

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 re-vest 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 that this transaction is an interim transaction using short term financing pending the financing of the property by the State of Oregon, Department of Veterans' Affairs and that the entire balance will be paid upon the allocation of such funds to the Vendees.

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

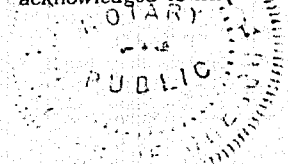
Return to:
KCTC
#3687
Adelia C. Story
Charles R. Stewart
Thelma D. Stewart

STATE OF OREGON,
County of Klamath } ss.

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

BE IT REMEMBERED, That on this _____ day of _____ July _____, 1981, before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named ADELIA C. STORY and CHARLES R. STEWART and THELMA D. STEWART, husband and wife.

known to me to be the identical individual. S 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.

Ray the Moore
Notary Public for Oregon
My Commission expires 8-27-83

STATE OF OREGON; COUNTY OF KLAMATH; ss.
I hereby certify that the within instrument was received and filed for record on the
8th day of July A.D., 1981 at 10:25 o'clock A M., and duly recorded in
Vol M81 of Deeds on Page 12199.
Fee \$ 7.00
EVELYN BIEHN
By Berntha H. Hilsch Deputy