

THIS CONTRACT, Made this 8th day of December 1981, between  
Merlin Fjarli and David Paul Harris and Louise Harris, husband and wife, hereinafter called the seller,

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:

PARCEL I:  
The North Half of the following described parcel of land:

All that portion of the East Half of the Northeast Quarter of the Southeast Quarter of Section 9, Township 39 South, Range 9 East of the Willamette Meridian, which lies South-erly of a line drawn parallel to and distant 330 feet Northerly of the Southerly boundary of the said East half of the Northeast Quarter of the Southeast Quarter, situated in Klamath County, State of Oregon.

PARCEL II:

The South Half of that part of the East Half of the Northeast Quarter of the Southeast Quarter of Section 9, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, State of Oregon, lying South of a line drawn parallel to and 330 feet Northerly of the Southerly line of said East Half of the Northeast Quarter of the Southeast Quarter; the South Half of the Southerly 330 feet measured parallel with the Southerly line of the East Half of the Northeast Quarter of the Southeast Quarter of Section 9, Township 39 South, Range 9 East of the Willamette Meridian.

EXCEPTING THEREFROM the East 20 feet deeded to Klamath County for road in Volume 336, Page 306, Deed Records, Klamath County.

for the sum of ONE HUNDRED SIXTY FIVE THOUSAND DOLLARS AND NO/100ths Dollars (\$165,000.00) (hereinafter called the purchase price) on account of which NINE THOUSAND DOLLARS AND NO/100ths Dollars (\$9,000.00) is paid on the execution hereof (the receipt of which is hereby acknowledged by the seller); the buyer agrees to pay the remainder of said purchase price (to-wit: \$156,000.00) to the order of the seller in monthly payments of not less than FIVE HUNDRED DOLLARS AND NO/100ths Dollars (\$500.00) each, for the first twelve payments, after which the payments will be not less than \$1,635.43 per month.

payable on the 8th day of each month hereafter beginning with the month of January 1982 and continuing until said purchase price is paid in full. All of said purchase price may be paid at any time; all de-ferred balances of said purchase price shall bear interest at the rate of 12 per cent per annum from January 8, 1982 until paid, interest to be paid monthly and \* being included in the minimum

parties hereto as of the date of this contract. December 8, 1981, at which time all sums of principal and interest then out-standing shall become immediately due and payable.

(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 land on December 8, 1981 and may retain such possession so long as he is not in default under the terms of this contract. The buyer agrees that at all times he will keep the premises and the buildings, now or hereafter erected thereon, in good condition and repair and will not suffer or permit any waste or strip (excepted); that he will keep said premises free from construction and all other liens and will pay all taxes, assessments and charges thereon and reimburse seller for all costs 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, all 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 3 times the actual cash value of the buildings and other improvements thereon and to the seller and then to the buyer as their respective interests may appear and all policies of insurance to be delivered to the seller as soon as insured. Now if the buyer shall fail to pay any such liens, taxes, water rent, or charges or to procure and pay for such insurance, the seller may do so and any payment so 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, however, of any right arising to the seller for buyer's breach of contract.

The seller agrees that at his expense and within ten days from the date hereof, he will furnish unto buyer a title insurance policy in-uring (in an amount equal to said purchase price) marketable title in and to said premises in the seller on or subsequent to the date of this agreement, save and except the usual printed exceptions and the building and other restrictions and encumbrances now of record, if any. Seller also agrees that when said purchase price is fully paid and upon request and upon surrender of this agreement, he will deliver a good and sufficient deed conveying said premises in fee simple unto the buyer, his heirs and assigns, free and clear of all encumbrances, liens and charges of all kinds, including but not limited to, said date placed, permitted or arising by, through or under seller, excepting, however, the said encumbrances and restrictions and the taxes, municipal liens, water rents and public charges so assumed by the buyer and further excepting all liens and encumbrances created by the buyer or his assigns.

(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 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. 1307 or similar. If the contract becomes a first lien to finance the purchase of a dwelling, use Stevens-Ness Form No. 1307 or similar.

Merlin Fjarli  
224 Saginaw  
Medford, Oregon 97501  
SELLER'S NAME AND ADDRESS

David and Louise Harris  
4100 Washburn Way  
Klamath Falls, Oregon 97601  
BUYER'S NAME AND ADDRESS

After recording, return to:

T/A - Sec. 6th St.

NAME, ADDRESS, ZIP

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

David and Louise Harris  
4100 Washburn Way  
Klamath Falls, Oregon 97601  
NAME, ADDRESS, ZIP

STATE OF OREGON,

County of

I certify that the within instru-ment was received for record on the day of 1981 at o'clock M., and recorded in book rec. volume No. on page or as document fee file instrument microfilm No. Record of Deeds of said county.

Witness my hand and seal of County of

By Deputy

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 all 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 revert in said seller without any act of re-entry, or any other act of said seller to be performed 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 balance owing shall be paid in full on or before December 8, 1986, and buyer reserves the right to prepay in full at any time without penalty. Any balloon payments made shall be paid as follows: One-half to Red Carpet/Kinsey Real Estate and one-half to seller until the brokerage fee is paid in full.

The true and actual consideration paid for this transfer, stated in terms of dollars, is \$ 165,000.00 (However, the actual consideration consists of the property or value of the property, which is the consideration indicated which.)

In case suit or action is instituted to enforce this contract or to enforce any provision hereof, the losing party in said suit or action agrees to pay such sum as the trial court may adjudge reasonable as attorney's fees to be allowed the prevailing party in said suit or action and if an appeal is taken from any judgment or decree of such trial court, the losing party further promises to pay such sum as the appellate court shall adjudge reasonable as the prevailing party'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, personal representatives, 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.

*David Paul Harris*  
x *Louise Harris*  
David Paul Harris  
Louise Harris

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

STATE OF OREGON,  
County of Klamath } ss.  
December 8, 1981

Personally appeared the above named  
David Paul Harris and Louise

Harris & *Merlin F. Harris*

and acknowledged the foregoing instrument to be their voluntary act and deed.

Before me:

(OFFICIAL SEAL) *Barlene I. Hildington*

Notary Public for Oregon

My commission expires 3-22-85

STATE OF OREGON, County of \_\_\_\_\_ ) ss.

Personally appeared \_\_\_\_\_, 19\_\_\_\_, and

who, being duly sworn, 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 \_\_\_\_\_

\_\_\_\_\_ 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:

(SEAL)

Notary Public for Oregon  
My commission expires: \_\_\_\_\_

ORS 93.635 (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 conveyor of the title to be 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.

ORS 23.990(2) Violation of ORS 93.635 is punishable, upon conviction, by a fine of not more than \$100.

(DESCRIPTION CONTINUED)

STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record at ~~XXXXXX~~

this 8 day of December A.D. 1981 at 3:30 clock P.M., and

duly recorded in Vol. M 81, of Deeds on Page 21093

Fee \$8.00

BY LYN BIEHN, County Clerk

*Joyce Mc...*