

THIS AGREEMENT, made and executed in duplicate this 13th day of August, 1966, between Donald G. Smith & Dorothy M. Smith, a Corporation, having its principal place of business at Van Nuys, California, hereinafter designated as "SELLER," and Raymond Schmidt, Neillie C. Schmidt, husband & wife joint tenants of 8081 Larson, Yardley Grove, hereinafter designated as "BUYER,"

WITNESSETH:

That the Seller, in consideration of the covenants and agreements hereinafter contained, to be the first performed as a condition precedent by the Buyer, agrees to sell and convey unto the said Buyer, and the said Buyer agrees to buy, that certain real property in the County of Franklin, State of Oregon, described as follows, to-wit:

The South 1/2 of the North 1/2 of the South 1/2 of the SW 1/4 Section 19 - Town 34 South, Range 12 East, W. 1/2
Subject to 30' easement along the Easternly line for road -
Reserving 50% of all oil, gas & minerals as recorded in said
of record

Subject to: all of taxes and/or assessments for the fiscal year 1966-1967 and thereafter coming due and also subject to all conditions, restrictions, reservations, easements and/or rights of way of record affecting said property.

THE PURCHASE PRICE for which the Seller agrees to sell and the Buyer agrees to buy said property is the sum of Eighty Nine Hundred Ninety Dollars (\$8990.00), lawful money of the United States, which sum Buyer agrees to pay Seller at its main office, at Astoria, California, or at such other place or places as Seller may hereinafter from time to time designate, as follows:

One Hundred Dollars (\$100.00) in cash upon the execution and delivery of this Agreement, the receipt thereof being hereby duly acknowledged, and the balance of said sum in installments as follows:

Forty Dollars (\$40.00), or more on or before 10/15/66 and Forty Dollars (\$40.00), or more on or before 2/15/67 day of each and every calendar month thereafter, including (together with) interest on all deferred payments from 1/15/67 at the rate of 6 1/2% per cent per annum payable Monthly thereafter and continuing until the total purchase price is paid.

The Seller hereby warrants and agrees with right of entry upon, over, under, along, across, and through the said land for the purpose of erecting, constructing, operating, repairing and maintaining pole lines with cross arms for the transmission of electrical energy, and telephone lines, and for laying, repairing, operating and removing any pipe line or lines for water, gas or sewage, and any easement for electric or telephone wires, and reserving to the Seller the sole right to convey this right, hereby reserved.

Buyer agrees that any buildings or improvements now on the above described land, or hereafter erected on same, shall become a part of the real property, and Buyer agrees that he will not remove or cause to be removed, any improvements on said land, without the written consent of the Seller. No building or construction of any sort shall at any time be placed or constructed upon said property unless and until plans and specifications of such building or construction shall have been submitted to and approved in writing by Seller. Only one dwelling unit shall be used in any construction upon said property. No noxious or offensive factory, business or other use shall be carried on, on the said premises. No water closet, toilet or substitute thereof shall be maintained or permitted on said property unless so connected therewith as to discharge the contents thereof into an underground cesspool, septic tank or proper sewerage disposal system. A breach of any of said conditions or restrictions or re-entry by reason of such breach shall not defeat or render invalid the lien of any mortgage or deed of trust made in good faith or for value as to said property or any portion thereof.

In case of suit by Seller to enforce this contract Buyer agrees to pay reasonable attorney fees of Seller.

Buyer agrees to keep the buildings now or hereafter erected on said premises insured against loss by fire during the life of this agreement for an amount agreeable to the Seller.

Buyer agrees to pay before delinquency all State, County and/or municipal assessments, such as taxes, etc., after date of this contract.

The reservations and restrictions above set forth are hereby declared to be both covenants and conditions, and shall remain in force and be binding upon the parties hereto, their heirs, executors, administrators, successors in interest and assigns, and shall be and are covenants running with the land. Upon a breach of any of the foregoing conditions, said premises shall revert to the Seller, its successors and assigns, and said Seller shall have the right of immediate re-entry upon said premises.

The Buyer agrees not to transfer or assign this contract or any interest herein without the written consent of the Seller first having been secured to such proposed assignment. In case of default by Buyer, the latter agrees to pay Seller's usual reinstatement fee and collection charges.

It is mutually agreed that this agreement shall not be at any time or in any manner recorded in the office of the County Recorder of any County, and that in the event either party hereto shall record this agreement or cause the same to be recorded in the office of any county recorder, whether said recordation is regular and valid in all respects or not, then the other party hereto shall have the right to treat this agreement as wholly terminated and of no effect.

THAT TIME is of the essence of this agreement, and in event of failure by Buyer to comply with its terms, Seller shall be released from all obligations in law or equity to convey said property, and Buyer shall forfeit all rights thereto, and to moneys theretofore paid under this agreement, and Buyer's interest in or to said moneys or said property shall thereupon immediately cease as fully as if said money had never been paid or this agreement entered into, and in the event Buyer should then be in possession of said property, Seller shall thereupon be entitled to immediate possession thereof and shall have as full power to dispose of said property as if this agreement had never been made. Seller, on receiving such payments at the time and in the manner above mentioned agrees to execute and deliver to Buyer a good and sufficient deed, conveying said property, free of incumbrance, except as otherwise herein provided, but subject to the following:

- (1) Any lien or incumbrance, payment or discharge of which is, under the terms of this agreement, assumed by Buyer.
- (2) Any incumbrance or lien created or suffered by Buyer.
- (3) Covenants, conditions, restrictions, reservations, easements, rights and/or rights of way of record, affecting said property.

IN WITNESS WHEREOF, the Seller has caused its corporate name to be hereunto affixed by its duly authorized Agent, and the Buyer has executed the same, in duplicate, the day and year first above written.

Raymond Schmidt BUYER
Neillie C. Schmidt

Address: _____
 STATE OF OREGON: COUNTY OF KLAMATH: _____ ss. _____

Donald G. Smith SELLER
 Authorized Agent

Filed for record at request of Nellie Schmidt the 1st day of June A.D., 19 90 at 2:44 o'clock P.M., and duly recorded in Vol. M90 of _____ of _____ Deeds _____ on Page 10593.

FEE \$28.00

Evelyn Biehn - County Clerk
 By Pauline Mulvender

-ONLY COPY AVAILABLE-

90 JUN 1 PM 2 44

Return: Neillie Schmidt
 Rt. 1, Box 50A
 Bonanza, Or. 97623