

THIS AGREEMENT, made and executed in duplicate this 1st day of November, 1979, between BETTY L. GRATCL, designated as "SELLER," and LAND HERITAGE CORPORATION, of Pacific Trade Center Suite 938, Honolulu, Oahu, Hawaii 96813, hereinafter designated as "BUYER,"

WITNESSETH: That the Seller, in consideration of the covenants and agreements hereinafter contained, to be the first performed as a condition precedent by the Buyer, agrees to sell and convey unto the said Buyer, and the said Buyer agrees to buy, that certain real property in the County of Klamath State of Oregon, described as follows, to-wit:

S $\frac{1}{2}$ of SW $\frac{1}{4}$ of SE $\frac{1}{4}$ of NE $\frac{1}{4}$, Section 13, T35, R12E of the Willamette Meridian, Klamath County, Oregon

Cash Price	\$1,750.00
Total Down Payment	175.00
Amount Financed	\$1,575.00
Finance Charge (Int. only)	785.53
Total of Payments	2,360.53
Deferred payment price	\$2,535.53

Subject to: All of taxes (after November 1, 1979), and thereafter coming due and also subject to all conditions, restrictions, reservations, easements and/or rights of way of record affecting said property.

THE PURCHASE PRICE for which the Seller agrees to sell and the Buyer agrees to buy said property is the sum of Seventeen Hundred Fifty & No/100 Dollars (\$ 1,750.00), lawful money of the United States, which sum Buyer agrees to pay Seller at Klamath Falls, Oregon, or at such other place or places as Seller may hereinafter from time to time designate, as follows:

-----One Hundred Seventy Five & No/100 Dollars (\$ 175.00), or more on or before November 1, 1979, and ---Seventy Eight & 75/100-----Dollars (\$ 78.75), or more on or before the 1st day of May and 1st day of Nov. ea. yr. thereafter, ~~including~~ (together with) interest on all deferred payments from November 1, 1979, at the rate of Nine & one half (9 1/2 %) percent per annum payable Twice each year thereafter and continuing until the total purchase price is paid.

The Seller hereby reserves a right of way, with right of entry upon, over, under, along, across, and through the said land for the purpose of erecting, constructing, operating, repairing and maintaining pole lines with cross arms for the transmission of electrical energy, and for telephone lines, and/or for laying, repairing, operating and renewing, any pipe line or lines for water, gas or sewage, and any conduits for electric or telephone wires, and reserving to the Seller the sole right to convey the rights hereby reserved.

Buyer agrees that any buildings or improvements now on the above described land, or hereafter erected on same, shall become a part of the real property, and Buyer agrees that he will not remove or cause to be removed, any improvements on said land, without the written consent of the Seller. Only new materials are to be used in any construction upon said property. No noxious or offensive factory or business ever at any time shall be carried on, on the said premises. No water closet, toilet or substitute therefor shall be maintained or permitted on said property unless so connected that same will be cleaned after flushing so as to discharge the contents thereof into an underground ~~sewer~~, septic tank or proper sewerage disposal system. A breach of any of said conditions or restriction or re-entry by reason of such breach shall not defeat or render invalid the lien of any mortgage or deed of trust made in good faith or for value as to said property or any portion thereof.

In case of suit by Seller to enforce this contract Buyer agrees to pay reasonable attorney fees of Seller.

Buyer agrees to keep the buildings now or hereafter erected on said premises insured against loss by fire during the life of this agreement for an amount agreeable to the Seller.

Buyer agrees to pay before delinquency all State, County and/or municipal assessments, such as taxes, etc., after date of this contract.

The reservations and restrictions above set forth are hereby declared to be both covenants and conditions, and shall remain in force and be binding upon the parties hereto, their heirs, executors, administrators, successors in interest and assigns, and shall be and are covenants running with the land. Upon a breach of any of the foregoing conditions, said premises shall revert to the Seller, its successors and assigns, and said Seller shall have the right of immediate re-entry upon said premises.

After recording return to: WESTERN BANK
P.O. Box 669
Klamath Falls, Or. 97601

2800

The Buyer agrees not to transfer or assign this contract or any interest herein without the written consent of the Seller first having been secured to such proposed assignment. In case of default by Buyer, the latter agrees to pay Seller's usual reinstatement fee and collection charges.

THAT TIME is of the essence of this agreement, and in event of failure by Buyer to comply with its terms, Seller shall be released from all obligations in law or equity to convey said property, and Buyer shall forfeit all rights thereto, and to moneys therefore paid under this agreement, and Buyer's interest in or to said moneys or said property shall thereupon immediately cease as fully as if said money had never been paid or this agreement entered into, and in the event Buyer should then be in possession of said property, Seller shall thereupon be entitled to immediate possession thereof and shall have as full power to dispose of said property as if this agreement had never been made. Seller, on conveying said property, free of incumbrance, except as otherwise herein provided, but subject to the following:

- (1) Any lien or incumbrance, payment or discharge of which is, under the terms of this agreement, assumed by Buyer.
- (2) Any incumbrance or lien created or suffered by Buyer.
- (3) Covenants, conditions, restrictions, reservations, easements, rights and/or rights of way of record, affecting said property.

IN WITNESS WHEREOF, the Seller has caused its corporate name to be hereunto affixed by its duly authorized Agent, and the Buyer has executed the same, in duplicate, the day and year first above written.

BUYER

SELLER

Robert R. Cloutier - President

Sidney A. Newbold - Treasurer

Address: Pacific Trade Center, Suite 938
Honolulu, Oahu, Hawaii 96813

By Betty L. Gratch

Telephone (808) 531-6932

Make all checks payable to: Western Bank

STATE OF OREGON, County of Chaffee

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

BE IT REMEMBERED, That on this 3rd day of December, 1979, before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named Betty L. Gratch

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

Tina L. K. [Signature]
Notary Public for Oregon, Colorado
My Commission expires December 13, 1982

STATE OF OREGON, County of Chaffee
December 3, 1979

State of Oregon, County of Klamath ss.

I hereby certify that the within instrument was received and filed for record on the 12th day of February, 1980, at 2:39 o'clock P M. and recorded on Page 2799 in Book M80 Records of Deeds of said County.

WM. D. MILNE, County Clerk
By Bernetha Helseth Deputy

Fee \$7.00

Personally appeared Robert R. Cloutier and Sidney A. Newbold, who, each being first duly sworn, did say that the former is the president and that the latter is the Treasurer of Land Heritage Corporation

a corporation, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation and that the 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.

Tina L. K. [Signature]
Notary Public for Oregon, Colorado
My commission expires December 13, 1982 (OFFICIAL SEAL)