

99193

38-810073-7  
LEASE OF REAL PROPERTY

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This Lease, Made and Entered into this 4<sup>th</sup> day of May, 1981, by and between ERNEST E. WISEMAN and GRACE L. WISEMAN, husband and wife, hereinafter referred to as LESSORS, and CHARLES F. MATESON and DONNA K. MATESON, husband and wife, hereinafter referred to as LESSEES;

WITNESSETH:

In consideration of the covenants, agreements, and stipulations herein contained on the part of the LESSEES to be paid, kept and faithfully performed, the LESSORS do hereby lease, demise and let unto the said LESSEE those certain premises situated in the County of Klamath, State of Oregon, known and described as follows: Lot 6 Block 8, Pleasant View Tracts, in the County of Klamath, State of Oregon, Excepting that part deeded to Klamath County for roadway.

TERM: The term of this lease shall be for 2 years and 8 months, commencing on May 1, 1981, and terminating on DECEMBER 31, 1983.

RENT: The rent for said property shall be the sum of \$450.00 per month, the first such payment to become due and payable on the 1st day of May, 1981, and subsequent payments to become due and payable on the 1st day of each month thereafter. LESSOR shall receive rents of \$515.00 for May from tenants which he shall keep and credit \$65.00 to LESSEE for the difference between LESSEE's Payment of \$450.00 and the monthly rent income of \$515.00. This credit as well as a credit due LESSEE for renter's \$100.00 deposit shall be subtracted from the \$2000.00 downpayment making the total due to be \$1835.00.

MAINTENANCE: LESSEES shall keep the premises, including buildings, fences, and other improvements, the approaches to and appurtenances of the premises, in as good repair and condition as when received, and in as good repair and condition as they may be put during the term of this lease, ordinary wear and tear excepted.

INSPECTION: LESSORS reserve the right during the term of this lease to enter upon the premises, and all parts thereof, as any reasonable time for the purpose of inspection, consultation with the LESSEES, making repairs or improvements, posting notices, and for all other lawful purposes whatsoever.

TAXES AND INSURANCE: LESSORS agree to pay when due all real property taxes and insurance on the leased premises during the term of this lease; however, should the taxes or insurance increase to more than five percent (5%) per calenday year, the LESSORS shall have the right to increase the rent called for herein only enough to pay the additional taxes and insurance. In the event that said rent should be increased during the term of his lease, said increase shall not be applied to the option to purchase hereinbelow provided for.

TIME OF THE ESSENCE AND REMEDIES BY LESSORS: Time is of the essence of this lease. This lease is made upon the express condition that if LESSEES fail to pay the rental as provided for hereunder for a period of thirty (30) days after the same becomes due, or fail to observe, perform, keep or comply with any covenant, agreement, condition or provision of the lease to be performed, kept or complied with by LESSEES after being given sixty (60) days written notice to perform the same, LESSORS may, at their option, without notice if the default is other than failure to pay rent, enter upon said premises or any part thereof in the name of the whole and expel LESSEES, their agents, employees and representatives therefrom and remove therefrom LESSEES' property and effects by such legal process as may be appropriate under the circumstances without in any manner preventing or affecting the rights of LESSORS to recover any rentals in arrears hereunder and/or any additional damages actually sustained by LESSORS, and without any prejudice to the remedies which may be otherwise used for arrears in rent, or proceedings for breach of covenant.

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NOTICE: Any notices to be give under the terms of this Lease shall be given to the LESSORS as follows:

Ernest E. Wiseman and Grace L. Wiseman  
1107 Carlson Street  
Klamath Falls, Oregon 97601

7377

the LESSEES as follows:

Charles F. Mateson and Donna K. Mateson  
705 Doty Street  
Klamath Falls, Oregon 97601

OPTION TO PURCHASE: As partial consideration for this lease, and in consideration of the sum of \$2000.00, receipt of which is hereby acknowledged, LESSEES are hereby given the option to purchase the above-described property for the sum of \$52,000.00. In the event that LESSEES shall exercise their option to purchase said property, \$150.00 of all monthly rent payments received by LESSORS on this lease shall be applied towards said purchase price, together with the \$2000.00 downpayment hereinabove receipted for.

LESSEES are hereby given the following rights in connection with said option to purchase:

1. In the event that LESSEES should desire to refinance and pay to LESSORS the entire principal balance due on said purchase price, LESSEES shall have the right to exercise their option to purchase at any time during the term of this lease by giving either of LESSORS written notice of their intention to exercise said option; and

2. In the event that LESSEES should desire to exercise their option to purchase by entering into a contract with the LESSORS, they shall have the right to do so only at the end of the term of this lease. In the event that said LESSEES desire to enter into said contract, the following terms and conditions shall apply:

a. The purchase price of \$52000.00 shall bear interest at the rate of twelve percent (12% per annum computed monthly on the unpaid balance of the purchase price.

b. LESSEES shall receive credit towards said purchase price for the \$2000.00 down payment and \$150.00 per month for all rental payments received by LESSORS.

c. The monthly payments called for in said contract shall be in the approximate amount of \$450+ per month, including interest, for a period of twenty-five(25) years after the date of closing, with no prepaying penalty and the right given to transfer vendees interest in property without vendor unreasonable withholding.

d. All closing costs in connection with this sale will be paid by seller and purchaser as is 'normally' done in real estate escrow closings.

The foregoing option shall be exercised by LESSEES giving either of LESSORS written notice of their intention to exercise said option by way of contract prior to November 31, 1983.

In the event that LESSEES elect not to exercise either of the above options, the \$2000.00 downpayment, all of the monthly rental payments and any costs for repairs or improvements shall be forfeited by LESSEES.

WAIVER: Any waiver by LESSOR of any covenant or condition herein contained to be kept or performed by LESSEES shall not be deemed or considered as a continuing waiver, and shall not operate as a bar to prevent LESSOR from declaring a breach for any succeeding breach either of the same condition, covenant or otherwise.

ASSIGNMENT: LESSEES shall not assign, transfer, pledge, apothecate, surrender or otherwise alienate this lease without the written consent of LESSOR, which consent shall not be unreasonably withheld. LESSEE is allowed to rent out said premises.

**INDEMNIFICATION:** Unless caused by the negligent or intentional acts of the LESSORS, LESSEES agree that LESSORS shall not be liable for injury to LESSEES' their property, or for damage to any other property of the LESSEES, their employees, invitees, or third parties, nor shall the LESSORS be liable for any damage resulting to the property upon or about the leased premises, arising at any time during the term of this lease when caused by conditions on the premises that are due to the LESSEES' actions or inactions.

**INSOLVENCY:** In the event LESSEES shall file a petition in bankruptcy or shall become involuntary bankrupts, or insolvent, this lease, upon the option of LESSORS, may be terminated and the said LESSORS may immediately take possession of the said premises.


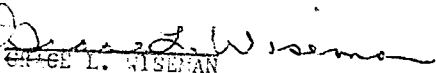
**HEIRS AND ASSIGNS:** All rights, remedies and liabilities herein give to or imposed upon either of the parties hereto shall extend to, inure to the benefit of and bind as the circumstances may require the heirs, executors, administrators, successors and, so far as this lease is assignable by its terms, the assigns of the parties.

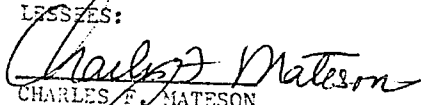
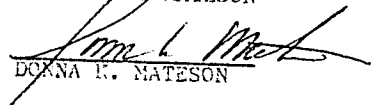
**ATTORNEY FEES:** Should any suit or action be brought to enforce any of the terms of this leased, the prevailing party in such suit or action shall be entitled to a reasonable sum as attorney fees, in addition to costs and disbursements as provided by law; and if any appeal is taken from any decision of the trial court, such further sum as may be fixed by the appellate court as reasonable attorney fees in the appellate court, in addition to costs and disbursements as provided by law.

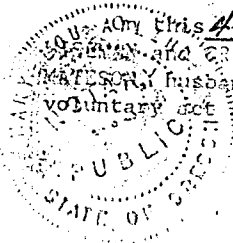
**CONSTRUCTION:** In construing this lease, it is understood that LESSORS or LESSEES may be more than one person, that if the context so requires, singular pronouns shall be taken to mean and to include the plural, the masculine, the feminine and the neuter, and that generally all grammatical changes shall be made, assumed and implied to make the provisions hereof equally apply to one or more persons.

**TITLES:** Paragraph headings in this lease are for convenience only and are not to be construed as part of this agreement.

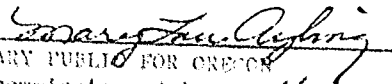
IN WITNESS WHEREOF, the respective parties have executed this instrument on the day and year first hereinabove written.

LESSORS:  
  
 ERNEST E. WISEMAN  
  
 GRACE L. WISEMAN  
 STATE OF OREGON )  
 ) ss.  
 County of Klamath )

LESSEES:  
  
 CHARLES F. MATESON  
  
 DONNA K. MATESON



On this 4th day of April May, personally appeared the above-named ERNEST E. WISEMAN and GRACE L. WISEMAN, husband and wife, and CHARLES F. MATESON and DONNA K. MATESON, husband and wife, and acknowledged the foregoing instrument to be their voluntary act and deed.

  
 NOTARY PUBLIC FOR OREGON  
 My commission expires: 11-16-84

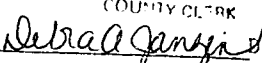
After Recording Return to:  
 Mr. and Mrs. Ernest E. Wiseman  
 1107 Carlson St.  
 Klamath Falls, Ore., 97601 MAIL TAX STATEMENTS TO SAME  
 STATE OF OREGON; COUNTY OF KLAMATH: ss.

I hereby certify that the within instrument was received and filed for record on the

5th day of May A.D., 19 81 at 11:18 o'clock A.M., and duly recorded in

Vol M81 of Deeds on page 7976.

Fee \$10.50

EVELYN BIEHN  
 COUNTY CLERK  
 By  Deputy