

The first party agrees that at his expense and within thirty days from the date hereof, he will furnish unto second party a title insurance policy insuring (in an amount equal to said purchase price) marketable title in and to said premises in the first party on or subsequent to the date of this agreement, save and except the usual printed exceptions of this agreement, he will deliver a good and sufficient deed conveying said premises in fee simple unto the second party, his heirs and assigns, free and clear of encumbrances as of the date hereof and free and clear of all encumbrances since said date placed, permitted or arising by, through or under the first party, excepting, however, the said easements and restrictions created by the second party or his assigns.

But in case the second party 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 of the essence of this agreement, then the first party 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, and/or (3) to foreclose this contract by suit in equity, and in any of such cases, all the right and interest hereby created or then existing in favor of the second party, derived under this agreement, shall utterly cease and determine, and the premises aforesaid shall revert and re-vest in the first party without any declaration of forfeiture, or act of re-entry, or without any other act by first party to be performed and without any right of the second party of reclamation or compensation for money paid or for improvements made as absolutely fully and perfectly as if this agreement had never been made.

EXHIBIT OF 03438
BY TM BOX 304
NL SUG WRB CIOASG E HALLIE

The true and actual consideration paid for this transfer, stated in terms of dollars, is \$8,000.00. However, the actual consideration consists of or includes other property or value given or promised which is the whole consideration (indicate which) ()
And in case suit or action is instituted to foreclose this contract or to enforce any of the provisions thereof, second party agrees to pay 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 buyer further promises to pay such sum as the appellate court shall adjudge reasonable as plaintiff's attorney's fees on such appeal.

The second party further agrees that failure by the first party at any time to require performance by the second party of any provision hereof shall in no way affect first party's right hereunder to enforce the same, nor shall any waiver by said first party of any breach of any provision hereof be held to be a waiver of any succeeding breach thereof or as a waiver of the provision itself.

IN WITNESS WHEREOF said parties have executed this instrument in duplicate; 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.

Cloyse E. Harris
Lula Mae Harris
Cloyse E. Harris
Lula Mae Harris

LEISURE LODGE, INC.
Emery Owens
Emery Owens, President

NOTE-The sentence between the symbols (), if not applicable, should be deleted. See ORS 93.0301

STATE OF OREGON, } ss.
County of Douglas }
Feb. 10, 1981

CALIFORNIA
STATE OF OREGON County of Orange) ss.
FEBRUARY 17, 1981
Personally appeared Emery Owens and

Personally appeared the above named
Cloyse E. Harris and
Lula Mae Harris
and acknowledged the foregoing instrument to be their voluntary act and deed.

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

Before me:
Maureen J. Thomas
Notary Public for Oregon
My commission expires 4/2/82

Lucille M. Saller
Notary Public for California
My commission expires 11-26-82

Section 4 of Chapter 618, Oregon Laws 1975, provides: "A conveyance of 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 conveyor 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)

can be located on slopes in excess of 20%,
Tract #1074, Leisure Woods, including the terms and provisions thereof, recorded April 26, 1973, in Volume M73, page 4975, Microfilm Records of Klamath County, Oregon. Amendment to deed restrictions was recorded December 30, 1975, in Volume M75, page 15196, Microfilm Records of Klamath County, Oregon, (3) right-of-way easement, including the terms and provisions thereof, given to Midstate Electric Cooperative, Inc., a cooperative corporation, dated July 24, 1973, recorded July 24, 1973, in Volume M73, page 9350, Microfilm Records of Klamath County, Oregon, and (4) restrictions, reservations, easements and rights-of-way of record land those apparent on the land.

OFFICIAL SEAL
LUCILLE M. SALLER
NOTARY PUBLIC-CALIFORNIA
PRINCIPAL OFFICE IN
ORANGE COUNTY, CALIF.
My Commission Expires Nov. 26, 1982.

STATE OF OREGON, COUNTY OF KLAMATH; ss.
Filed for record at 3:28 o'clock P.M. on February 24th day of February A.D. 1981 at 3:28 o'clock P.M. and
this 24th day of February A.D. 1981 at 3:28 o'clock P.M. and
duly recorded in Vol. M81 of Deeds on p. 3265
By *Bernetha S. Litsch*
EVERLYN BIEHN, County Clerk
Bees \$7.00