

12411
This Agreement, made and entered into this 19 day of February, 1980 by and between
DALE SCHLEGEL and SHIRLEY L. SCHLEGEL, husband and wife,
hereinafter called the vendor, and
DWIGHT G. SPILLANE and VIRGINIA G. SPILLANE, husband and wife,
hereinafter called the vendee.

WITNESSETH

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

Beginning at the Southwest corner of Section 35, Township 39 South, Range 12 East of the Willamette Meridian, Klamath County, Oregon, thence running North 208.7 feet; thence East 208.7 feet; thence South 208.7 feet; thence West 208.7 feet to the place of beginning.

TOGETHER WITH: All of the equipment, furnishings and fixtures now used by Vendors in carrying on and conducting that certain grocery business known as "Lorella Store"; a mobile home upon the premises, and the assumed business name "Lorella Store".

at and for a price of \$ 89,000.00 , payable as follows, to-wit:

By agreement of the parties hereto the sales price has been allocated \$4,744.61 to personal property and \$84,255.39 to the real estate.

\$ 30,000.00 at the time of the execution
of this agreement, the receipt of which is hereby acknowledged; \$ 59,000.00 with interest at the rate of 10 %
per annum from March 24, 1980 payable in installments of not less than \$ ----- per
----- inclusive of interest; the first installment to be paid on the ----- day of -----
1980, and a further installment on the ----- day of ----- thereafter until the full balance and interest
are paid. SEE ADDENDUM TO CONTRACT, MARKED AS "EXHIBIT A" attached hereto.

Vendees hereby warrant that they have purchased the above-described property solely upon their own inspection and personal knowledge and in its present actual condition and have not relied upon any warranties or representations made by the Vendors or by any agent of the Vendors.

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 office of William P. Brandsness, 411 Pine Street,

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 ins. value with loss payable to the parties as their respective interests may appear, said policy or policies of insurance to be held Vendors copy to Vendees that vendee shall pay regularly and reasonably and before the same shall become subject to interest charges, all taxes, assessments, liens and incumbrances of whatsoever nature and kind. Taxes to be prorated as of date of closing.

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 be entitled to the possession of said property as of March 24, 1980.

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 in said Warranty Deed.

which vendee assumes, and will place said deed

together with one of these agreements in escrow at the office of William P. Brandsness, 411 Pine Street,

at Klamath Falls, Oregon, and shall enter into written escrow instruction in form satisfactory to said escrow holder, instructing said escrow holder that when, and if, 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.

Escrow fees shall be deducted from the first payment made hereunder. The escrow holder may deduct cost of necessary revenue stamps from final payments made hereunder.

In the event 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 this 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 this contract or to enforce any of the provisions hereof, vendee agrees to pay reasonable cost of title report and title search and such sum as the trial 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 such trial court, the vendee further promises to pay such sum as the appellate court shall adjudge reasonable as plaintiff's attorney's fees on such appeal.

Vendee further agrees that failure by vendor at any time to require performance by vendee of any provisions 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.

It is understood by the parties that there is a certain Contract of Sale dated July 7, 1977, recorded July 8, 1977 in M-77, page 12041, Microfilm Records of Klamath County, Oregon, between L. F. Nichols and Coleen M. Nichols, as Vendors, and Dale Schlegel and Shirley Schlegel, as Vendees; a Financing Statement filed July 8, 1977 under County Clerk's File No. 32182; which encumbrances Vendors herein shall pay and they shall hold Vendees herein harmless thereon.

WITNESS the hands of the parties the day and year first hereinabove written.

Shirley L. Schlegel
Dale Schlegel
Virginia S. Spillane
Virginia Spillane

TO 1944 CA (8-74)

(Individual)

STATE OF CALIFORNIA

COUNTY OF ORANGE

SS.

On FEBRUARY 19, 1980 before me, the undersigned, a Notary Public in and for said State, personally appeared DALE SCHLEGEL AND SHIRLEY L. SCHLEGEL.

known to me to be the person S whose name S ARE subscribed to the within instrument and acknowledged that THEY executed the same.

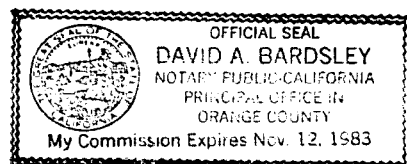
WITNESS my hand and official seal.

Signature

David A. Bardsley



ATTORNEY COMPANY



(This area for official notarial seal)

ADDENDUM TO CONTRACT

5717

SCHLEGEL - SPILLANE

February 19, 1980

PAYMENT SCHEDULE:

(a) Vendees shall make interest payments only upon the balance of said contract; the first of such payments to be made on the 24th day of March, 1980, and a like interest payment on the 24th day of each month thereafter.

(b) The entire sum, both principal and interest, to be paid in full on or before the 25th day of January, 1981.

(c) In the event Vendees cannot refinance said property on or before the 25th day of January, 1981, Vendees shall pay the sum of \$850.00 per month, including interest at 10% per annum; first payment to be made on the 25th day of February, 1981 and a like payment on the 25th day of each month thereafter, with the entire sum of both principal and interest, to be paid in full on or before the 25th day of January, 1982.

(d) At the time the Vendees herein shall have paid the unpaid balance on this contract, Vendors shall pay in full their contract balance with L. F. Nichols and Coleen M. Nichols, recorded July 8, 1977 in M-77, page 12041, and cause the deed held in that escrow to be recorded in the deed records of Klamath County, Oregon and shall further cause the Financing Statement #32182 to terminate of record and Vendors shall further then deliver unto Vendees a clear title to said mobile home.

STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record at request of William P. Brandsness

this 26th day of March A. D. 1980 at 4:10 clock P. M., and

fully recorded in Vol. 1102, of Deeds on Page 5115

W. D. MILNE, County Clerk

By Berntha H. Hetsch

Fee \$10.50

AFTER RECORDING RETURN TO:

WILLIAM P. BRANDSNESS
411 Pine Street
Klamath Falls, Oregon 97601