

TIA # M-38-26136-0
CONTRACT OF SALE

THIS CONTRACT OF SALE, Made and entered into this 7th day of July, 1983, by and between ANTOINETTE HUGHES, hereinafter called Seller, and DEBBY J. HUNT, hereinafter called Buyer;

W I T N E S S E T H :

That the Seller agrees to sell to Buyer, and Buyer agrees to buy from Seller all of the following described real and personal property, to-wit:

A tract of land situated in the W 1/2 of the NW 1/4 OF Section 20 and the E 1/2 of the NE 1/4 of Section 19, Township 28 South, Range 8 East of the Willamette Meridian, in the County of Klamath, State of Oregon, more particularly described as follows:

Beginning at a point on the Westerly right of way line of the Dalles-California Highway No. 97 as the same is now relocated and constructed, which point bears South along the section line 1870.10 feet, East 328.20 feet, and North 327.50 feet from the section corner common to Sections 17, 18, 19 and 20 of said Township and Range, said point marked by a 3/4" iron pipe and also marking the point of beginning of a tract of land conveyed to Phillip Cantonwine from the Crown Zellerback Corporation; thence North 71° 30' West along the boundary of said tract 304.88 feet to a 5/8" iron rod; thence North 16° 55' East 173.58 feet to a 1" bolt in Miller Creek; thence Northwesterly along the center of Miller Creek 165 feet, more or less, to the South right of way of Holliday Lane; thence Westerly along the South right of way of said Lane 75 feet, more or less, to the Northeast corner of the Beaver Marsh Airstrip property; thence Southerly along the Easterly line of said airstrip 742.60 feet; thence Southeasterly still along the airstrip property 259 feet to the West line of a tract of land conveyed to Ted Crowley by Thomas E. Elms; thence Northeasterly along the West line of said tract 136 feet to the Northwest corner of said tract; thence Southeasterly along the North line of said tract 196.10 feet to the Westerly right of way of the Dalles-California Highway; thence Northeasterly along the Westerly right of way of said highway 296 feet to the point of beginning.

SUBJECT, HOWEVER, TO THE FOLLOWING:

1. Rights of the public in and to any portion of said premises lying within the limits of roads and highways.
2. Limited access in deed to the State of Oregon, by and through its State Highway Commission recorded November 17, 1954, in Deed Volume 270 at page 485, which provided that no right or easement of right of access to, from or across the State Highway other than expressly therein provided for shall attach to the abutting property.
3. Conditions and recitals, including the terms and provisions thereof, as set out in that certain deed to State of Oregon, by and through its State Highway Commission, recorded December 10, 1954, in Volume 271 at page 112, Deed Records of Klamath County, Oregon. And amended November 23, 1956, in Book 288 at page 120, Deed Records.

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4. Mortgage, including the terms and provisions thereof, dated March 21, 1966, recorded March 21, 1966 in M-66 at page 2402, given to secure the payment of \$14,500.00 with interest thereon and such future advances as may be provided therein, executed by Wilson C. Elms and Doris M. Elms, husband and wife, to United States National Bank of Oregon, a national banking association, which Buyer does not assume and agree to pay, and Seller further covenants to and with Buyer that the said prior mortgage shall be paid in full prior to, or at the time this contract is fully paid, and that said above described real property will be released from the lien of said mortgage upon payment in full of this contract.

5. Unrecorded Contract, including the terms and provisions thereof, (as disclosed by Assignment dated February 26, 1982, recorded June 14, 1982, in Book M-82 at page 7481, from Dieter Seibold to Antoinette Hughes) dated September 30, 1977, Seller, Phil C. Cantonwine and Mary A. Cantonwine, husband and wife, and Buyers Antoinette Hughes and Dieter Seibold, tenants in common, which Buyer herein assumes and agrees to pay, and Buyer agrees to hold Seller harmless therefrom. The present balance of which is \$68,331.80 with interest paid to June 30, 1983.

6. Subject to the requirements and provisions of ORS Chapter 481 pertaining to the registration and transfer of ownership of a mobile home, and any interests or liens disclosed thereby.

TOGETHER WITH all equipment, furnishings, fixtures and inventory of said business, a more particular description of which is set forth in Exhibit "A" attached hereto and by this reference incorporated herein, together with a 1956 Spartan mobile home, Serial No. 445AG1127.

ALSO TOGETHER WITH the assumed business name of "Cantonwine's Holiday Village."

ALL at and for a total purchase price of Ninety thousand and no/100ths Dollars (\$90,000.00) - - - - - , payable as follows:

a. Buyers herein agree to pay that certain unrecorded Contract of Sale set forth herein dated September 30, 1977, to Cantonwine Transamerica Title Insurance Company, on behalf of Seller herein with an approximate balance due and owing of \$68,331.80 with interest paid to June 30, 1983, payable in monthly installments of not less than \$659.00 per month, inclusive of interest, with the first payment to commence on the 30th day of July, 1983, and a like installment on the 30th day of every month thereafter until the balance, and interest, is fully paid. It is further hereby agreed by and between the parties hereto that when the mortgage dated March 21, 1966, to the United States National Bank of Oregon is paid in full then the payments shall be in the sum of \$550.00 per month.

b. The balance of \$21,668.20 ^{18957.49} with no interest, shall be paid to Seller in monthly payments of not less than \$160.00 each, or more, prepayment without penalty, payable on the 30th day of July, 1983, and a like installment on the 30th day of every month thereafter until the balance is fully paid.

c. All payments made hereunder shall be made to Seller at Western Bank, Klamath Falls Branch, 421 South 7th Street, Klamath Falls, Oregon, herein designated as escrow agent.

INTEREST: Buyer shall pay interest on all deferred balances at the rate of 7 1/2% per annum until paid, interest to commence June 30, 1983.

PREPAYMENT: The Buyer shall be entitled to make prepayments without penalty except that in no year shall the principal paid exceed 30% in principal in any one tax year without a prepayment penalty.

However, no prepayment shall be credited in lieu of any regular future installment nor excuse Buyer from making the regular installment payments specified in this contract until the full sum of both principal and interest is paid.

TAXES AND LIENS: Except as herein expressly provided to the contrary, all current taxes and other assessments on the properties shall be paid by the Buyer. Buyer agrees to pay all such taxes and assessments thereafter levied before they become delinquent.

Buyer further agrees to pay and discharge of record all other liens which may thereafter be claimed or imposed against said property, or any part thereof, within thirty (30) days after the filing thereof or shall supply assurances satisfactory to Seller that said liens, or any judgments entered thereon, will be paid and discharged of record.

POSSESSION: Buyer shall be entitled to possession of the above-described property, real and personal, as of closing date, and may retain such possession only so long as Buyer is not in default herein.

PERSONAL PROPERTY: The personal property described herein is hereby transferred by Bill of Sale. Buyer agrees that she will keep said personal property in good condition and repair and will replace any property which shall become broken or worn out with articles of like kind and value. All such replacements and property acquired by exchange and all other personal property hereafter acquired shall be subject to and collateral for the security interest of Seller in this personal property.

REPRESENTATION: Buyer certifies that this Contract is accepted on the basis of Buyer's own examination and personal knowledge of the properties and opinion as to the value thereof; that the only material representations and warranties inducing this transaction are those expressly set forth herein; that no agreement or promise to alter, repair or improve said properties has been made by Seller or any agent of Seller; and Buyer hereby agrees to take said properties and the improvements thereon in the condition they are in at the time of execution of this Contract of Sale. Buyer agrees to keep said properties and the improvements in a good condition of repair and maintenance, and Buyer will commit no waste thereof.

SELLER'S WARRANTIES: Seller covenants with Buyer as follows: Except as expressly provided herein to the contrary, Seller is the sole owner of said properties and seized in fee simple of the above-described real and personal property; that Seller's title to the same is marketable; that Seller has a right to transfer title to the same and possession thereof; that the properties are presently free from all matured and inchoate liens, charges and encumbrances whatsoever, except as the same may be noted in this contract; that Buyer shall have quiet enjoyment of the properties and that Seller will warrant and defend the same against all lawful claims and demands whatsoever, except as stated herein.

INSURANCE: At Buyer's expense, she 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 the full insurable value, in a company or companies satisfactory to the Seller, with loss payable first to the Seller then to the Buyer as their respective interest may appear and all policies of insurance to be delivered to the Seller as soon as insured.

ASSIGNMENT: Buyer shall not sell, transfer or assign this contract or any right or interest therein without first obtaining the written consent of the Seller, and no sale, transfer or assignment of this contract shall be valid or recognized by any person for any purpose unless Seller's consent be obtained in writing; any such consent given pursuant hereto shall not be construed as any representation or agreement by Seller concerning the condition or degree of the right or interest reported to be sold, transferred or assigned by any such sale, transfer or assignment, consented to by Seller, and any breach of the terms or provisions of this paragraph by Buyer may be deemed by Seller to be a default in the terms thereof, and Seller shall have the right to declare all sums then remaining unpaid on this contract immediately due and payable, and if not so paid, shall have the right to foreclose this Contract of Sale. Consent of Seller to transfer shall not be unreasonably withheld.

DEFAULT: If Buyer fails to make any of the payments herein stated within thirty (30) days of the specified payment date, or if the Buyer fails to perform any of the other terms, covenants or conditions of this Contract of Sale, and if any such default in payment or performance shall remain uncorrected by Buyer for thirty (30) days after written notice of such default has been given by certified mail by Seller to Buyer at the Buyer's last known post office address, (provided always, that NO NOTICE WHATSOEVER SHALL BE REQUIRED OF SELLER FOR ANY DEFAULT IN PAYMENT OF ANY DEFERRED INSTALLMENTS OF PURCHASE PRICE), time of payment and strict performance in all things being of the essence of this contract, Seller shall have the following rights:

(1) To declare the entire unpaid balance of the purchase price, both principal and interest, immediately due and payable and to exercise any or all of the following options:

- (a) Take immediate possession of the property and its contents;
- (b) To foreclose this contract by strict foreclosure in equity; and to the appointment of a receiver during the pendency of the suit;
- (c) To sue for specific enforcement of this contract;

(2) or, to declare this contract null and void and to retain as liquidated damages the payments theretofore made under this contract by Buyer, and any repair and improvements made upon said properties. If Seller shall so elect to declare this contract null and void as hereinabove provided, all of the right, title and interest of Buyer shall immediately revert to and revest in Seller without any other act by Seller to be performed and without any right of Buyer of reclamation or compensation for money paid or repairs or improvements added, as absolutely, fully and perfectly as if no contract had ever been made, and Buyer agrees to surrender peaceably said properties and the possession thereof to Seller, or in default thereof Buyer may, at the option of the Seller, be

treated as a tenant holding over unlawfully after expiration of a lease and may be ousted and removed as such. Provided always that the recitation of remedies herein shall not be deemed exclusive and shall not bar the parties from any other or additional or supplemental remedy or remedies afforded at law, in equity, or otherwise.

DELINQUENT CHARGES: If Buyer shall fail to pay any assessments, liens, insurance premiums, or any other expense necessary to preserve Seller's lien hereby retained, and the value and priority thereof, Seller, without obligation to do so, and without waiver of Buyer's default, have the right to pay same, and treat the amount so paid as a debt due and owing from Buyer to Seller, secured by the lien of this contract, and to bear interest at contract rate per annum until paid.

WAIVER: No waiver of a breach of any covenant, term or condition of this contract shall be a waiver of any other or subsequent breach of the same, or any other term, covenant or condition, or as a waiver of the term, covenant or condition itself; nor shall such waiver require any notice of any kind to be given to reinstate the defaulted term, covenant or condition, or to make time and strict performance again of the essence. Time is of the essence of this contract and no waiver of any breach, including acceptance of a late payment, shall be a waiver of any other or subsequent breach.

PARTIES: The obligations of the undersigned are joint and several, and wherever the context hereof so admits or requires, the singular shall include the plural. This Contract of Sale contains the entire agreement of the parties and cannot be modified except upon written agreement. This contract shall benefit and bind the heirs, executors, administrators, successors and assigns of the parties.

ATTORNEY'S FEES: Should suit, action or other legal proceeding be instituted to declare or enforce any right created by this instrument, the prevailing party therein shall be entitled to the costs and disbursements provided by statute, and such other sum as the Court may adjudge reasonable for attorney's fees.

PRIOR AGREEMENTS: This document is the entire, final and complete contract of the parties pertaining to the sale and purchase of the real and personal property, and supersedes and replaces all written and oral contracts heretofore made or existing by and between the parties or their representatives insofar as the property is concerned.

GENERAL PROVISIONS:

(1) All of the terms herein, the rights, duties and remedies of the parties shall be governed by the laws of Oregon.

(2) Each demand, notice or other communication shall be served or given by mail or telegraph addressed to the party at their mailing address set forth herein. For purposes of Notice, Seller's address shall be Star Route Box 95, Chemult, Oregon 97731. Buyer's address shall be Star Route Box 95, Chemult, Oregon 97731. Reasonable notice, when notice is required shall be ten (10) days.

TRUTH IN LENDING: The parties agree that this transaction is a sale and purchase for business use and no disclosure statement is necessary under any federal or state trust in lending statute.

SPECIAL PROVISIONS: The property is presently subject to a mortgage which is set forth in this Contract of Sale on page 2, in favor of the United States National Bank of Oregon, Chiloquin Branch, Chiloquin, Oregon, and executed by Wilson C. Elms and Doris M. Elms, husband and wife. Seller covenants that the said prior mortgage shall be paid in full prior to, or at the time this contract is fully paid, and she further covenants that she will hold Buyer harmless therefrom. If Seller should receive notice of breach of any of the terms of such instrument, Seller shall immediately forward a copy of such notice to Buyer.

In the event Seller fails to make any payments required by such instrument, Buyer, at Buyer's option, may make any or all of the payments payable by Seller hereunder, directly to the mortgage until such obligation is satisfied. Such payment shall be credited on the balance of the purchase price hereunder as though paid directly to Seller.

ESCROW ARRANGEMENTS: As soon as practicable following the execution of this Contract of Sale, Seller shall deliver in escrow to Western Bank, Klamath Falls Branch, 421 South 7th Street, Klamath Falls, Oregon, the following:

- (1) Recorded Contract of Sale.
- (2) Unrecorded Warranty Deed.

The parties hereby instruct said Escrow Agent to receive for Seller's account the balance of the installment payments provided herein. Said Escrow Agent is further authorized and instructed that it is to close the escrow and deliver the documents to the parties entitled thereto at such time as all sums called for hereunder have been fully and completely paid by Buyer.

Said Escrow Agent is further directed and instructed to pay the proceeds of the payments to Seller Antoinette Hughes at Star Route Box 95, Chemult, Oregon 97731.

If Buyer fails to pay any installment before the expiration of thirty (30) days after the due date thereof, the Escrow Agent is authorized to surrender to Seller, upon demand, after proof of written notice to Buyer, all of the documents specified in the preceding paragraphs, thereby terminating the escrow.

EXECUTED IN TRIPLICATE, ONE COPY OF WHICH WAS DELIVERED TO AND RETAINED BY THE BUYER, this 17th day of July, 1983.

Antoinette Hughes
ANTOINETTE HUGHES - Seller

Debby J. Hunt
DEBBY J. HUNT - Buyer

STATE OF NEVADA
County of WASHOE } ss.

Personally appeared the above-named ANTOINETTE HUGHES and acknowledged the foregoing instrument to be her voluntary act and deed.




Kathy C. Sanchez
NOTARY PUBLIC FOR NEVADA
My Commission Expires: 8-25-88

STATE OF OREGON)
County of Klamath) ss.

Personally appeared the above-named DEBBY J. HUNT and
acknowledged the foregoing instrument to be her voluntary act
and deed.

Darlene J. Huntington
NOTARY PUBLIC FOR OREGON
My Commission Expires: 3-22-88



INVENTORY

UNIT #1

2 double beds
1 single bed
2 night stands
1 TV set
1 chair

1 lamp
6 blankets
3 spreads
5 pillows
1 coffee bar

UNIT #2

2 double beds
1 single bed
2 night stands
1 TV set
1 chair

1 coffee bar
6 blankets
3 spreads
5 pillows

UNIT #3

2 double beds
2 night stands
2 chairs
1 table
1 TV set
Stove
Refrigerator
Sink

Dishes
Pots and pans
1 coffee bar
4 blankets
2 spreads
4 pillows

UNIT #4

2 double beds
1 single bed
1 table
3 chairs
3 night stands
1 chest of drawers

1 loveseat
1 TV set
1 coffee bar
6 blankets
3 spreads
5 pillows

UNIT #5

2 double beds
1 single bed
2 tables
4 chairs
1 night stand
1 chest of drawers
2 lamps
Stove

Refrigerator
Sink
Dishes
Pots and pans
6 blankets
2 spreads
5 pillows
1 loveseat
1 coffee bar

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UNIT # 6

2 double beds
2 chairs
Stove
Refrigerator
Sink
1 TV set

2 night stands
1 coffee bar
Dishes
Pots and pans
2 blankets
1 spread
2 pillows

UNIT # 7

2 double beds
1 roll-away bed
1 TV set
Coffee bar

1 night stand
1 lamp
2 spreads
4 blankets
4 pillows

UNIT #8

1 double bed
1 table
2 chairs
2 night stands
1 TV set
1 coffee bar
1 spread

Stove
Refrigerator
Sink
Dishes
Pots and pans
2 blankets
2 pillows

EXHIBIT "A"
Page 2

Return TA

STATE OF OREGON,)
County of Klamath)

Filed for record at request of

on this 11 day of AUG A.D. 19' 83
at 3:45 o'clock P M, and duly
recorded in Vol. M83 of DEEDS

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EVELYN BIEHN, Cou: ty Clerk

By *John Lewis* Deputy

Fee 36.00