

REAL ESTATE CONTRACT

Vol. 1485 Page 9600

THIS AGREEMENT, Made and entered into this 1st day of March, 19 85,
by and between Arthur Melvin Lynn (a married man)
hereinafter called the Seller, residing in the City of Tacoma, State of Washington,
and Carol Yvonne Brown (a married woman),
hereinafter called the Purchaser, residing in the City of Chiloquin, State of Oregon

WITNESSETH, That the Seller agrees to sell and the Purchaser agrees to purchase the following described real estate, with the appurtenances thereon, to wit:
The North Half of the East Half of the Northeast Quarter of the Northeast Quarter of Section 12, Township 29 South, Range 7 East, Willamette Meridian.
SUBJECT to the recorded and established rights of way including the right of way of The Dalles - California Highway, the right of way of the East Diamond Lake Highway and the right of way of the Bonneville Power Administration, aka Lake Way Motel.
Including certain personal property appurtenant thereto: signs, equipment, supplies, furnishings and tools.

One mobile home, 1972 Shelterex, License No. X83929; Vehicle ID No. S3784.
One mobile home, 1973 Concord, License No. X85281, Vehicle ID No. 29342S1251.
And other personal property as per written inventory record furnished to Buyer herein.

situated in Klamath County, State of Oregon, on the following terms: the
total purchase price is One Hundred Twenty Three Thousand--- Dollars (\$ 123,000.00)
of which the sum of One Thousand----- Dollars (\$ 1,000.00)

has this day been paid by Purchaser, the receipt whereof is hereby acknowledged by Seller, and the balance of One Hundred Twenty Two Thousand ----- Dollars (\$ 122,000.00)
to be paid in the amounts and at the times stated as follows:

\$1,000.16 (or more) per month, including interest charged at the rate of 9 5/8 %
per annum (APR), starting August 1, 1985 and continuing on the same day of each
and every consecutive month thereafter until said principal and interest have been
paid in full.

NOTE: Payments based upon a 480 month amortization schedule.

with interest on all deferred payments, to be computed from the date of this agreement at the rate of 9 5/8 per cent per annum and to be paid on each principal paying date. Purchaser may make larger payments at anytime, or pay the contract in full, and interest shall immediately cease on all payments so made.

It is agreed that the Purchaser shall have possession of said premises from the 1st day of July, 19 85, provided that all the terms and conditions of this agreement are fully complied with.

Purchaser agrees to pay all taxes and assessments legally levied against said property subsequent to this date, before the same shall become delinquent.

Purchaser agrees to keep and maintain insurance on the improvements on said premises in the sum of not less than One Hundred Seventy Five Thousand ----- Dollars (\$ 175,000).
Purchaser also agrees to assume all hazards of damage to or destruction of any improvements on said premises; and agrees to keep the buildings and all improvements on the premises in good condition and repair and not to permit waste; and agrees not to use the premises for any illegal purpose.

In the event that the Purchaser shall fail to make any payment herein provided, the Seller may pay such taxes or assessments and effect such insurance, and any amount so paid by the Seller shall be deemed a part of the purchase price and shall become payable forthwith, with interest at the rate of 12 per cent per annum until paid, without prejudice to any other rights of Seller by reason of such failure.

The Purchaser agrees that a full inspection of the premises has been made and that neither the Seller nor assigns shall be liable under any covenants respecting the condition of the premises or for any agreement for alterations, improvements or repairs unless the covenant or agreement relied upon is in writing and is attached to and made a part hereof.

The Seller agrees to procure within ten days of the date hereof, a Purchaser's policy of title insurance, insuring the Purchaser to the full amount of the purchase price against loss or damage by reason of defect in the title of the Seller to the real estate herein described or of reason of prior liens not assumed by the purchaser in this agreement.

The Seller agrees, on full payment of the purchase price and interest in the manner hereinbefore specified, to execute and deliver to Purchaser a Warranty Deed to the real estate, excepting any part which may hereafter be condemned, free and clear of encumbrances, except those mentioned herein and any that may accrue hereafter through any person other than the Seller.

Time is of the essence of this agreement. If the Purchaser shall fail to comply with or perform any covenant or agreement hereof promptly at the time and in the manner herein required, the Seller may elect to declare a forfeiture by written notice to the Purchaser, and at the expiration of thirty days thereafter this agreement shall be at an end and null and void if in the meantime the terms of this agreement have not been complied with by the Purchaser. In such event and upon Seller doing so, all payments made by the Purchaser hereunder and all improvements placed upon the premises shall be forfeited to the Seller as liquidated damages, and the Seller shall have the right to re-enter and take possession. Service of all demands and notices with respect to such declaration or forfeiture and cancellation may be made by registered mail at the following address:

c/o Lake Way Motel - Star Route, Box 140 - Chemult, Oregon 97731

or at such other address as the Purchaser shall indicate to the Seller in writing.

In the event of the taking of any part of the property for public use, or of the destruction of any of the improvements on the property by fire or other casualty, the moneys received by reason thereof shall be applied as a payment on account of the purchase price of the property, less any sum which may be required to be expended in procuring such money, or to the rebuilding or restoration of the premises.

The payments called for herein are to be made at 4726 N. Gove Street - Tacoma, Washington 98407 or as requested in writing by Seller

It is further agreed that: A new 2500 gallon septic system is to be installed at Seller's expense. Seller hereby agrees to pay the following encumbrances:

- (1) Property taxes presently delinquent on said property. (SEE ADDENDUM)
 - (2) U.S. National Bank of Oregon - Acct. # 029-0029-035624 (TO CONTRACT)
 - (3) Willamette Savings and Loan - Acct. # 04-401757-2 (ATTACHED HERETO)
- NOTE: Total financial obligation approx. \$30,525.00

IN WITNESS WHEREOF, the parties hereto have signed this instrument in duplicate the day and year first above written.

Carol Yvonne Brown
Purchaser Carol Yvonne Brown

Arthur Melvin Lynn
Seller Arthur Melvin Lynn

STATE OF ~~WASHINGTON~~ OREGON
County of Klamath ss. Margaret A. Wynne Expires 07/22/88
I, the undersigned, a Notary Public in and for the State, do hereby certify that on this 20th day of March, 1985, personally appeared before me Carol Yvonne Brown, Arthur Melvin Lynn

They signed the same as Their free and voluntary act and deed for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

(If seller is a corporation, attach corporate acknowledgment.)
Notary Public in and for the State of OREGON, residing at Chiloquin, Oregon

ASSIGNMENT BY PURCHASER

The within named purchaser for and in consideration of the sum of _____ Dollars (\$ _____) does assign and convey all right and title in and to the within contract and the property described therein unto _____ and successors in interest. And does hereby authorize the seller, or successors in interest, to receive all money due thereon and upon full compliance with the terms thereof to issue a deed to the said assignee, instead of the said purchaser. Said assignee hereby assumes and agrees to fulfill the terms and conditions of said real estate contract.

Dated this _____ day of _____, 19____.

Assignee(s) _____ Assignor(s) _____

ASSIGNMENT BY SELLER

The within named seller for and in consideration of the sum of _____ Dollars (\$ _____) hereby assigns all his right and title to the within contract to _____ and said assignee(s) hereby assume(s) and agree(s) to be bound by the terms and conditions of said real estate contract.

Dated this _____ day of _____, 19____.

Assignee(s) _____ Assignor(s) _____

(Deed from seller to assignee must be given with this assignment.)

STATE OF WASHINGTON
County of _____ ss. _____
I, the undersigned, a Notary Public in and for the said State, do hereby certify that on this _____ day of _____, 19____, personally appeared before me _____

to me known the be the individual _____ described in and who executed the above assignment, and acknowledged that _____ signed the same as _____ free and voluntary act and deed for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

Notary Public in and for the State of Washington, residing at _____

ADDENDUM TO CONTRACT DATER MARCH 1, 1985 BETWEEN ARTHUR MELVIN LYNN
(seller) AND CAROL YVONNE BROWN (buyer).

The Buyer and Seller herein have appraised said property as follows:

\$10,000	-	"Concord" mobile home
\$ 8,000	-	"Shelterex" mobile home
\$10,000	-	Land
\$70,000	-	Motel building
\$ 400	-	Caterpillar, model #212, moter grader
\$24,600	-	Furnishings

The buyer herein acknowledges receipt of a complete, accurate, itemized inventory record of all personal property included in this transaction.

In addition to the monthly payment schedule set forth herein, the buyer shall pay to the seller, an additional cash payment equivalent to 20% of the then remaining principal balance of said contract, prior to the assignment of buyer's equitable interest in said property.

STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record ..
this 24th day of June A. D. 19 85 at 2:05 o'clock P M., and
duly recorded in Vol. M85, of Deeds on Page 9600.

By EVELYN BIEHN, County Clerk
[Signature]

Fee: \$13.00

*Return: Carol Brown
90 Lake Way Motel
St. Rt, Box 140
Chemult, Or
97731*