

REAL PROPERTY CONTRACT

THIS AGREEMENT made and entered into this 18th day of June, 1990 by and between WILLIAM E. BAKER, hereinafter called the Vendor and Grantor, and LELAND W. SWINDLER, hereinafter called the Vendee and Grantee.

WITNESSETH:

Vendor agrees to sell to the Vendee and the Vendee agrees to buy from the Vendor all of the following described property situated in Klamath County, State of Oregon, to-wit:

The North 1/2 of Lot 11, Block 7 of Pleasant View Tracts according to the official plat thereof on file in the County Clerk's Office in Klamath County, Oregon;

SUBJECT TO THE FOLLOWING LAW:

"This Instrument will not 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 Person acquiring fee title to the property should check with the appropriate City or County Planning Department to verify approved uses." ORS 93.040; and

Also, subject to reservations, restrictions, easements and rights of way of record and those apparent on the land; at and for a price of \$14,500.00, payable as follows to-wit: There will be no down payment. The principal balance of \$14,500.00 with interest at the rate of 10.0% per annum from June 20, 1990 shall be payable in monthly installments of not less than \$175.00 per month, the first installment to be paid on the 20th day of July, 1990, and a further installment on the 20th day of every month thereafter until July 20, 2004 when the entire remaining principal and interest shall be due and payable. All payments shall be applied first to accrued interest and then to principal.

Vendee agrees to make said payments promptly on the dates set forth above to the order of the Vendor, at 4834 Larry Place, Klamath Falls, Oregon 97603; 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 the full insurable value of the property with loss payable to the parties as their respective interests may appear, said policy or policies of insurance to be held by 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 agree 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 be entitled to the possession of said property at the time of execution of this Agreement.

Vendor will make and execute in favor of Vendee a 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 those referred to above, and will deliver said deed to Vendee upon full payment of the principal balance and interest as provided above.

In the event 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 a forfeiture of this Contract as provided by law, said rights being cumulative and not exclusive.

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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 the foregoing rights.

In the event the within described property, or any part thereof, or any interest therein is sold, agreed to be sold, conveyed, assigned or alienated by the Vendee without first having obtained the written consent or approval of the Vendor, then, at the Vendor's option, all obligations secured by this instrument, irrespective of the maturity dates expressed therein, or herein, shall become immediately due and payable.

In the event suit or action is instituted to foreclose, rescind, forfeit the interest of a party or successor in interest or to otherwise 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 sums as the trial court and or appellate court, if on appeal is taken, may adjudge reasonable as attorney's fees to be allowed the prevailing party in said suit or action and 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 rights 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.

This Contract was prepared by William M. Ganong as Attorney for William E. Baker. Leland W. Swindler acknowledges that William M. Ganong does not represent him and that he had the ability to ask his independent legal advisor to review this Contract prior to the time they signed this contract.

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.

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

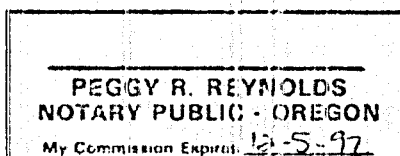
William E. Baker
WILLIAM E. BAKER

Leland W. Swindler
LELAND W. SWINDLER

STATE OF OREGON)
) SS
County of Klamath)

Personally appeared this 19th day of June, 1990 the above named William E. Baker, and acknowledged the foregoing instrument to be his voluntary act and deed.

(SEAL)



Before Me:

Peggy Reynolds
Notary Public for Oregon

STATE OF OREGON)
) SS
County of Klamath)

12321

Personally appeared this 19 day of June, 1990 the above named Leland W. Swindler and acknowledged the foregoing instrument to be his voluntary act and deed.

(SEAL)

PEGGY R. REYNOLDS
NOTARY PUBLIC - OREGON

My Commission Expires _____

Before Me:

Peggy R Reynolds
Notary Public for Oregon

12-5-92

Until a change is requested, all tax statements shall be sent to the following name and address: Leland W. Swindler, 1756 Etna, Klamath Falls, OR 97603.

After recording return to: William E. Baker, 4834 Larry Place, Klamath Falls, OR 97601.

STATE OF OREGON: COUNTY OF KLAMATH: SS.

Filed for record at request of Wm. Ganong the 22nd day
of June A.D., 19 90 at 11:07 o'clock AM., and duly recorded in Vol. M90
of Deeds on Page 12319.

FEE \$38.00

Evelyn Biehn . County Clerk

By Pauline Mullen