years in which this special assessment was in effect for the land.

at and for a price of \$30,000.00, of which \$500.00 has been previously paid as earnest money, \$2,500.00 of which has been paid at the time of execution hereof, the receipt of which is hereby acknowledged by the Sellers; the Buyer agrees to pay the balance of the purchase price to the order of the Sellers, at the times and in the amounts as follows, to-wit: \$27,000.00 with interest at the rate of 9% per annum from October 15, 1979, payable in installments of not less than \$500.00 per month, inclusive of interest, the first installment on the

15th day of November, 1979, and a like installment on the first day of each and every month thereafter until the full balance and interest are paid. It is agreed that the Buyer shall not pay more than 25% of the unpaid balance in any one calendar year for the first two years after the date of this agreement; thereafter, all or any part of the unpaid balance may be prepaid without penalty.

Taxes for the current tax year, rents, interest, and other items, if any, shall be prorated at of October 15 , 1979.

Buyer has made an independent investigation and inspection of the premises herein described and has entered into this agreement without relying on any statement or representation or covenant not specifically embodied in this agreement and accepts the property described herein "as is" and requires no work of any kind to be done to said property by the Sellers, further, Buyer has approved the preliminary title report issued by Mountain Title Insurance Company, Klamath Falls, Oregon, and has reviewed a survey of the parcel described herein.

Buyer agrees to make said payments promptly on the dates above named to the order of the Sellers, at the South Valley State Bank 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 the Sellers against loss or damage by fire in a sum not less than the 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 Sellers; and that Buyer shall pay regularly and seasonably and before the same shall become subject to interest charges, all taxes, assessments, liens and encumbrances of whatsoever nature and kind and agrees not to fuffer or permit any part of said property to become subject to any taxes, assessments, liens, charges or encumbrances whatsoever having precedence over rights of the Sellers in and to said property. Buyer shall be entitled to possession of said property on October 15, 1979.

Sellers will on execution hereof make and execute in favor of the Buyer good and sufficient warranty deed conveying a fee simple title to said property, free and clear as of this date of all encumbrances whatsoever, except as above stated, which Buyer assumes; notwithstanding the foregoing, Buyer does not agree to assume and pay the contract listed herein, as Item (2), and Sellers further covenant to and with Buyer that said prior contract shall be paid and the above described real property will be conveyed free and clear of said contract upon payment in full of this contract. Sellers will place said deed, together with one of these agreements in escrow at the South Valley State Bank, at Klamath Falls, Oregon, and shall enter into written escrow instructions in form satisfactory to said escrow holder, instructing said escrow holder that when, and if, Buyer 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 the Buyer, but that in case of default by Buyer, said escrow holder shall, on demand, surrender said instruments to Sellers.

But in case Buyer shall fail to make 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 Sellers 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 the right to specifically enforce this agreement by suit in equity, all the right and interest hereby created or then existing in favor of the Buyer derived under this agreement shall utterly cease and determine, and the premises shall revert and revest in Sellers without any declaration of forfeiture or act of re-entry, and without any other act by Sellers to be performed with right of Buyer for reclamation or compensation for money paid or for improvements made, be preserved as absolutely, fully and perfectly as if this agreement had never been made.

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

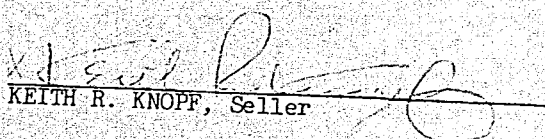
And in case suit or action is instituted to foreclose or to enforce any of the provisions hereof, the prevailing party in such suit shall be entitled to receive from the other party, their costs which shall include the reasonable costs of title report and title search and such sum as the trial court 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.

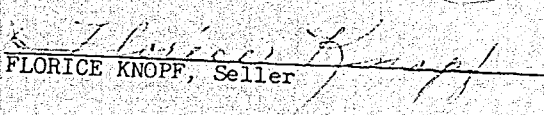
Buyer further agrees that failure by the Sellers at any time to require performance by Buyer of any provision hereof, shall in no way affect Sellers' right to enforce the same, nor shall any waiver by Sellers of such breach or any such provision, or as a waiver of the provision itself.

Buyer agrees that Sellers may assign all of their right, title and interest in and to the property and this agreement to HIDDEN VALLEY RANCH, a limited partnership.

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

WITNESS THE HANDS of the parties the day and year first herein written.


KEITH R. KNOPF, Seller


FLORICE KNOPF, Seller


GERALD C. STREGA, Buyer

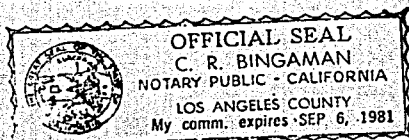

ROCHELLE A. DAY, Buyer

26019

STATE OF CALIFORNIA }
County of LOS ANGELES } ss.

October 29, 1979

Personally appeared KEITH R. KNOPF and FLORICE KNOPF, husband and wife, and acknowledged the foregoing instrument to be their voluntary act and deed.



17027 South Clark Ave., Bellflower, CA 90706

Before me:

[Signature]
NOTARY PUBLIC FOR CALIFORNIA
My Commission expires: SEP 6, 1981

STATE OF Minnesota }
County of Hennepin } ss.

October 19, 1979

Personally appeared GERALD C. STREGE, and acknowledged the foregoing instrument to be his voluntary act and deed.



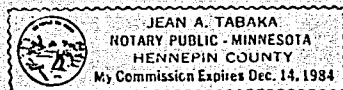
Before me:

[Signature]
NOTARY PUBLIC FOR Minnesota
My Commission expires: Dec 14, 1984

STATE OF Minnesota }
County of Hennepin } ss.

October 19, 1979

Personally appeared ROCHELLE A. DAY, and acknowledged the foregoing instrument to be his voluntary act and deed.



Before me:

[Signature]
NOTARY PUBLIC FOR Minnesota
My Commission expires: Dec 14, 1984

STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record at request of Mountain Title co.
this 5th day of November A. D. 1979 at 10:41 o'clock A M., ore
fully recorded in Vol. M79 of Deeds on Page 26015

Wm D. MILNE, County Clerk

Fee \$17.50

MTC