

THIS CONTRACT, Made this 11 day of November Vol. 188 Page 21089
Robert C. Johnson, DBA Alberni Development Company, 19 86, between
(and) John D. Patterson and Cheryl A. Patterson, his wife

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 de- scribed lands and premises situated in Klamath County, State of Oregon, to-wit:

A portion of the S1/4SE1/4 and a portion of the North 16.88 feet of the S1/4SE1/4 that is lying East of the Easterly right of way line of the Malin-Bonanza Road in Section 24, Township 40 South, Range 11 East of the Willamette Meridian. Reserving unto Seller an easement for road and utility and ingress and egress along, and adjacent to, the Southerly line of the above described property.

Tax Lot #R 4011 02400 01000 for the sum of Twenty Five Thousand Five Hundred Sixteen Dollars (\$ 25,516.66)

(hereinafter called the purchase price) on account of which Two Hundred Fifty and 00/100 Dollars (\$ 250.00) is paid on the execution hereof (the receipt of which hereby is acknowledged by the seller), and the remainder to be paid at the times and in amounts as follows, to-wit: The unpaid balance of \$25,266.66 to be payable in Monthly installments of \$175.00, or more, including 4 1/2% interest per annum. Interest to begin November 15, 1986 and the first payment to be due December 10 1986, and on the 10th day of each month thereafter. See Attachment "A" for Special Instructions.

All of said purchase price may be paid at any time; all deferred balances shall bear interest at the rate of 4 1/2% monthly until paid; interest to be paid monthly and * 4 1/2% per cent per annum from November 15, 1986 being included in the minimum reg- ular payments above required. Taxes on said premises for the current tax year shall be prorated between the parties hereto as of this date.

The buyer warrants to and covenants with the seller that the real property described in this contract is (A) primarily for buyer's personal, family, household or agricultural uses, 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 buildings on said premises, now or hereafter erected, in good condition and repair and will not suffer or permit any waste or strip thereof; that he will keep said premises free from mechanic's and all other liens and save the seller harmless therefrom 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 \$ 0.00 in a company or companies satisfactory to the seller, with loss payable first to the seller and then to the buyer as their respective interests may appear; and all policies of insurance to be delivered as soon as insured to the escrow agent hereinafter named. Now if the buyer shall fail to pay any such taxes, costs, water rents, taxes, 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 from the buyer's breach of contract.

The seller has exhibited unto the buyer a title insurance policy insuring marketable title in and to said premises in the seller; seller's title has been examined by the buyer and is accepted and approved by him. Contemporaneously herewith, the seller has executed a good and sufficient deed (the form of which hereby is approved by the buyer) conveying the above described real estate in fee simple unto the buyer, his heirs and assigns, free and clear of incumbrances as of the date hereof, excepting the easements, building and other restrictions now of record, if any, and buyer has agreed to assume and pay existing back taxes.

and has placed said deed, together with an executed copy of this contract, in escrow with Mountain Title Company, Klamath Falls, OR. upon the payment of the purchase price and full compliance by the buyer with the terms of this agreement. The buyer agrees to pay the balance of said purchase price and the respective installments thereof, promptly at the times provided therefor, to the said escrow agent for the use and benefit of the seller. The escrow fee of the escrow agent shall be paid by the seller.

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 declare the whole unpaid principal bal- ance of said purchase price with the interest thereon at once due and payable, (3) to withdraw said deed and 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 acquired by the buyer hereunder shall utterly cease and determine and the right to the possession of the premises above described and all other rights fully 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 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 true and actual consideration paid for this transfer, stated in terms of dollars, is \$ 25,516.66. However, the actual consideration consists of or includes other property or value given or promised which is the whole consideration. (Indicate which) (1) In case suit is instituted to foreclose this contract or to enforce any provision hereof, the buyer agrees to pay such sum as the trial court may adjudge reasonable as attorney's fees to be allowed plaintiff in said suit and if an appeal is taken from any judgment or decree of such trial court, the buyer further promises to pay such sum as the appellate court shall adjudge reasonable as plaintiff's attorney's fees on such appeal. (2) 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 re- spective heirs, executors, administrators, 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.

John D. Patterson
Cheryl A. Patterson
Robert C. Johnson

NOTE: The sentence between the sym- bols (A) and (B) is not applicable. Deleted; see Oregon Revised Statute Section 93.030. (Notarial acknowledgment on reverse).

"ATTACHMENT A"

21091

The full unpaid balance of this Contract shall be due and payable on November 15, 1991.

However, the Seller named in this Contract hereby grants the Purchasers the option to renew said Contract for an additional five (5) years with the rate of interest being increased to Eight (8) per cent per annum. The Contract to be all due and payable on November 15, 1996.

However, the Seller named in this Contract hereby grants the Purchasers an additional option to renew this said Contract for an additional ten (10) years with the rate of interest being adjusted to that rate of interest being charged by the U. S. National Bank of Oregon for their 90% Real Estate Loans at that time. The monthly payment to be adjusted accordingly. This Contract will be all due and payable November 15, 2006.

Seller will be responsible to notify Mountain Title Company of any changes.

Initial

JSP
CAF
leg

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of _____
of _____ November _____ A.D., 19 86 at 8:40 o'clock _____ A M., and duly recorded in Vol. M86
of _____ Deeds _____ on Page 21089

FEE \$13.00

Evelyn Biehn, _____ County Clerk
By _____