

THIS AGREEMENT, made this 24 day of July, 1986
 BETWEEN Charles T. Reynolds (name), whose address is
 (or principal place of business is) RT 6 Box 931 Alexander City AL 35010 205-234-2667

AND Pacific Service Corporation (name), whose address is
 (or principal place of business is) 707-B Hampton Venice, Cal. 90291

hereafter designated as "Buyer."

WITNESS: That Seller, in consideration of covenants and agreements hereinafter contained agreed to sell and convey to Buyer, and Buyer agrees to buy the following described real property:

Lot 6, Block 1, Klamath Falls Forest Estates Highway 66, Unit 1,
Klamath Falls, Oregon

A. Cash Price		\$ <u>1350.00</u>
B. Less: Present Cash Down Payment	\$ <u>270.00</u>	
C. Deferred Cash Down Payment	\$ _____	
(Due on or before <u>19</u>)		
D. Trade-in	\$ _____	
E. Total Down Payment	\$ <u>270.00</u>	\$ <u>270.00</u>
F. Unpaid Balance of Cash Price - Amount Financed		\$ <u>1080.00</u>
G. FINANCE CHARGE (Interest Only)		\$ <u>324.00</u>
H. ANNUAL PERCENTAGE RATE	<u>9</u> %	
I. Deferred Payment Price (A - G)		\$ <u>1674.00</u>
J. Total of Payments (F + G)		\$ <u>1404.00</u>

The "Total of Payments" is payable by Buyer to Seller in approximately 72 monthly installments of Nineteen and 50/100 Dollars (\$ 19.50), each, due on 19

and a like amount due on the 15 day of each and every calendar month thereafter, until paid in full. The FINANCE CHARGE applies on all deferred payments from August 15, 1986, 19____. Such payments shall be made in lawful money of the United States. Buyer may make prepayments.

Taxes for 1985/1986 and all subsequent taxes are to be paid by Buyer and he shall agree to pay all assessments levied subsequent to date hereof. Buyer to pay prorata share of current years taxes only from date of agreement. Seller and buyer agree at Buyers expense to place Contract and Warranty Deed in Holding Escrow at Klamath County Title Company. Seller agrees at Buyers expense and request to issue note and deed of trust on the above property by separate parcel or all.

IT IS UNDERSTOOD AND AGREED that time is of the essence of this contract and should Buyer fail to comply with the terms hereof, then Seller may at his option cancel this contract and be released from all obligations in law and in equity to convey said property, and Buyer shall thereupon be deemed to have waived all rights thereto and all moneys theretofore paid under this contract shall be deemed payments to seller for the execution of this Agreement and for the rental of premises. Notwithstanding the foregoing, Seller shall not cancel any delinquent contract until not less than 45 days after having mailed written notice to Buyer's address of his intent to do so, thereby affording Buyer at least 45 days grace period in which to cure any default.

SELLER, on receiving full payments at the times and in the manner herein provided, agrees to deliver a policy of title insurance showing title to be vested in Buyer free of encumbrances, except subject to easements of record, rights of way, covenants, conditions, reservations, restrictions, and exceptions of record, and to execute and deliver to Buyer a good and sufficient deed to the premises herein described.

Buyer and Seller agreed that Buyer may go ahead and pay unpaid taxes, if any, and deduct amount paid from the principal balance.

IN WITNESS WHEREOF, said parties have hereunto affixed their signatures the day and year, first above written.

Pacific Service Corporation
W. V. Tropp

Charles T. Reynolds
 Charles T. Reynolds

RECORD AND RETURN TO BUYER AT ABOVE ADDRESS

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of _____ the 12th day
 of August A.D., 19 86 at 11:48 o'clock A M., and duly recorded in Vol. W86
 of _____ Deeds on Page 14215

FEE \$5.00

Evelyn Biehn, County Clerk
 By Pam Smith