

THIS AGREEMENT, made and entered into this 11th day of April, 1985, by and between PAUL RICHARD ZECH, SR., aka PAUL R. ZECH, and BEN JEAN ZECH, husband and wife, hereinafter referred to as Sellers, and PATRICK F. JANISCH and LINDA K. JANISCH, husband and wife, hereinafter referred to as Buyers.

W I T N E S S E T H :

That the Sellers, for and in consideration of the covenants and agreements herein stated to be kept and performed by the Buyers, have agreed to sell and convey to the Buyers and the Buyers have agreed to purchase and to pay to the Sellers the sums of money hereinafter stated for the following described mobile home, to-wit:

1977 Corinthian, 24' by 60', Serial No. or ID No. 9-3243.

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

PURCHASE PRICE - ADDITIONAL PAYMENTS

The purchase price of the property which Buyers agree to pay shall be the sum of \$12,000.00 (Twelve thousand and no/100ths Dollars), payable as follows:

No down payment is required; the entire purchase price being subject to the contract payable as follows:

The sum of \$12,000.00 shall be paid in monthly installments of \$120.00 each, or more, prepayment without penalty, including interest at the rate of 10% per annum from the 11th day of April, 1985, the first of such installments to be paid on or before the 15th day of May, 1985, and a like installment to be paid on the 15th day of each and every month thereafter, until the 15th day of May, 1996, when the entire unpaid balance, both principal and interest is due and payable.

Buyers herein acknowledge that there is a present loan on the above-described mobile home, loan number 456 0071 830, at Western Bank, Bend Branch, 450 N.W. Franklin, Bend, Oregon, 97701, and there is a present balance due and owing in the sum of \$5,561.00 with interest paid to March 12 1985. Buyers herein acknowledge to Sellers that Sellers shall make said monthly payments due and owing to Western Bank until said loan has been paid in full. It is further understood and agreed by and between the parties hereto that the title to said mobile home cannot be transferred until the loan to Western Bank has been paid in full. Upon payment in full of said loan, Sellers herein agree to deliver said title to Klamath First Federal Savings & Loan Association, 540 Main Street, Klamath Falls, Oregon, 97601.

APR 12 PM 3 58

It is further agreed by and between the parties hereto that in the event Western Bank shall require the loan on the mobile home to be paid in full, the Buyers herein agree to apply for a new loan and pay said balance of said loan to Western Bank in full and the parties agree to adjust the balance of the Contract in the event Western Bank calls for the refinance of said loan on the mobile home.

TAXES

Buyers herein further agree to pay all future taxes on said mobile home which shall become a lien against said property. Sellers shall be responsible for any taxes or liens up to and including April 11th, 1985, that may be due and payable on said mobile home.

BUYERS TO PAY LIENS

Buyers agree to pay, when due, all public, municipal and statutory liens which may be lawfully imposed against the premises. If the Buyers shall fail to pay any charges, liens or encumbrances above provided for, the Sellers may, at their option, do so, and any payments so made shall be added to and become a part of the principal purchase price and shall bear interest at the same rate as provided for in this agreement, without waiver, however, of any rights arising to the Sellers for breach of covenant.

POSSESSION

Buyers shall have possession of said mobile home on the 11th day of April, 1985, and may retain such possession so long as Buyers are not in default under the terms of this agreement.

IMPROVEMENTS

Buyers agree that all improvements now on or hereafter placed on the premises shall remain a part of the property and shall not be removed at any time prior to the expiration of this agreement without the written consent of the Sellers. Buyers shall not commit or suffer any waste of the property or any improvements hereafter placed thereon, and shall maintain the property and all improvements now on or hereafter placed thereon and alterations thereof in good repair and condition.

CONSENT TO ASSIGN

This contract is non-assignable until such time as the Western Bank loan number 456 0071 830 is fulfilled at which time Buyers may assign with the written consent of the Sellers.

INSURANCE

It is further agreed by and between the parties hereto that Buyers herein agree to carry insurance on said mobile home and to name Sellers as loss-payees under the terms of said policy for the full insurable value of said mobile home.

DEFAULT NOTICE

In the event that Buyers shall fail to perform any of the terms of this agreement, time of payment and performance being of the essence, Sellers shall, at their option, subject to the requirements of notice as herein provided, have any or all of the following rights:

CONTRACT AND POWER OF ATTORNEY
Page -2-

(a) To foreclose this contract by strict foreclosure in equity; and/or

(b) To declare the full unpaid balance of the purchase price immediately due and payable; and/or

(c) To specifically enforce the terms of this agreement by suit in equity; and/or

(d) To declare this agreement null and void as of the date of the breach and to retain as liquidated damages the amount of the payments theretofore made upon said premises. Under this option, all of the rights, title and interest of the Buyers shall revert and revest in the Sellers without any act of re-entry or without any other act by Sellers to be performed, and Buyers agree to peaceably surrender the premises to Sellers, or in default thereof, Buyers may, at the option of the Sellers, be treated as a tenant holding over unlawfully after the expiration of a lease and may be ousted and removed as such.

Buyers shall not be deemed in default for failing to perform any covenants or conditions of this contract until notice of said default has been given by the Sellers to Buyers and the Buyers shall have failed to remedy said default within ten (10) days after the giving of the notice. Notice for this purpose shall be deemed to have been given by the deposit in the mail of a certified letter containing said notice and addressed to the Buyers at Post Office Box 724, Gilchrist, Oregon, 97737. Sellers address is Post Office Box 43, Crescent Lake, Oregon, 97425. If Buyers shall fail to make payments as herein provided and said failure shall continue for more than ten (10) days after the payments becomes due, Buyers shall be deemed in default and Sellers shall not be obligated to give notice to Buyers of a declaration of said default.

Sellers shall have and may use any or all of the remedies of Sellers available under the Oregon Uniform Commercial Code.

In the event Sellers shall fail to make the monthly payments to Western Bank, then Buyers herein shall have recourse against Sellers for said payment or payments and has the option of applying any payment or payments Buyers may be forced to make to Western Bank against the outstanding balance owing to Sellers.

MAINTENANCE

Buyers will maintain the mobile home in good condition and repair and preserve the same against waste, loss, damage or depreciation in value, other than by reasonable wear and tear.

WAIVER

Failure by Sellers at any time to require performance by Buyers of any other provisions hereof shall in no way affect Sellers' rights hereunder to enforce the same, nor shall any waiver by Sellers of any breach hereof be held to be a waiver of any succeeding breach, or a waiver of this nonwaiver clause.

DISCLOSURE

The Buyers certify that this contract of purchase is accepted and executed on the basis of their own examination and personal knowledge of the property and opinion of the value thereof; that no attempts have been made to influence their judgment; that no

representations as to the condition or repair of said premises have been made by the Sellers or by any agent of the Sellers; that no agreement or promise to alter or repair or improve said premises have been made by the Sellers or by any agent of the Sellers; that Buyers take said property and the improvements thereon in the condition existing at the time of this agreement.

POWER OF ATTORNEY

Sellers agree to execute a Combined Bill of Sale and Power of Attorney for transference of title by the Department of Motor Vehicles to the Buyers. It is further agreed by and between the parties hereto that upon payment in full of the contract held in escrow at Klamath First Federal Savings and Loan Association, 540 Main Street, Klamath Falls, Oregon, the title to said mobile home shall be transferred to the Buyers.

ESCROW

As soon as practicable following the execution of this agreement, Sellers shall deliver in escrow to Klamath First Federal Savings and Loan Association at 540 Main Street, Klamath Falls, Oregon, (a) an executed copy of this contract, and (b) a combined bill of sale and power of attorney. The parties hereto hereby instruct said escrow agent to receive for Sellers' account the balance of the installment payments provided for herein. Upon full payment of the principal and interest provided for herein, the escrow agent shall deliver to Buyers the instruments specified above. If Buyers fail to pay any installments before the expiration of ten (10) days after the due date thereof, the escrow agent is authorized to surrender to Sellers, all of the documents specified in the preceding paragraph, thereby terminating the escrow.

It is further agreed by and between the parties hereto that the Certificate of Title to the 1977 Corinthian mobile home will be delivered to Klamath First Federal Savings and Loan Association, by the Sellers, to be held in the collection escrow, upon payment in full of the loan at Western Bank.

APPOINTING RECEIVER TO COLLECT RENTS

In case suit or action is commenced to foreclose this contract, the court may, upon motion of the Sellers, appoint a receiver to collect the rents and profits arising out of said premises during the pendency of such foreclosure and apply the same, after first deducting all of said receiver's property charges and expenses, to the payment of the amount due under this contract.

ATTORNEY'S FEES

In case suit or action is instituted to enforce any of the rights or provisions expressed in this agreement, the party not prevailing agrees to pay the prevailing party's costs and disbursements related to said proceedings, and such sum as the court may adjudge as reasonable for the prevailing party's attorney fees connected with the trial and the appeal thereof.

ENTIRE AGREEMENT

This document is the entire, final and complete agreement of the parties pertaining to the sale and purchase of the within described mobile home and supersedes and replaces all written and oral agreements heretofore made or existing by and between the

parties or their representatives insofar as the within described mobile home is concerned.

CONSTRUCTION

In construing this agreement, it is understood that the Sellers or Buyers 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. All captions used herein are intended solely for the convenience of reference and shall in no way limit any of the provisions of this contract.

IN WITNESS WHEREOF, the parties have caused this contract to be executed this 11th day of April, 1985.

Paul Richard Zech, Sr.
PAUL RICHARD ZECH, SR., aka
PAUL R. ZECH
Seller

Ben Jean Zech
BEN JEAN ZECH
Seller

Patrick F. Janisch
PATRICK F. JANISCH
Buyer

Linda K. Janisch
LINDA K. JANISCH
Buyer

STATE OF OREGON)
) ss.
County of Klamath)

Sandra H. personally appeared the above-named PAUL RICHARD ZECH, SR., aka PAUL R. ZECH, BEN JEAN ZECH, PATRICK F. JANISCH and LINDA K. JANISCH and acknowledged the foregoing instrument to be their voluntary act and deed.

Before Me:

Sandra Handscher
NOTARY PUBLIC FOR OREGON
My Commission Expires: 7-23-85

Ret: ATC

STATE OF OREGON,)
County of Klamath)
Filed for record at request of

on this 12th day of April A.D. 19 85
at 3:58 o'clock P M, and duly
recorded in Vol. M85 of Misc.
Page 5369

EVELYN BIEHN, County Clerk

By Pamela Smith Deputy

21.00

Fee