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Aspen 31744

AGREEMENT TO CONVEY IN LIEU OF EXECUTION ON JUDGMENT

THIS AGREEMENT made and entered on the date below signed by and between DONALD J. LEGGET and ELIDA LEGGET, husband and wife, hereinafter referred to as judgment debtors, and EC Company, an Oregon corporation, formerly known as Electrical Construction Co., Inc., an Oregon corporation, formerly doing business as East Side Electric, Inc., hereinafter referred to judgment creditor, subject to the terms, conditions and covenants which follow.

1. Subject Matter. DONALD J. LEGGET and ELIDA LEGGET, husband and wife, acknowledge that they are judgment debtors under the judgment referenced below in paragraph 4B., that they have no valid defense to said claims, that they remain unsatisfied in whole and that sums are presently due thereon. Judgment creditor acknowledges it is the holder in due course of the judgment referenced below and that it has full capacity and authority, either individually, or in corporate form to release and to satisfy the same. By this agreement, judgment creditor and judgment debtors hereby desire the orderly liquidation of the debt and payment thereof.

2. Agreement. In compromise thereof judgment creditor and judgment debtors agree:

a. That judgment creditor will satisfy its judgment against judgment debtors.

b. Judgment debtors agree to convey real property in the subdivision in lieu of execution on the judgment.

3. Consideration.

A. Judgment debtors and judgment creditor acknowledges that judgment debtors are indebted to judgment creditor in the principal sum plus accrued interest and costs reflected by the judgment. Judgment debtors acknowledge that said sums are reasonable and lawfully due, that judgment debtors have no defense to the payment thereon. Judgment creditor acknowledges that they shall accept as payment in full the following described real property: Block 5, Lot 3; Block 4, Lot 7 of Bella Vista Subdivision Tract 1235, in the County of Klamath, State of Oregon, which property shall be conveyed by judgment debtors to judgment creditor by good and sufficient warranty deed subject to the following exceptions.

- 1) Klamath County real property taxes as assessed which may remain a judgment thereon.
- 2) Deed conditions and restrictions entered on the 14th day of August, 1987, volume M87, page 14651, of the Klamath County Deed Records.
- 3) Easements of records and those apparent on the land.

B. As and for further consideration judgment creditor covenants and agrees to satisfy in full the below entitled judgment against Donald J. Legget and Elida Legget, husband and wife, to be done concurrently with the transfer of title of the subject property.

4. Conditions Precedent. The parties acknowledge that as a condition precedent the closing of this transaction judgment debtors must:

A. Obtain the issuance by the State of Oregon, Department of Commerce, Subdivision Section, a Public Report as required by ORS 42.305 et seq.

B. Clear the following judgments:

1) A judgment in favor of East Side Electric and against Shasta Wood Products, Donald J. Legget, in the amount of \$9,036.34 entered on the 10th day of April, 1981, book 35, page 633, line 3, of the Klamath County Judgment Records, subordinated by trust deed recorded August 17, 1984, in book M84, page 14242, and by subordination agreement dated December 13, 1983, recorded August 17, 1984, in book M84, page 14212;

2) A judgment in favor of Western Bank and against Donald J. Legget, in the amount of \$9,063.00 entered on the 25th day of January, 1982, book 37, page 381, line 2, of the Klamath County Judgment Records, subordinated by trust deed recorded August 17, 1984, in book M84, page 14242; and by subordination agreement dated December 13, 1983, recorded August 17, 1984, in book M84, page 14212;

3) A judgment in favor of Western Bank and against Donald J. Legget, in the amount of \$2,173.50 entered on the 5th day of January, 1983, book 37, page 547, line 2, of the Klamath County Judgment Records, subordinated by trust deed recorded August 17, 1984, in book M84, page 14242; and by subordination agreement

dated August 9, 1984, recorded August 17, 1984, in book M84, page 14208;

4) A judgment in favor of Riverside Engineering, and against Donald J. Legget, Case No. 85-528-CV, in the amount of \$36,028.04 plus service charge of 2 percent per month from January 1, 1985, until paid.

5) Lien and suit for foreclosure of construction lien in the cause entitled John VanMeter and Larry DeSpain, dba VanMeter and DeSpain, Well Drilling v. Donald J. Legget and Elida Legget, husband and wife, Case No. 85-572-CV, filed September 6, 1985.

5. Time of Closing. The parties hereto acknowledge and in consideration of the efforts being made by debtors to effect closing of the above, this agreement shall be irrevocable to and including October 30, 1987, after which creditor's acceptance shall remain effective until and unless revoked by written notice received by debtors through their attorney Bradford J. Aspell, Aspell & Della-Rose, Attorneys at Law, 122 South Fifth Street, Suite 100, Klamath Falls, Oregon 97601.

6. Subdivision Report. It is further expressly agreed and understood by the parties hereto that notwithstanding creditors' interest in the subject real property arising out of security interest retained in the lot to be conveyed, creditor shall not be deemed a "subdivider" pursuant to ORS 92.305(13) and that creditor's rights therein shall remain subject to ORS 92.405, and the rights of disclosure thereunder, notwithstanding the fact that creditor herein:

A. Will not be acquiring the property for purposes other than resale.

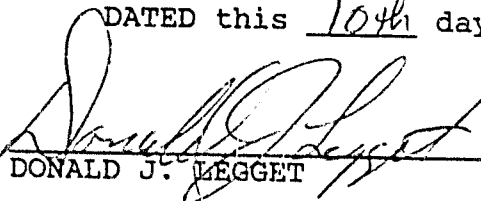
B. Will not be relying upon any disclosures contained therein other than the approval of the offering by the State of Oregon.


7. Costs and Disbursements. Judgment creditor herein covenant and agree that all costs associated with recording of the warranty deed to creditor herein and costs of the escrow necessary to close this transactions. The costs related to title insurance if requested, shall be assumed and paid by judgment creditor herein.

8. Attorney's Fees. In the event suit or action is instituted to enforce any of the terms of this agreement, the prevailing party shall be entitled to recover from the other party such sum as the Court may adjudge reasonable as attorney's fees at trial or on appeal of such suit or action, in addition to all other sums provided by law.

IN WITNESS WHEREOF, the parties have caused this agreement to be executed in duplicate.

DATED this 10th day of March, 1988.


DONALD J. LEGGET


ELIDA LEGGET

STATE OF OREGON)
County of Klamath) ss:

5899

Personally appeared before me the above named individuals,
DONALD J. LEGGET and ELIDA LEGGET, husband and wife, and
acknowledged the foregoing to be their voluntary act and deed.

Marlene J. Addington
NOTARY PUBLIC FOR OREGON
My Commission Expires: 3-22-89

APPROVED AND ACCEPTED:

BY: Donald J. Legget
Donald J. Legget Esq.
Donald J. Legget

EC COMPANY,
an Oregon corporation

By: Robert S. Ball
ROBERT S. BALL
Corporate Secretary

STATE OF OREGON)
County of Multnomah) ss:

Personally appeared before me the above named creditor,
ROBERT S. BALL, Corporate Secretary for EC COMPANY, and acknowledged
the foregoing to be its voluntary act and deed.

Shanna Benedict
NOTARY PUBLIC FOR OREGON
My Commission Expires: 9-12-89



STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Aspen Title & Escrow the 15th day
of April A.D. 19 88 at 4:15 o'clock P.M., and duly recorded in Vol. M88
of County Liens Docket on Page 5894

FEE \$30.00

Evelyn Biehn, County Clerk
By Shanna Benedict

Aspen