

This contract should be executed in triplicate, acknowledged by seller and recorded in the deed records.

STEVENS-NESS LAW PUBLISHING CO., PORTLAND, OR 97201

CONTRACT—REAL ESTATE

THIS CONTRACT, Made this _____ day of _____, 19____, between
LOWELL R. SHARP AND MARY JO SHARP, husband and wife
and ALTON E. MCNAUGHTON AND JEAN M. MCNAUGHTON, husband and wife,
hereinafter called the seller,
WITNESSETH: That _____

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 described lands and premises situated in Klamath County, State of Oregon, to-wit: A tract of land situated in Government Lot 3, being the NW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 31, Township 37 South, Range 11 East of the Willamette Meridian, in the County of Klamath, State of Oregon, being more particularly described as follows: Beginning at a point marking the Southeast corner of said Government Lot 3, said point being South 00° 05' 06" East, 1320.99 feet and South 89° 57' 09" East, 1282.21 feet from the brass cap monument marking the W $\frac{1}{4}$ corner of said Section 31; thence North 00° 31' 12" West 362 feet to the true point of beginning; thence North 39° 57' 09" West, 560.29 feet; thence North 00° 31' 12" West, 362 feet; thence South 89° 57' 09" East, 560.29 feet to the East line of Fifteen Thousand Four Hundred Thirty-Two Dollars (\$ 15,432.00) (hereinafter called the purchase price) on account of which Five Thousand and No/100 Dollars (\$ 5,000.00) is paid on the execution hereof (the receipt of which hereby is acknowledged by the seller), and the remainder to be paid at the times and in amounts as follows, to-wit: The balance of \$10,432.00 payable in the amount of \$150.00 per month including interest at 10%. The balance of the Contract is due and payable on or before May 15, 1985. The first payment is due on the balance on June 15, 1980 and on the 15th day of each month thereafter. There is no pre-payment penalty.

All of said purchase price may be paid at any time; all deferred balances shall bear interest at the rate of 10 per cent per annum from May 15, 1980 until paid, interest to be paid monthly and no payments above required. Taxes on said premises less than \$1000.00 shall be paid by the buyer.

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. The buyer shall be entitled to possession of said lands on May 15, 1980, subject to the terms of this contract. The buyer agrees to the condition and terms of this contract.

The buyer shall be entitled to possession of said lands on _____ May 15, 1980 _____, for business or commercial purposes other than agricultural purposes.

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 another 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 or his estate 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 lawfully may be imposed upon said premises; 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 value _____ in a company or companies satisfactory to the seller, with loss payable to the lender; and if the buyer shall fail to do so

Buildings now or hereafter erected on said premises against loss or damage by fire (with extended coverage) in an amount not less than \$ full value as their respective interests may appear and all policies of insurance to be delivered as soon as insured to the seller and then to the buyer if the buyer shall fail to pay any such liens, costs, water rents, taxes, or charges or to procure and pay for such insurance. Now, however, no 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, of any right arising to the seller from the buyer's breach of contract.

The seller, has exhibited unto the buyer a title insurance policy insuring marketable title in and to said premises in the seller; seller's title has been examined by the buyer and is accepted and approved by him.

Contemporaneously herewith, the seller has executed a good and sufficient deed (the form of which hereby is approved by the buyer) conveying the above described real estate in fee simple unto the buyer, his heirs and assigns, free and clear of incumbrances as of the date hereof, excepting the easements, building and other restrictions now of record, if any, and.....

none

(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.

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 _____~~

~~Record of Deeds of said county.~~

Witness my hand and seal of
County affixed.

By _____
Recording Officer
Deputy _____

SELLER'S NAME AND ADDRESS

BUYER'S NAME AND ADDRESS

After recording return to:

NAME, ADDRESS, ZIP

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

NAME, ADDRESS ZIP

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 revest 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 \$15,432.00. However, the actual consideration consists of or includes other property or value given or promised which is the whole consideration (indicate which).
In case suit is instituted to foreclose this contract or to enforce any provision hereof, the buyer agrees to pay such sum as the trial court may adjudge reasonable as attorney's fees to be allowed plaintiff in said suit and if an appeal is taken from any judgment or decree of such trial court, the buyer further promises to pay such sum as the appellate court shall adjudge reasonable as plaintiff'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, 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.

Alton E. McNaughton
Jean M. McNaughton

Lowell R. Sharp
Mary Jo Sharp

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

STATE OF OREGON, CALIFORNIA }
County of Los Angeles } ss.
MAY 29, 1980

STATE OF OREGON, County of _____) ss.
_____, 19____

Personally appeared _____ and
_____ who, being duly sworn,

Personally appeared the above named

ALTON E. MCNAUGHTON
JEAN MCNAUGHTON

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



OFFICIAL SEAL
RUTH S. NAULTY
NOTARY PUBLIC - CALIFORNIA

and acknowledged the foregoing instrument to be _____ and _____ voluntary act and deed

Before me: Ruth S. Naulty

Before me:

(OFFICIAL SEAL)

Notary Public for Oregon CALIFORNIA
My commission expires NOV 16, 1983

Notary Public for Oregon
My commission expires:

(SEAL)

Section 4 of Chapter 618, Oregon Laws 1975, provides:

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

"(2) Violation of subsection (1) of this section is a Class B misdemeanor."

(DESCRIPTION CONTINUED)

said Government Lot 3; thence South 00°31' 12" East, 362 feet to the point of beginning.

Subject to:

- 1) Rights of the public in and to any portion of said premises lying within the limits of roads and highways
- 2) Well agreement and easement to and from said well as disclosed by Contract recorded May 2, 1980 in Book M-80 at page 8155, between Lowell R and Mary Jo Sharp and John L and Barbara Woodruff

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

STATE OF OREGON, }
County of Clatsop } ss.

BE IT REMEMBERED, That on this 3 day of June, 1980
before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named Lowell R Sharp & Mary Jo Sharp

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

Donna K. Mateson
NOTARY PUBLIC-OREGON
My Commission Expires 12/1/89

Notary Public for Oregon.