

This Agreement, made and entered into this 28th day of October, 1988 by and between LOUISE F. BORTON, hereinafter called the vendor, and JOHN W. KRAPP, hereinafter called the vendee.

hereinafter called the vendee.

WITNESSETH

The Vendor agrees to sell to the vendee and the vendee agrees to buy from the vendor all of the following described property, situate in Klamath County, State of Oregon, to-wit:

Lots 4, 5, 9 and the N 1/2 of Lot 8, Block 22, CHELSEA ADDITION TO THE CITY OF KLAMATH FALLS, in the County of Klamath, State of Oregon.

SUBJECT TO: Taxes for 1988-89, which are now a lien but not yet payable; Regulations, including levies, liens and utility assessments of the City of Klamath Falls; Conditions, Restrictions as shown on the recorded plat of Chelsea Addition to the City of Klamath Falls; Preliminary assessment for Sewer lien in the approximate amount of \$2,999.10, per City of Klamath Falls, which assessment vendee assumes and agrees to pay; Easements and rights of way of record and those apparent on the land, if any;

at and for a price of \$ 16,000.00

payable as follows, to-wit:

of this agreement, the receipt of which is hereby acknowledged; \$14,500.00 at the time of the execution per annum from November 2, 1988 with interest at the rate of 10 1/2 % month, inclusive of interest, the first installment to be paid on the 15th day of December 1988; and a further installment on the 15th day of every month thereafter until the entire balance, principal and interest, is due and payable. PROVIDED, HOWEVER, a balloon payment of \$1,700.00 is due and payable on June 15, 1989. The full unpaid balance of principal and interest shall be due and payable upon the sale or transfer of the Vendee's interest in the property. Vendee accepts the property in an AS IS condition.

All or any portion of the contract balance may be prepaid without penalty.

Vendee agrees to make said payments promptly on the dates above named to the order of the vendor, XXXXX at the Aspen Title & Escrow, Inc.,

Oregon; to keep said property at all times in as good condition as the same now are, that no improvement, now on or which may hereafter be placed on said property shall be removed or destroyed before the entire purchase price has been paid; and that said property will be kept insured in companies approved by vendor against loss or damage by fire in a sum not less than \$ full insurable value with loss payable to the parties as their respective interests may appear, said policy or policies of insurance to be held by vendee, copy to vendor, that vendee shall pay regularly and seasonably and before the same shall become subject to interest charges, all taxes, assessments, liens and incumbrances of whatsoever nature and kind.

and agrees not to suffer or permit any part of said property to become subject to any taxes, assessments, liens, charges or incumbrances whatsoever having precedence over rights of the vendor in and to said property. Vendee shall not cut or remove any timber on the premises without written consent of vendor. Vendee shall be entitled to the possession of said property immediately.

Vendor will on the execution hereof make and execute in favor of vendee good and sufficient warranty deed conveying a fee simple title to said property free and clear as of this date of all incumbrances whatsoever, except as above stated,

which vendee assumes, and will place said deed

together with one of these agreements in escrow at the Aspen Title & Escrow, Inc.,

at Klamath Falls, Oregon

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and shall enter into written escrow instruction in form satisfactory to said escrow holder, instructing said holder that when, and if, vendee shall have paid the balance of the purchase price in accordance with the terms and conditions of this contract, said escrow holder shall deliver said instruments to vendee, but that in case of default by vendee said escrow holder shall, on demand, surrender said instruments to vendor.

But in case vendee shall fail to make the payments aforesaid, or any of them, punctually and upon the strict terms and at the times above specified, or fail to keep any of the other terms or conditions of this agreement, time of payment and strict performance being declared to be the essence of this agreement, then vendor shall have the following rights: (1) To foreclose this contract by strict foreclosure in equity; (2) To declare the full unpaid balance immediately due and payable; (3) To specifically enforce the terms of the agreement by suit in equity; (4) To declare this contract null and void, and in any of such cases, except exercise of the right to specifically enforce this agreement, by suit in equity, all the right and interest hereby created or then existing in favor of vendee derived under this agreement shall utterly cease and determine, and the premises aforesaid shall revert and re-vest in vendor without any declaration of forfeiture or act of reentry, and without any other act by vendor to be performed and without any right of vendee of reclamation or compensation for money paid or for improvements made, as absolutely, fully and perfectly as if this agreement had never been made.

Should vendee, while in default, permit the premises to become vacant, Vendor may take possession of same for the purpose of protecting and preserving the property and his security interest therein, and in the event possession is so taken by vendor he shall not be deemed to have waived his right to exercise any of the foregoing rights.

And in case suit or action is instituted to foreclose or to enforce any of the provisions hereof, the prevailing party in such suit or action shall be entitled to receive from the other party his costs which shall include the reasonable cost of title report and title search, and such sum as the trial court and, or appellate court, if an appeal is taken, may adjudge reasonable as attorney's fees to be allowed the prevailing party in said suit or action, or appeal, if an appeal is taken.

Vendee further agrees that failure by vendor at any time to require performance by vendee of any provision hereof shall in no way affect vendor's right hereunder to enforce the same, nor shall any waiver by vendor of such 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.

In construing this contract, it is understood that vendor or the vendee 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, 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, the parties hereto and their respective heirs, executors, administrators and assigns.

**NOTE:** This instrument will now allow use of the property described in this instrument in violation of applicable land use laws and regulations. Before signing or accepting this instrument, the persons acquiring fee title to the property should check with the appropriate city or county planning department to verify approved uses.

Witness the hands of the parties the day and year first herein written.

LOUISE E. BORTON

JOHN W. KRAFF

By [Signature]  
her attorney-in-fact

STATE OF OREGON

County of Klamath

Oct. 28, 1988

Personally appeared the above named John W. Kraff

and acknowledged the foregoing instrument to be his act and deed.

Before me [Signature]  
Notary Public for Oregon

My commission expires: 7-23-89

Until a change is requested, all tax statements shall be sent to the following name and address:

John W. Kraff

State of Oregon, County of \_\_\_\_\_

I certify that the within instrument was received for record on the \_\_\_\_\_ day of \_\_\_\_\_ 19\_\_\_\_ at \_\_\_\_\_ o'clock \_\_\_\_\_ m and recorded in book \_\_\_\_\_ on page \_\_\_\_\_ Record of Deeds of said County.

Witness My Hand and Seal of County Affixed.

County Clerk - Recorder

Deputy

From the office of  
WILLIAM L. SISEMORE  
Attorney at Law  
First Federal Bldg.  
540 Main Street  
Klamath Falls, Ore.

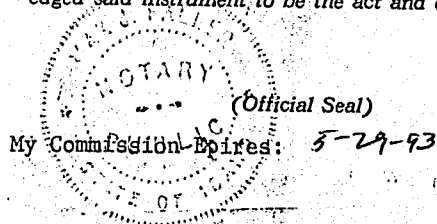
## FORM No. 159—ACKNOWLEDGMENT BY ATTORNEY-IN-FACT.

IDAHO  
STATE OF OREGON,County of Canyon } ss.On this the 2<sup>nd</sup> day of \_\_\_\_\_ November, 1988 personally appeared

AARON F. GRAY

who, being duly sworn (or affirmed), did say that ...he is the attorney in fact for... LOUISE F. BORTON

and that ...he executed the foregoing instrument by authority of and in behalf of said principal; and ...he acknowledged said instrument to be the act and deed of said principal.



Before me:

Max J. Faller

(Signature)

Notary Public for Idaho

(Title of Officer)

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Aspen Title Co. the 7th day  
 of Nov. A.D., 19 88 at 3:52 o'clock P.M., and duly recorded in Vol. M88  
 of Deeds on Page 18863.

FEE \$18.00

Return: A.T.C.

Evelyn Biehn - County Clerk

By Evelyn Biehn